aspen HOLDINGS

Healthcare. We Care.

Integrated Report

2024

Navigation

Throughout our Integrated Report, we use the following icons to show the connectivity between our strategic objectives, our material matters and the value we create for our key stakeholders.

Our strategic objectives

Our strategic objectives provide the foundation for delivering on our strategy of creating long-term value for our stakeholders.

- To promote access to medicines through a differentiated portfolio of high quality, affordable medicines
- To optimise the strategic advantage of our integrated value chain
- To develop and retain a talented, agile and diverse workforce inspired to achieve operational excellence
- To be a good corporate citizen by conducting our business in a responsible, inclusive and sustainable way
- To create sustainable economic value for our stakeholders

Our material matters

Our material matters are factors that have the potential to impact, both positively and negatively, our ability to create and preserve value in the short, medium and long term.

- MM1 Patient focus
- MM2 Manufacturing capabilities
- MM3 Engaged people
- MM4 Organic growth and value-accretive acquisitions
- MM5 Business process optimisation and digital transformation
- MM6 Building trust
- MM7 Agility and resilience

Our key stakeholders

Our ongoing engagement with our key stakeholders enhances our relationship with them and improves our understanding of their needs, concerns and expectations.

- Communities in which we operate
- Employees and organised labour organisations
- Governments, competition authorities and pharmaceutical regulatory bodies
- Investors and funders
- Material contract manufacturing customers
- Patients, healthcare professionals and customers
- Suppliers, service providers, consultants and business partners

Navigation icons

- This icon directs you to further information in this report.
- This icon indicates further information, including our Integrated Report and Supplementary Documents, available online.
- This icon indicates links to additional online material, embedded in our electronic Integrated Report.

aspen HOLDINGS *Healthcare. We Care.*

Who we are

In this section:

Anaesthetic blow-fill seal production at Aspen Notre Dame de Bondeville

In June 2016, Aspen Global Incorporated concluded an agreement with AstraZeneca AB and AstraZeneca UK ("AstraZeneca") acquiring the exclusive rights to commercialise AstraZeneca's anaesthetics portfolio outside the United States of America ("USA").

To optimise this transaction, we built a 2 000m^2 sterile manufacturing facility at Aspen Notre Dame de Bondeville in France for the production of polyethylene and polypropylene blow-fill seal ("BFS") ampoules.

View this case study online.

Introducing our Integrated Report

Our commitment to sustainability

Delivered through our four sustainability pillars, our commitment is to create value for our stakeholders in a manner that is responsible, transparent and respects the rights of all.

Our sustainability framework prioritises eight of the 17 United Nations Sustainable Development Goals ("SDGs") for meaningful action we can contribute to

Aspen Pharmacare Holdings Limited ("the Company" or "Aspen" and, when referred to with inclusion of all its subsidiaries, "the Group") is a South African headquartered global specialty and branded pharmaceutical company listed on the JSE Limited ("JSE").

We are pleased to present our Integrated Report for the financial year ended 30 June 2024. This is our primary report to our stakeholders in which we aim to provide a balanced and accurate reflection of our strategy and business model, risks and opportunities, our performance as well as Aspen's future outlook in relation to material financial, environmental, social and governance issues.

Our Values

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

Innovation
We constantly search for better ways of doing things and are solution oriented.

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

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

Integrity
Our integrity is not negotiable.

Delivering value through our purpose

At Aspen, we believe everyone should have access to high quality, affordable medicines to live a healthy and fulfilled life.

Through our industry position as a global pharmaceutical company, with a relevant portfolio of medicines and strategic manufacturing capability, we contribute to furthering the World Health Organization's ("WHO's") goal of Universal Health Care Coverage and advancing the outcomes of the United Nations SDG 3 of "ensuring healthy lives and promoting well-being for all at all ages".

Aligned to our ethos ***Healthcare. We Care.*** we strive to improve the health and quality of life of patients while building trust, creating shared value and making a positive impact as a responsible corporate citizen.

Our vision

To deliver value to our stakeholders as a responsible corporate citizen that provides high quality, affordable medicines globally.

Our values

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

Our purpose

To improve the health and quality of life of patients.

Our approach to reporting

Our reporting suite

Our Integrated Report is aimed at providing a concise overview of how the Group creates and protects value while minimising the risk of value erosion over the short, medium and long term, in line with the International Financial Reporting Standards ("IFRS") Foundation International Integrated Reporting <IR> Framework. This report is supplemented by our various online publications as part of our financial, governance, sustainability, and Environmental, Social and Corporate Governance ("ESG") reporting. Together, our reporting suite seeks to meet the information needs of our investors as well as our other stakeholders, such as our employees, customers, regulators and society.

Integrated Report

Our primary report to our stakeholders in which we aim to provide a balanced and accurate reflection of our strategy and business model, risks and opportunities, our performance for the financial year ended 30 June 2024 as well as our future outlook.

This report is available online

Key regulatory and reporting frameworks

- IFRS Foundation International <IR> Framework
- International Financial Reporting Standards
- King IV Report on Corporate Governance™ ("King IV")
- JSE Listings Requirements
- South African Companies Act, No 71 of 2008 (as amended) ("the Companies Act")
- Global Reporting Initiative's ("GRI") Sustainability Reporting Standards

Annual Financial Statements

The Group's and the Company's audited statutory accounts (released on 2 October 2024). The Annual Financial Statements include the Statement of responsibility by the Board of Directors and the Directors' Report.

The financial statements are available online

Key regulatory and reporting frameworks

- IFRS
- JSE Listings Requirements
- Companies Act

Board Committee Reports

The reports of the Audit & Risk Committee and the Social & Ethics Committee are published as separate reports. The Remuneration & Nomination Committee's report is included in this report (refer to page 110).

These reports are available online

Key regulatory and reporting frameworks

- King IV
- JSE Listings Requirements
- Companies Act

Sustainability and Environmental, Social and Corporate Governance ("ESG") Data Supplement

This supplement is designed to provide our stakeholders with more data related to our sustainability and ESG performance and includes indices of disclosures against the GRI, SASB, TCFD, JSE Sustainability Disclosure Guidance, the UN Global Compact Principles and the UN SDGs.

This supplement is available online

Key regulatory and reporting frameworks

- GRI
- IFRS Foundation's Sustainability Accounting Standards Board ("SASB")
- Task Force on Climate-Related Financial Disclosures ("TCFD")
- JSE's Sustainability Disclosure Guidance
- United Nations Global Compact ("UN Global Compact") Communication on Progress reporting requirements.

Notice of Annual General Meeting

This notice includes relevant shareholder information, Notice of the Annual General Meeting to be held on 5 December 2024 and the proxy voting form.

This notice is available online

Key regulatory and reporting frameworks

- Companies Act

Reporting notes

The following aspects are highlighted with regard to financial information included in the Integrated Report:

Restatement of the Group segmental analysis

The Group has revised and refined its reportable segments to reflect the updated operating model which supports the Group's strategy for its Commercial Pharmaceuticals and Manufacturing businesses and aligns to the way in which the business is managed and reported on by the Chief Operating Decision Maker ("CODM"). The prior period comparatives have been restated to ensure analytical comparability. The updated business segments are set out below:

Commercial Pharmaceuticals

The Commercial Pharmaceuticals business segments were previously called Sterile Focus Brands and Regional Brands. In the current year, the updated segments are:

- Injectables – Sterile products in injectable form primarily administered in hospitals and also those prescribed and administered either by physicians or in a retail pharmacy environment. Principal therapeutic areas covered are anaesthetics, anticoagulants, antithrombotic agents, analgesics, and hormone replacement medicines.
- Over the counter ("OTC") – Products that do not require prescription and are primarily sold in the retail pharmacy and fast moving consumer goods ("FMCG") sectors, where brand recognition, marketing and communication with pharmacists are influential in consumers' product choices.
- Prescription – All other products which generally require a prescription from a healthcare professional ("HCP"). Primary therapeutic areas are anti-inflammatories, immunosuppressants, hypothyroidism, anti-gout, analgesics, and corticosteroids.

Manufacturing

The Finished dose form segment was previously FDF Sterile and FDF Other. In the current year, the updated business segments are:

- Active pharmaceutical ingredients ("APIs") – all API sales excluding heparin-based APIs
- Finished dose form ("FDF") – FDF products manufactured for third parties
- Heparin – Heparin-based API sales to third parties, including, where applicable, the Heparin-based API portion of FDF sales

Constant exchange rate

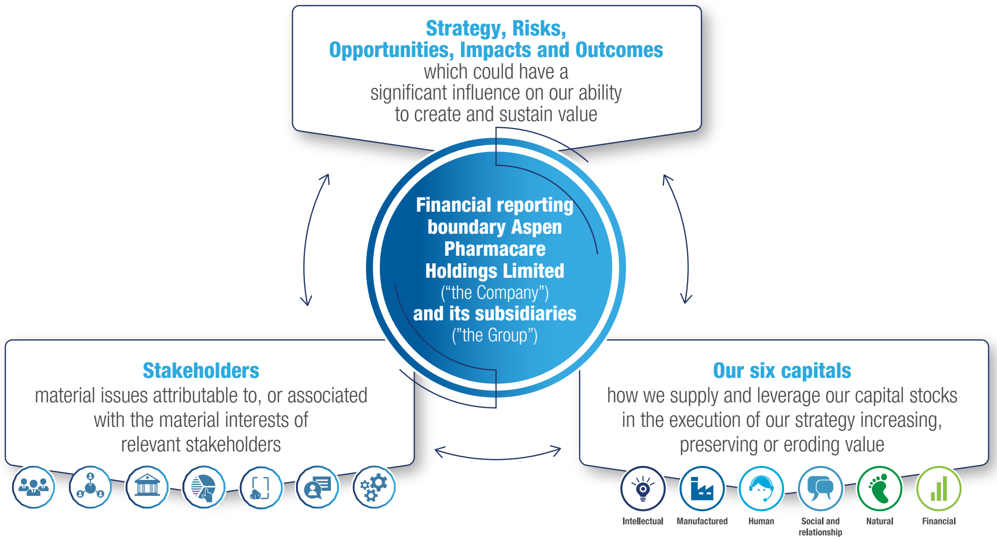
Due to the impact of relative movements in the exchange rate, the Group reports at constant exchange rates ("CER"), where appropriate.

Refer to the basis of accounting set out in the Annual Financial Statements online for further reporting notes relating to financial information included in this report.

Our approach to reporting continued

Report boundary and scope

This report covers the activities of Aspen and its operating subsidiaries. Financial and non-financial data from our subsidiaries are fully consolidated.



Reporting frameworks

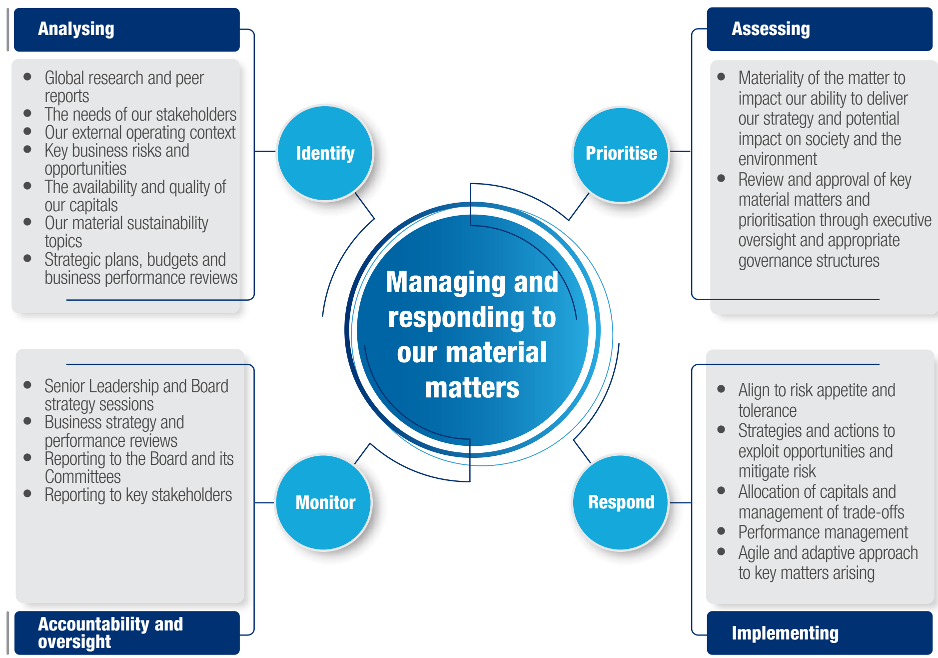
Our reporting process has been guided by the principles and requirements contained in the IFRS, the IFRS Foundation International <IR> Framework, King IV, the JSE Listings Requirements, the Companies Act and the GRI Sustainability Reporting Standards.

Our reporting is further informed by the IFRS Foundation's SASB, the TCFD reporting requirements, the JSE Sustainability Disclosure Guidance and the UN Global Compact Communication on Progress reporting requirements.

Materiality

We determine the information to include in this report through a materiality determination process. In assessing the matters that materially impact value creation, preservation or erosion over time, we have applied the concept of double materiality, looking beyond the financial reporting boundary to include matters that could materially impact our stakeholders and the environment, and to address the significant risks, opportunities and impacts associated with our activities over the short term (less than 12 months), medium term (one to three years) and long term (beyond three years). Since our material matters influence our strategy, our response to them is integrated into our business and resource planning, our risk and opportunity management and performance management processes. The Group Executive Committee reviews and approves these material matters as part of our strategic oversight and governance processes. In determining the information to include in this report, our overarching consideration is our responsibility to provide relevant and transparent reporting. In determining disclosure, we have applied our judgement to ensure that we do not disclose information that could place us at a disadvantage.

More information on our material matters can be found on page 11.



Our approach to reporting continued

Integrated risk management and combined assurance

We believe that an effective risk governance model contains checks and balances to support appropriate consideration of risk and opportunity management throughout the Group. We consider integrated risk management practices, supplemented by the combined assurance model, to be the optimal approach in facilitating a coordinated approach to risk management and governance. This model provides assurance that there are clearly defined risk ownership responsibilities with functionally independent levels of oversight and independent assurance (refer to page 46). It further provides assurance over the integrity of both internal and external information. The Audit & Risk Committee provides oversight of the combined assurance model and the outcome of assurance activities. No significant areas of overlap or assurance gaps have been identified and the levels of assurance were considered to be appropriate. The following assurance has been provided on specific disclosures in the Integrated Report and Supplementary Documents:

Assurance provider	Assurance provided
Ernst & Young Inc ("EY")	• Unqualified opinion on the Group and Company Annual Financial Statements (refer to page 9 of the Annual Financial Statements) • Agreed-upon procedures on selected financial key performance indicators ("KPIs") (page 42) • Reporting Accountant's Report on Illustrative CER, Normalised Earnings/ Headline earnings and Normalised EBITDA
Group Internal Audit function ("Internal Audit") assisted by external expert service providers, where appropriate	Assurance provided over: • Risk governance • Ethics governance • Information Technology ("IT") governance • Material business systems of internal control • Material financial systems of internal control • Selected KPIs (page 42)
IBIS Environmental Social Governance Consulting Africa (Pty) Ltd ("IBIS") online	• Assurance provided in accordance with AccountAbility's AA1000 Assurance Standard v3 (2020) (AA1000AS) – Type II moderate level requirements on whether Aspen adheres, in all material respects, to the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact • Selected KPIs (page 42)
Empowerdex	• Broad-Based Black Economic Empowerment ("B-BBEE") scorecard online

Forward looking statements

This report contains certain forward looking statements with respect to our future performance and prospects. While these statements represent our judgements and future expectations at the time of preparing this report, a number of emerging risks, uncertainties and other important factors could cause actual results to differ materially from our expectations. These include factors that could adversely affect our business and financial performance. Forward looking information is not audited. Refer to our disclaimer on the inside back cover.

Feedback and contact

We value feedback from our stakeholders and use it to ensure that we are reporting appropriately on the issues that are most relevant to them. Please use the online contact form on our website to provide us with any feedback you may have.

Board approval

The Board acknowledges its responsibility in ensuring the integrity of this Integrated Report. It has applied its collective mind to the preparation and presentation of this report. It has critically assessed the assurance obtained from Aspen's combined assurance model. It is satisfied that the model enables an effective internal control environment, which supports the integrity of the information used for internal decision-making by management, the Board and its Committees, as well as the integrity of the Integrated Report. The Board has also considered materiality for the purposes of the Integrated Report and the effect that the presence or absence of an item of information might have on the accuracy or validity of a statement in the Integrated Report, or on a stakeholder. Our overall objective with this Integrated Report is to provide information that could materially impact Aspen's creation, preservation and erosion of value over the short, medium and long term. The Board is of the view that, to the best of its knowledge and belief, our Integrated Report addresses matters material to our stakeholders' decision-making by explaining the impact of Aspen's value creation process over time and meets the principles outlined in the IFRS Foundation International <IR> Framework. It also takes into consideration the Group's impact on its stakeholders and the environment in which it operates.

This report was approved by the Board of Directors on 25 October 2024.

Stephen Saad
Executive Director
Group Chief Executive

Kuseni Dlamini
Independent non-executive, Chair

Themba Mkhwanazi
Independent non-executive

Sean Capazorio
Executive Director
Group Chief Financial Officer

Ben Kruger
Lead independent non-executive

Chris Mortimer
Non-executive

Reginald Haman
Executive Director
Group Chief Corporate Officer

Linda de Beer
Independent non-executive

Yvonne Muthien
Independent non-executive

Neo Dongwana
Independent non-executive

David Redfern
Non-executive

About Aspen

We are a global specialty and branded pharmaceutical company, committed to promoting access to medicines and improving the health of patients across the world through our high quality, affordable products. Active at every stage of the value chain, we are uniquely diversified by geography, product and manufacturing capability.

Our business segments

We focus on marketing and manufacturing a broad range of products covering both hospital and consumer channels through our key business segments.

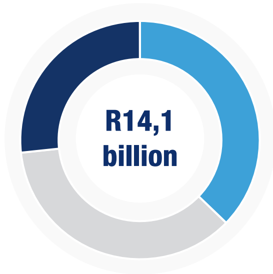
Commercial Pharmaceuticals

Commercial Pharmaceuticals includes three segments, namely Prescription, Over the counter ("OTC") and Injectables brands.

Prescription	37%
Over the counter	32%
Injectables	31%

68% of total revenue

Manufacturing



Manufacturing includes Active pharmaceutical ingredients ("API"), Finished dose form ("FDF") products manufactured for third parties and Heparin-based product sales to third parties.

Finished dose form	37%
Active pharmaceutical ingredients	36%
Heparin	27%

32% of total revenue

Total revenue
R44,7 billion

Our people

Our greatest strength is our diverse and talented team who work together every day, united in our purpose to improve the health and quality of life of patients.

More than
9 300
employees in 63 offices in some 46 countries and territories

48%

52%

Our global presence

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

64%
of Commercial Pharmaceuticals revenue is from emerging markets

Our manufacturing capabilities

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

24 **Facilities**

7 **Active pharmaceutical ingredient facilities**

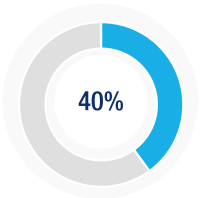
17 **Finished dose form facilities**

Our global presence is available online

Our manufacturing capabilities is available online

Our global presence

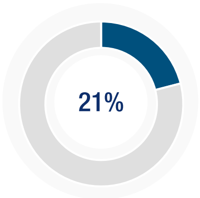
We supply medicines to more than 115 countries through 63 established offices in some 46 countries and territories.



Europe CIS**

R17 603 million

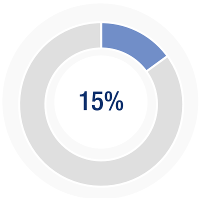
2 149 permanent employees*



Africa Middle East

R9 507 million

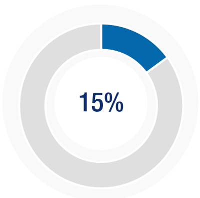
4 157 permanent employees*



Americas

R6 711 million

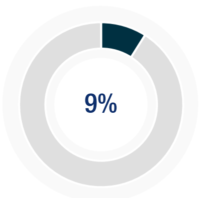
883 permanent employees*



Australasia

R 6 685 million

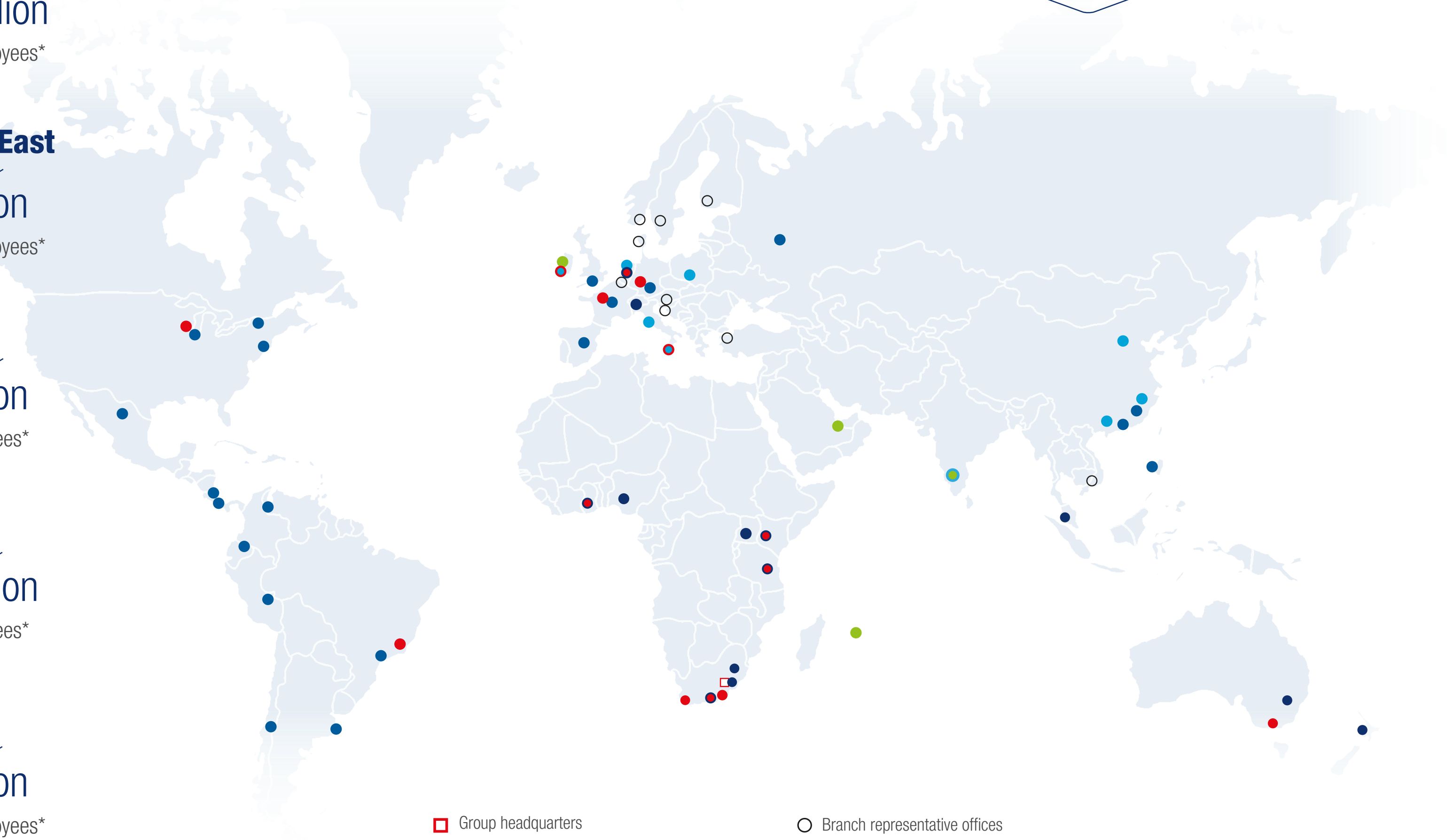
598 permanent employees*



Asia

R4 200 million

1 080 permanent employees*



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

Specific location details are provided online

* *Permanent employees exclude 483 temporary employees (2023: 549).*
** *The Commonwealth of Independent States, comprising Russia and the former Soviet Republics.*

Our investment case

Delivering quality and affordable medicines while responsibly enhancing stakeholder value

Committed management team aligned with shareholder interest

Decentralised in-country structures enable local teams to operate with entrepreneurial flair, creating value by applying local experience

12,9% Shareholding by executive directors

A purpose-driven strategy with the promotion of access to medicine at its core

Manufactured **225 million** COVID vaccines, signed an African vaccine access agreement with Serum Institute and a Human Insulin manufacturing agreement with Novo Nordisk A/S for Africa.

Supplied **210** medicines appearing on the Essential Medicines List to 60 low- to middle-income countries in FY2024

Consistent inclusion in the **FTSE/JSE Responsible Investment Index** since 2016 and member of the FTSE4GoodIndex

Commercial Pharmaceuticals: Branded post-patent product portfolios

Diverse product portfolio with strong brand equity supported by in-country commercial and sales employees

247 different product categories in the OTC portfolio

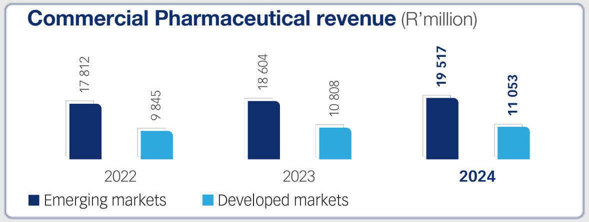
325 different product categories in the medical prescription (Rx) portfolio

101 product categories in the Injectables portfolio

1 675 commercial and sales employees in emerging markets

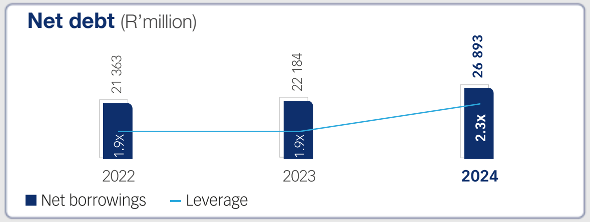
342 commercial and sales employees in developed markets

Commercial Pharmaceuticals portfolio supported by a global footprint, weighted towards emerging markets that benefit from economic and demographic growth fundamentals



Strong financial position with headroom to invest in the Commercial Pharmaceuticals portfolio, inherent to Portfolio management model – page 32

Leverage ratio below 3.5x covenant and below internal cap of 3x



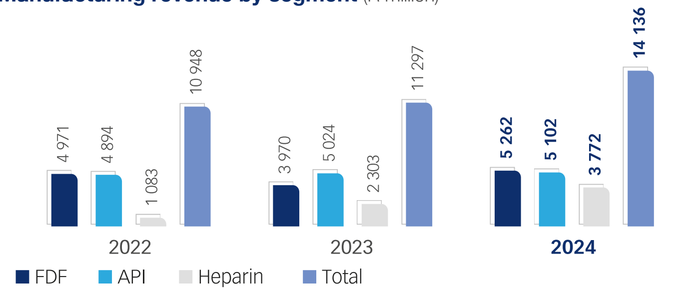
Our investment case continued

Delivering high quality and affordable medicines while enhancing stakeholder value responsibly

Manufacturing: Capacities for our own and third-party use

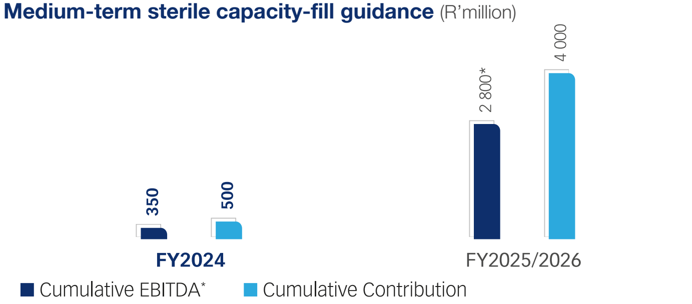
Widely accredited and compliant API and FDF manufacturing capabilities with increasing focus on complex sterile capacities

Manufacturing revenue by segment (R'million)



Strategically relevant manufacturing capacities to deliver accelerated growth

Medium-term sterile capacity-fill guidance (R'million)



* *Dependent on regulatory timelines.*

Sterile manufacturing capabilities

- Ampoules
- Blow-fill seals
- Polyamps
- Eye drops
- Lyophilized products
- Prefilled syringes
- Vials/ Cartridges

Sterile treatment classes and therapies

- Anaesthetics
- Diabetes/ GLP-1s
- Thrombosis
- Flu vaccines

Our value creation process

Our value creation process, which is driven by our purpose and vision, is an integral part of our Business Strategy. We leverage and apply our stock of capitals to deliver on our strategic objectives, optimising value creation and preservation for our stakeholders, while minimising value erosion.

How we create value

Governance

Our governance framework supports our value creation process, ensuring we make choices aligned with our purpose, vision, values and strategic objectives, while being transparent and accountable for our actions.

External operating context

The environment in which we operate impacts our ability to create sustainable value

page 34

Stakeholder relationships, needs and expectations

We have a broad range of stakeholders, often with competing interests and expectations, that participate in our shared value creation through a range of engagements and relationships

page 38

Risks and opportunities

An uncertain future presents risks and opportunities that impact the delivery of value to our stakeholders

page 46

Risk and opportunity management

Resource allocation and trade-offs

Performance management

Review and adapt

Business Strategy

Our Business Strategy outlines our plan of action to achieve short-, medium-, and long-term goals

page 42

Business model

Our differentiated business model and globally integrated value chain allow us to respond to the changing business context

page 28

Sustainability Strategy

Our sustainability pillars are the foundation on which our Sustainability Strategy is built and demonstrate our commitment to operate in a responsible way

page 45

An ethical culture | Sustainable value creation | Effective control and accountability | Trust and legitimacy

The value we create

The material matters we encounter create opportunity or restrict ability to create value

Identify – Prioritise – Respond – Monitor

Communities in which we operate
- Contribution to society through engagement with civil society and investment in socio-economic development ("SED")
- Responsible management of our impact on the environment

Employees and organised labour organisations
- Provision of employment as well as opportunities for growth and development in the geographic regions in which we operate
- A diverse and inclusive working environment, free of discrimination and harassment

Governments, competition authorities and pharmaceutical regulatory bodies
- Contribution to governments through taxes
- Contribute to effective healthcare systems through supply of essential medicines and by pharmaceutical regulatory compliance in the countries and territories in which we operate

Our investors and funders
- Sustainable returns to shareholders
- Servicing and repayment of debt

Our material contract manufacturing customers
- Reliable supply of products manufactured to required quality and regulatory standards
- Responsible and ethical business practices

Patients, healthcare professionals and customers
- Improved health and quality of life for patients who use our medicines
- Enhanced access to medicines through the provision of high quality, affordable treatment options and medicines to patients, HCPs and healthcare systems

Our suppliers, service providers, consultants and business partners
- Economic stimulus through procurement of goods and services
- Collaboration and partnering opportunities

Our material matters

Our material matters are factors that have the potential to impact, both positively and negatively, our ability to create and preserve value in the short, medium and long term. Managing our material matters could support or hinder our ability to execute our strategy and impact the quality of our relationships with our stakeholders.

Identifying our material matters is a Group-wide responsibility and all business units provide an assessment of key risks and opportunities in the environment in which we operate as well as feedback on the key matters arising from their interactions with our various stakeholders. In addition, certain formal processes within the Group are implemented to identify and assess potential material matters. These matters influence our strategy and are integrated into our business and resource planning, risk and opportunity management and performance management processes. Our Group Executive Committee, supported by the work performed in its various subcommittees, assesses and prioritises these matters and ensures appropriate action is taken to respond to them. This could include adjustments to strategy, as well as resource and capital allocation. Governance oversight of material matters and our response thereto is provided by the Board, most usually through its relevant Committees.

Our material matters determination process identified seven key material matters. All these matters are material to the business and the numbering does not reflect the relative importance of each matter.

We have presented these material matters early in this report so that readers can identify these matters and our discussions of our response as referenced throughout this report. To aid navigation, we have provided linkages to the relevant risks and opportunities, sustainability material topics, stakeholders and capitals as well as the related strategic objective where more information can be found.

Patient focus

MM1

We believe that Aspen's long-term sustainability and success will be delivered through a strategy that puts our purpose at its centre – to improve the health and quality of life of patients. Our medicines reach patients in more than 115 countries and territories. Our investment in our sterile manufacturing capacity and our complex manufacturing (including vaccine) technical know-how has successfully positioned Aspen to play an important role in addressing health security needs for Africa and globally. A strong sense of purpose unites us as we work toward a common goal in everything we do – to promote access to medicines through a differentiated portfolio of high quality, affordable medicines to the patients who need them.

Related risks and opportunities

- Continuity of supply
- Delivery of pipeline and new products
- Execution of our business strategies
- Patient safety and product quality

Related sustainability material topics

- Access to medicines
- Patient safety
- Reliable supply of high quality products
- Responsible product portfolio

Related stakeholders

Related capitals

Related strategic objectives

Manufacturing capabilities

MM2

The continued investment in our manufacturing capabilities, aimed at delivering flexible and scalable manufacturing and enhanced operational synergies, is a key enabler in supporting our purpose of improving the health and quality of life of patients. We have made significant strategic investments in our sterile manufacturing capacity, and optimally filling this capacity is a key lever for earnings growth and enhanced returns on invested capital.

Related risks and opportunities

- Continuity of supply
- Execution of our business strategies
- Patient safety and product quality

Related sustainability material topics

- Reliable supply of high quality products

Related stakeholders

Related capitals

Related strategic objectives

Our material matters continued

Engaged people

MM3

Delivery of our strategy is dependent on appropriately skilled and motivated people. We need to foster a culture that supports adaptability and innovation as well as leveraging the strength of diversification and inclusion. We compete to attract and retain top skills and diverse talent. The dynamics of the evolving world of work in terms of flexible work models, increasing concern for mental well-being and digital skills adaption are issues we are navigating as we create a workforce for the future.

Related risks and opportunities

- Attraction, development, well-being and retention of employees

Related sustainability material topics

- Employee health and safety
- Employee well-being
- Labour rights
- Diversity, equity and inclusion
- Workforce development
- Fair compensation

Related stakeholder

Related capitals

Related strategic objective

Organic growth and value-accretive acquisitions

MM4

Achieving organic growth in our core business, complemented by value-accretive acquisitions, underpins our business model and is fundamental to providing sustainable returns for our shareholders, funders, business partners and employees. Enabled by our reshaped product portfolio, our presence in territories with strong demographic growth and our focus on cost and working capital optimisation, we generate sustainable cash flows to fund our operations and future growth.

Related risks and opportunities

- Delivery of pipeline and new products
- Execution of our business strategies
- External macro factors
- Realising expected benefits from acquisitions and divestments

Related sustainability material topics

- Access to medicines
- Economic value generated and distributed

Related stakeholders

Related capitals

Related strategic objectives

Business process optimisation and digital transformation

MM5

In an increasingly interconnected and data-driven world, digital transformation is fundamentally shifting the way we do business. We are compelled to continually review the effectiveness of our operating model, the efficiency of our business processes and the optimisation of our digital capability. To remain relevant on a global stage, we continually invest in transformative initiatives to fully leverage the productivity and operational efficiency opportunities offered by digital technologies.

Related risks and opportunities

- Digital transformation and information security

Related sustainability material topics

- Information and data governance

Related stakeholders

Related capitals

Related strategic objectives

Our material matters continued

Building trust

MM6

We recognise that there are inseparable linkages between achieving sustainable growth, our relationships with our key stakeholders and our contribution to society in the broader context. Being a responsible corporate citizen is more than a compliance requirement. The Group's sustainability commitments remain a cornerstone of our Business Strategy and our delivery on these are fundamental to building credibility and trust, underpinning our social licence to operate.

Related risks and opportunities

- Attraction, development, well-being and retention of employees
- Environmental sustainability, including climate action
- Ethical conduct and stakeholder relationships
- Legislation, regulation and compliance

Related sustainability material topics

- All

Related stakeholders

Related capitals

Related strategic objectives

Agility and resilience

MM7

Our operating environment is changing rapidly and we are subject to external shocks that can be difficult to predict. Thriving in an uncertain and volatile operating environment requires agile decision-making and a focus on building resilience in our people and in our business.

Related risks and opportunities

- Attraction, development, well-being and retention of employees
- Continuity of supply
- Digital transformation and information security
- Environmental sustainability, including climate action
- Execution of our business strategies
- External macro factors
- Legislation, regulation and compliance

Related sustainability material topics

- Reliable supply of high quality products
- Employee health and safety
- Responsible supply chain management
- Climate change and greenhouse gas ("GHG") emissions

Related stakeholders

Related capitals

Related strategic objectives

Leadership reviews

In this section:

Increased adoption of renewable energy across the Group

Over the past five years, we have successfully reduced our overall carbon emissions by 28,4%, largely due to an increased usage of renewable energy across the Group.

As of FY2024, our renewable electricity consumption has increased to 18% (2023: 11%).

Our facilities in Oss and Boxtel in the Netherlands have made significant progress in sustainability, reducing Scope 2 emissions to zero tCO_2e in FY2024 through the purchase of 100% renewable green electricity.

View this case study online.

Chair's review

At Aspen, we are focused on **delivering our Purpose, while creating positive, long-term value for our stakeholders and society** as a whole.

The Group is well on its way to realising its ambitions to deliver growth and generate stronger shareholder returns.

Kuseni Dlamini
Chair

A purpose-driven strategy

Every day, our medicines contribute to improving health and making life better for patients in over 115 countries. At Aspen, our Purpose guides and motivates our decisions and actions as we position the Group as a global pharmaceutical company, delivering enduring value for our stakeholders. Our commitment to increasing access to high quality, affordable medicines and reducing patient inequality forms the foundation of our strategy.

Through strategic acquisitions and divestments, we continue to refine our product portfolio to serve diverse patient populations and ensure sustainable growth. Our agreements with Eli Lilly Export S.A. ("Lilly") for Southern Africa, Viatris Inc ("Viatris") for Latin America and Sandoz AG ("Sandoz") for China have expanded our presence in these emerging markets, while securing access for patients to pipeline therapies from these companies.

Our investments in expanding our sterile manufacturing capacity, a critical enabler for enhancing access to medicines, have progressed positively. Successful transfers of manufacturing contracts into our facilities have cemented Aspen's reputation as a reliable partner of choice for multinational pharmaceutical companies.

Looking forward, we see significant opportunities in both our Commercial and Manufacturing segments, including entering the rapidly growing glucagon-like peptide-1 ("GLP-1") market for breakthrough diabetes and obesity treatments. We are confident in delivering growth and generating stronger shareholder returns.

Key features of 2024

Revenue increased by 10% (5% CER) to R44,7 billion

Record second half revenue performance with strong contributions from both Commercial Pharmaceuticals and Manufacturing.

See page 21

Sterile manufacturing agreements executed

Positive progress on the technical transfer and execution of strategic manufacturing agreements lay the foundation for returns on our sterile manufacturing platform.

See page 56

Increased dividend declared

A dividend of 359 cents (gross) per ordinary share declared, up 5% from 342 cents per share in the prior year.

See page 25

Sustainability strategy for meaningful action

Sustainability goals, measures and targets determined to galvanize sustainability strategy implementation.

See page 45

Chair's review continued

The pharmaceutical industry remains resilient in a turbulent global context

We operate in a turbulent global context marked by geopolitical uncertainties, rapid technological advancements, and shifting economic dynamics. The International Monetary Fund's latest outlook (October 2024) projects global growth of 3,2% for 2024 and 2025, during which time emerging markets and developing economies are expected to grow by 4,0%. This suggests some stabilisation, with global inflation gradually returning to target levels. However, downside risks remain, including escalating regional conflicts and a continuation of the trend towards protectionist policies that could impact global trade and investment flows.

The pharmaceutical industry, meanwhile, continues to outpace global growth projections. IQVIA estimates that the global medicine market, at invoice price levels, will grow at a compound annual growth rate of 5% to 8% through 2028, reaching approximately USD2,3 trillion. This growth is fuelled by scientific breakthroughs, regulatory shifts, and increasing healthcare demands. While demand for innovative therapies remains robust, the industry faces ongoing pressure to address drug pricing, ensure transparency, and build secure, resilient supply chains.

In response to this complex operating context, we are focused on maintaining our strategic position by enhancing operational resilience and flexibility while strengthening our partnerships, to ensure we remain competitive and responsive to the evolving landscape.

Group performance and shareholder returns

This year has seen significant achievements and milestones. Despite an uncertain global context, our focus on executing our strategy and pursuing value-accretive opportunities has resulted in solid results for FY2024 with a promising outlook for FY2025 and beyond. We have seen consistent growth across key countries and regions, supported by disciplined execution and resilience provided by our diversified portfolio. Streamlining operations and leveraging technology have improved productivity and operational efficiency. We are well-positioned to capitalise on emerging market opportunities and maintain momentum, supported by our solid foundation and forward-looking business strategy.

Reflecting this performance, and the Board's confidence in prospects for future growth and cash generation, a dividend of 359 cents per ordinary share was declared, an increase of 5% over the prior year, resulting in R1 602 million of retained income flowing to shareholders in September 2024.

A Sustainability Strategy to drive meaningful impact

Sustainability remains a cornerstone of our Business Strategy. We uphold the principles of the UN Global Compact as we aim to drive a positive impact in the SDGs that we have identified as being areas where we can make a difference. This year, we formalised our Sustainability Strategy and approved 16 sustainability goals, supported by milestones, measures and targets, for meaningful change. These goals span key areas such as patient access to medicines, environmental impact, social responsibility, and governance. Our priority sustainability goals and targets are presented alongside.

We engage with our investors, funders, customers and other stakeholders on environmental, social and governance issues and work towards achieving improved transparency in our communication and disclosures. We remain abreast of the rapidly changing regulatory environment impacting sustainability-related reporting, initiating EU Corporate Sustainability Reporting Directive ("CSRD") and IFRS Sustainability Standard readiness projects. We are proud to have retained our position in the Top 30 of the FTSE/JSE Responsible Investment Index and remain a constituent of the FTSE4Good Index. We are also pleased that our Integrated Report for 2023 was rated as "Excellent" in this year's EY Integrated Reporting Awards.

Our priority sustainability goals and targets

As part of our ongoing commitment to sustainable business practices, I am pleased to present our new sustainability goals and targets, which will guide our efforts in creating long-term value for both the Group and its stakeholders. Set out below are our four priority sustainability goals where we are driving Group-wide performance against the stated targets. We intend to report progress against these targets from FY2025 onwards.

Sustainability pillar

Sustainability pillar	Goal	Target
Patients	Improve the health and quality of life of millions of people by increasing access to our portfolio of affordable, quality medicines.	By FY2030, increase the number of patients reached (especially in emerging markets) with our critical medicines over the FY2024 baseline.
Our People	Achieve diversity and inclusivity in our workforce.	By FY2030, achieve gender balance in top management positions globally.
Society	Maintain high governance and ethical standards.	Each year, achieve 100% implementation of the Aspen Group ethics and compliance programme.
Environment	Reduce our carbon emissions in alignment with the goals of the Paris Agreement.	By FY2030, reduce absolute combined Scope 1 and 2 carbon emissions by 50% over the FY2020 baseline year. By 2050, achieve net-zero carbon emissions in our operations.

Note: Our Sustainability Strategy (page 45) covers 16 goals, all supported by measures, milestones and targets that will be monitored internally.

Chair's review continued

Ethical leadership

Over the past year, we have remained steadfast in our commitment to ethical leadership, the cornerstone of our corporate culture and decision-making processes. The Group's ethics programme, endorsed by the Group Chief Executive, and supported by the Group Ethics Committee (executive), receives close oversight from the Social & Ethics and the Audit & Risk Committees. This programme reinforces our values of integrity, transparency, and accountability at every level of the organisation, ensuring that our leaders serve as role models for ethical behaviour. Through robust governance frameworks, continuous ethical training, and a zero-tolerance policy for misconduct, we foster an environment where doing the right thing is paramount. Our focus on ethical leadership strengthens trust with our stakeholders and enhances our long-term reputation and resilience.

Keeping our people safe

Safety is our paramount priority, and keeping our people safe is an unremitting endeavour. We continue to focus on reinforcing a strong safety culture across our operations. Despite maintaining our health and safety incident rates within tolerance levels, we were deeply saddened by the loss of a team member in a motor vehicle accident while she was conducting sales activities in South Africa. We extend our deepest condolences to her family, friends, and colleagues.

A focus on governance

Sound corporate governance practices are vital for creating and sustaining shareholder value and ensuring that behaviour is ethical, legal, and transparent – thereby reducing the risk of value erosion. Our Board is committed to continuously improving our corporate governance principles, policies, and practices by remaining abreast of evolving regulations and best practices. In line with our pursuit of best-practice governance, we focus on the four governance outcomes as envisioned by King IV and believe that we apply the principles outlined by the Code. The Board has noted the changes to the Companies Act, particularly areas requiring more transparent reporting and enhanced engagement with shareholders. Work has commenced on bridging the gap in our current practices to ensure we are well-positioned to meet these regulations when they become effective.

The diversity and experience of the Board is vital to support the delivery of our strategy and to value creation. The Board's composition and maturity continues to improve, ensuring we have the relevant skills and experience for effective oversight. Following a vacancy, I was pleased to welcome Neo Dongwana as an independent non-executive director to the Board in March 2024. Neo's experience as a non-executive director will significantly contribute to the Board's deliberations. She will also serve as a member of the Audit & Risk Committee. In March 2024, Reginald Haman, the Group Chief Corporate Officer, was appointed as an Executive Director. As the executive leading the Group's governance, enablement and assurance functions, Reginald's strategic input will be invaluable. Raeesa Khan was appointed as the Group Company Secretary effective January 2024.

While our Board's experience and skill sets are largely appropriate, we recognise the need to bolster the Board with international pharmaceutical industry experience. The Remuneration & Nomination Committee is actively addressing this.

Key Board outcomes

- Oversight of the Group's overall strategic performance
- Approval of key transactions and contract manufacturing agreements
- Approval of dividends
- Approval of the Group's sustainability strategy, goals and targets
- Succession planning for key executives

See page 100

Poised for growth

Our business philosophy of "doing well by doing good" continues to drive both our success and our positive impact on society. This approach underscores our belief that long-term profitability and responsible business practices are mutually reinforcing. Despite a challenging socio-political and economic backdrop, we are confident that our strategic direction and our operational setup allow us to navigate the current market environment successfully. Our employees go above and beyond the call of duty every day in pursuit of our mission to provide high quality affordable medicines. Our talented and committed teams consistently demonstrate their ability to adapt, creating a resilient and high-performance business poised to seize emerging opportunities.

I extend my gratitude to Stephen, the executives, and our Aspen team worldwide for their dedication to our mission and values. I also thank my fellow directors for their wise counsel and unwavering diligence in executing our mandate. We remain grateful to our shareholders and other stakeholders for their ongoing engagement and support.

Kuseni Dlamini
Chair

Group Chief Executive's review

Performance in this financial year was a critical underwrite in determining our path forward. Our Commercial Pharmaceuticals business had to manage both the headwinds from Chinese volume-based procurement ("VBP") reductions, and the integration of regional transactions. In addition, our Manufacturing business had to deliver on the promise of a successful roll-out of sterile manufacturing contracts. **We have delivered on these key strategic objectives and set a solid foundation for our next period of growth.** Our entry into the GLP-1 market offers exciting future opportunities in this growing sector.

Stephen Saad
Group Chief Executive

A strong second-half performance sets the foundation for future growth

Despite challenges, including price decreases under China's national VBP programme, we delivered record revenue and normalised EBITDA in H2. Over the full year, we achieved a 10% revenue increase (5% CER) to R44,7 billion, with growth in Commercial Pharmaceuticals of 4% and Manufacturing recording a 25% revenue rise (16% CER), driven by our sterile FDF strategy and Heparin unwind.

Salient features of our performance, as detailed further in the Group Chief Financial Officer's review on page 21, are further expanded on in the Business segment overviews on pages 61 to 65.

De-risked Commercial Pharmaceuticals base business firmly on a growth trajectory

Our Commercial Pharmaceuticals base business is firmly on a growth trajectory, underpinned by a diversified product portfolio and broad geographic presence. The acquisition of Sandoz China is a strategic move toward building a larger, more diversified business in the region, while the successful integration of regional transactions in Latin America and South Africa strengthens our position in key growth markets. With a focus on organic growth and portfolio expansion, we are well-positioned to generate strong cash flows and further bolster our business.

Key features of 2024

Strategic acquisitions bolster our Commercial Pharmaceutical business

Strategic acquisitions in Commercial Pharmaceuticals de-risk our portfolio and broadens our emerging market footprint.

See page 55

Contributions from Sterile manufacturing contracts exceed guidance

Manufacturing delivers on the roll-out of strategic manufacturing contracts laying the foundation for our sterile capacity fill strategy.

See page 56

GLP-1 market entry presents opportunities for incremental growth

Manufacturing and commercial opportunities in the GLP-1 market are advancing positively.

See page 19

Focus on technology-enabled organisational effectiveness

Building an internal organisation that effectively supports the execution of our business strategy.

See page 70

Group Chief Executive's review continued

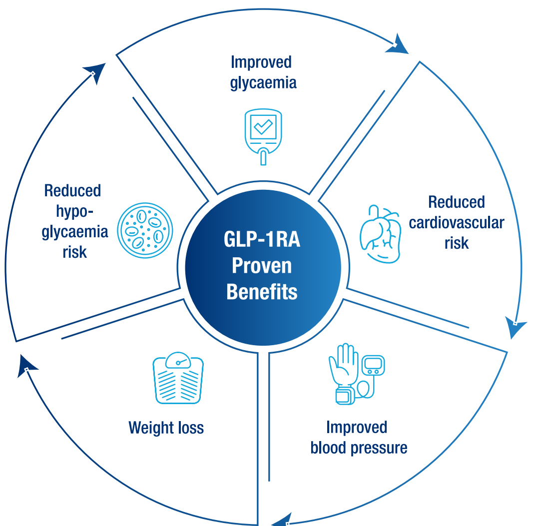
Sterile manufacturing contracts deliver higher-than-expected contribution in H2

The returns on the material capital investments we have made in our production sites is dependent on the relative capacity fill of our sterile manufacturing platform. Technical transfers at sites are progressing well, and we are on track with key projects, including the mRNA, Novo Nordisk and Serum Institute vaccines projects. The contribution from sterile manufacturing contracts exceeded expectations in H2, and additional capacity-fill opportunities, such as GLP-1s (covered below), are advancing steadily. Our transition to a more sustainable Heparin business model has resulted in elevated sales and reduced exposure to commodity cycles, with the potential for a further R1 billion reduction in working capital.

Aspen progressing into GLP-1s

We are also making headway into the GLP-1 space, one of the most promising opportunities in global pharma today. As a breakthrough treatment for diabetes and obesity, GLP-1s are in high demand. These sterile injectable products are complex to manufacture, and capacity globally is limited. The current market is characterised by treatments that are prohibitively expensive as well as severely supply-constrained. The innovators alone have insufficient capacity and global supply chains are stressed. As these products come off patent in some key markets, as early as CY2026, there is an exceptional opportunity to enter this market. We are pleased to have secured a license agreement for the IP of a GLP-1 product for these early patent expiration countries, which presents us with both commercial and manufacturing opportunities, covering both multi-dose pens and autoinjectors. Given the complexity of these products, securing this licence is a significant coup for Aspen, with the potential to unlock substantial value. The opportunity is not without risk given that market dynamics and regulatory timelines remain uncertain. However, we believe in our strategy of pursuing this market with an arrangement that provides us with both a return per unit manufactured as well as the opportunity for additional much higher incremental returns on commercial sales.

GLP-1 receptor agonist sales are forecast to increase fourfold to an estimated USD142 billion by 2030.



Source: GlobalData, 21 August 2024

Organisational effectiveness

Over the past year, we have continued to streamline our operations, building an internal organisation that effectively supports the execution of our business strategy. We have continued to invest in technology to drive effective decision-making and increased efficiency. A key step forward includes establishing our Technology Enabled Shared Services ("TESS") organisation. This shared services organisation will deliver value optimisation and enhanced governance and control, enabling the effective deployment of our Digital Transformation Strategy.

Advancing our Sustainability Strategy

We have made significant strides in advancing our Sustainability Strategy (refer page 45), reinforcing our commitment to access to medicines, environmental stewardship and social responsibility. We understand that sustainability is critical for our long-term business resilience. We have progressed the development of organisation-wide sustainability goals across our four sustainability pillars and are working at embedding these into our day-to-day operations. Each of these goals is supported by defined measures and targets to align performance for meaningful impact in the short and longer term.

We continue to work purposefully on building a relevant basket of medicines and vaccines and reaching more patients, with a focus on the most vulnerable. We have implemented several initiatives focused on reducing our carbon footprint, optimising resource efficiency, and promoting circular economy principles. Our investments in renewable energy and sustainable supply chains are yielding measurable results. We are dedicated to creating a working environment that celebrates diversity, supports personal growth, and fosters innovation. Moreover, we continue to engage stakeholders, from employees to local communities, ensuring that our sustainability goals align with broader societal expectations. As we move forward, sustainability remains central to our growth, creating value for both the business and future generations.

Strong short to medium-term prospects

The acquisition of Sandoz China will offset the VBP impact on our base business there, while we will benefit from the annualised revenue from the regional transactions in South Africa and Latin America. We expect growth in all Commercial Pharmaceutical segments and are targeting double-digit CER revenue growth in FY2025 driven by steady organic growth, boosted by product acquisitions and pipeline launches. Mounjaro® is a notable pipeline launch planned for South Africa in FY2025.

As our Manufacturing business moves beyond the build and technical transfer phases, it offers the opportunity for significant returns and cash flows. Focusing on high-volume filling and packaging contracts provides enhanced value and better controls over the sustainability of manufacturing. While the current off-take is weighted toward our Notre Dame de Bondeville site in France, our South African site in Gqeberha will provide impetus going forward, as key contracts, such as Novo and Serum vaccines, move into the commercial phase once regulatory approvals are received. The GLP-1 manufacturing opportunity, which provides for our factories in both South Africa and France to be the exclusive supplier to the licensor for GLP-1 volumes, will offer further momentum to our capacity-fill strategy.

Group Chief Executive's review continued

While Manufacturing revenue is expected to decline year-on-year in FY2025, impacted by the once-off benefit of heightened heparin sales which boosted performance in the current year, double-digit growth in FDF manufacturing, supported by increased sterile contribution, is anticipated. Following usual seasonal patterns, this will be weighted to H2 2025. We further expect that CER EBITDA will increase incrementally by some R2,5 billion over the FY2025 to FY2026 period, with timing dependent on South African regulatory approvals. The GLP-1 opportunity will be additive for both our Commercial Pharmaceuticals and Manufacturing segments and could begin to show returns from CY2026 onward.

We are well positioned to achieve accelerated earnings growth over the medium term, as we drive both organic growth and acquisitive growth in Commercial Pharmaceuticals, and realise the positive impacts from the initiation of the sterile manufacturing contracts.

A committed team, united in purpose

This year has been pivotal in the successful delivery of our corporate strategy, laying the groundwork for sustained growth and value creation. We remain focused on executing our strategic priorities, including rebalancing our product portfolio, driving organic growth, and filling our Sterile manufacturing capacity with value-accretive volumes. We have also driven operational efficiency and a disciplined approach to investment and resource allocation. This has yielded resilient financial performance, particularly in the second half of the year. Our commitment to agility has enabled us to respond effectively to changing market dynamics, opening exciting opportunities for Aspen.

As we continue this trajectory, I am confident that our strategy will enable us to capture new opportunities, enhance competitiveness, and deliver sustainable results for our shareholders and stakeholders. Rooted in our commitment to ethical leadership, and united by our shared purpose, I am supported by a driven leadership team and the collective contribution of the entire Aspen team.

I want to take this opportunity to extend my deepest gratitude to all our employees for their unwavering dedication, resilience, and hard work over the past year. Your commitment to excellence and your ability to adapt in the face of challenges has been truly inspiring. It is because of your passion, innovation, and collaboration that we have been able to achieve significant milestones and deliver stronger results. As we look to the future, I am confident that together we will continue to drive the Group forward and achieve even greater heights. Thank you for your continued contributions and for being the heart of our organisation.

I also thank the Board and the Executive Committee for their continued support and their valuable contributions and wisdom. My gratitude also extends to our shareholders and our many partners for your ongoing support as we continue delivering on our commitment to enhance equitable access to medicines, and positively impact the lives of patients across the world.

Performance expectations for FY2025

- Double-digit CER revenue growth in Commercial Pharmaceuticals
- Manufacturing to deliver incremental CER EBITDA of R2,45 billion over the period FY2025 to FY2026
- GLP-1 manufacturing opportunity could be additive from CY2026 onwards
- Gross profit margin and EBITDA margin percentages to increase
- Operating cash conversion to exceed 100%

Stephen Saad
Group Chief Executive

Group Chief Financial Officer's review

The Group has delivered resilient results for the year, absorbing the VBP impact in China and achieving the anticipated stronger performance in H2 2024. **Our bolstered product portfolio and increased sterile manufacturing volumes, supported by improved balance sheet metrics, provide a firm foundation for accelerated growth** in FY2025 and beyond.

Sean Capazorio
Group
Chief Financial Officer

Purpose-driven strategy delivers economic value

The 2024 financial period has been pivotal for the Group, as we begin to see the tangible benefits of the strategic initiatives implemented over the past few years. Despite anticipated headwinds, which included the absorption of VBP risks in China, the Group delivered resilient operational and financial results for the year ended 30 June 2024. Notably, the second half of FY2024 saw the highest-ever six-month normalised EBITDA, growing by 17% compared to H1 2024, marking a significant inflection point in shaping the Group's path toward sustainable growth.

Aligned with our purpose of improving the health and quality of life of patients across the globe, we continue to create economic value for our key stakeholders through our profitable and sustainable business model. The collective efforts of the Aspen team resulted in the creation of R20 456 million in wealth, distributed across key stakeholders: 50% to our employees, 19% to our providers of capital, 10% to the fiscus, and the remaining 21% reinvested to sustain and grow the business (refer to page 91).

Financial performance highlights

Revenue increased by 10% (5% CER) to R44,7 billion and normalised EBITDA increased 1% (-3% CER) to R11,3 billion.

Key features of 2024

Normalised EBITDA increased by 1% (-3% CER) to R11,3 billion

Higher proportion of Manufacturing revenue diluted the EBITDA profit margins.

See page 23

Normalised headline earnings per share ("NHEPS") flat (-4% CER) at 1 492 cents

Normalised headline earnings impacted by higher depreciation charge offsetting the 1% growth in EBITDA.

See page 23

Operating cash flow per share increased by 13% to 1 401,4 cents

Improved trading cash flows, coupled with lower working capital investment, drove stronger operating cash flow.

See pages 23 and 24

Value created and distributed increased by 5%

Our activities this year have created R20 456 million in wealth-generating economic value for our varied stakeholder groups.

See page 91

Group Chief Financial Officer's review continued

Gross profit grew 3% (-1% CER), ending lower than the growth in revenue. A slight dilution in Commercial Pharmaceuticals gross profit margins as a result of VBP in China, together with the increased Manufacturing sales mix led by the liquidation of Heparin inventory, has contributed to a lower gross profit percentage. NHEPS, at 1 492,1 cents, ended marginally below FY2023 (-4% CER).

Our reported results have been favourably impacted by the rate of exchange prevailing during the period. The table which follows compares performance in the prior year at previously reported exchange rates and then at CER. The CER results for the 12 months ended 30 June 2023 restate the performance for that period using the average exchange rates for the 12 months ended 30 June 2024.

	2024 R'million	2023 R'million	Change %	2023 (CER) R'million	Change (CER) %
Revenue	**44 706**	40 709	10	42 660	5
Gross profit	**19 454**	18 934	3	19 688	(1)
Normalised EBITDA	**11 255**	11 100	1	11 551	(3)
NHEPS (cents)	**1 492,1**	1 498,5	—	1 559,6	(4)

Business segment performance

Positive revenue growth led by Manufacturing

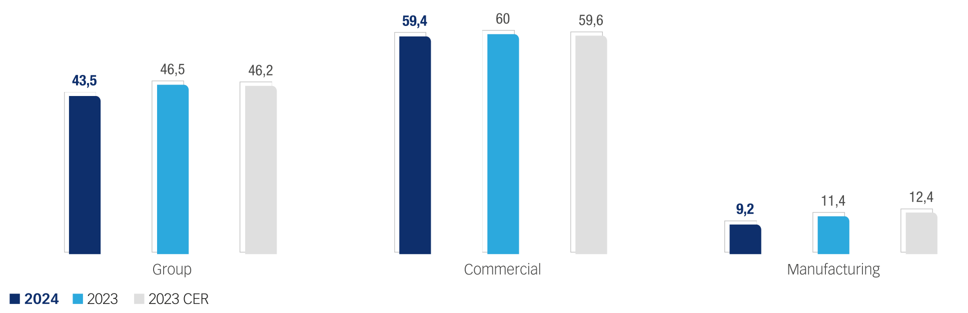
The revenue generated by the Commercial Pharmaceuticals business grew by 4% (0% CER) to R30,6 billion. Prescription delivered a sound performance, increasing revenue by 15% (11% CER) to R11,4 billion, driven by solid organic growth in Africa Middle East and organic and acquisitive growth in the Americas. The OTC segment posted an increase in revenue of 7% (3% CER) to R9,7 billion, supported by organic growth across all regions. The Injectables segment faced significant headwinds, reflecting the full impact of VBP in China during H2 2024 and the final decline of Russia CIS in H1 2024. Revenue reduced by 9% (-12% CER) to R9,5 billion in this segment. Overall, the Manufacturing segment achieved an increase in revenue of 25% (16% CER) to R14,1 billion. This performance reflects the increasing contribution from sterile manufacturing contracts and elevated Heparin sales following the transition to a new toll operating model in this business.

	2024 R'million	2023 R'million	Change %	2023 (CER) R'million	Change (CER) %
Commercial Pharmaceuticals	**30 570**	29 412	4	30 470	0
Prescription	**11 380**	9 921	15	10 286	11
Over the counter	**9 706**	9 106	7	9 388	3
Injectables	**9 484**	10 385	(9)	10 796	(12)
Manufacturing	**14 136**	11 297	25	12 190	16
Finished dose form	**5 262**	3 970	33	4 257	24
Active pharmaceutical ingredients	**5 102**	5 024	2	5 430	(6)
Heparin	**3 772**	2 303	64	2 503	51
Group revenue	**44 706**	40 709	10	42 660	5

Increased Manufacturing sales mix dilutes Group gross profit margins

Gross profit growth of 3% (-1% CER) ended lower than the growth in revenue, reflecting the dilution impact of VBP on Commercial Pharmaceuticals' gross profit. In addition, the elevated level of Heparin sales, while benefiting revenue and operating cash flows, has diluted both Manufacturing and Group profit percentages. The Group gross profit percentage ended at 43,5% compared to the prior year of 46,2% (CER).

Gross profit percentage by business segment (%)



Group Chief Financial Officer's review continued

Momentum in H2 lifts EBITDA

Reflecting strong organic growth in our Commercial Pharmaceuticals, complemented by the inclusion of the acquired portfolios, and further supplemented by increased contributions flowing from the sterile manufacturing contracts, normalised EBITDA in H2 2024 increased 17% over H1 2024. For the year, normalised EBITDA rose 1% (-3% CER) to R11,3 billion, impacted by the higher-than-anticipated negative impact of VBP. Normalised EBITDA margin decreased by 2,1 percentage points to 25,2% influenced by the higher Manufacturing sales mix.

	2024 R'million	% of revenue	2023 R'million	% of revenue	Change %	2023 (CER) R'million	% of revenue	Change (CER) %
Revenue	**44 706**	100,0	40 709	100,0	10	42 660	100,0	5
Gross profit*	**19 454**	43,5	18 934	46,5	3	19 688	46,2	(1)
Operating expenses	**(10 138)**	(22,7)	(9 426)	(23,2)	8	(9 763)	(22,9)	4
Net other operating income	**549**	1,2	345	0,8	59	321	0,8	71
Depreciation	**1 390**	3,1	1 247	3,1	11	1 305	3,1	7
Normalised EBITDA	**11 255**	25,2	11 100	27,3	1	11 551	27,1	(3)

* *Gross profit is after the deduction of depreciation.*

Significant increase in impairments erodes basic earnings

Normalised headline earnings, which adjusts for specific non-trade items as set out in our accounting policies, is the primary measure management uses to assess our underlying financial performance. Normalised headline earnings of R6,6 billion was close to flat (-4% CER) against the prior year.

Given no change in issued share capital, the NHEPS was also close to flat (-4% CER) at 1 492,1 cents per share. The lower percentage reduction in NHEPS compared to headline earnings per share ("HEPS") is attributable to the increase in acquisition-related transaction costs in the current financial year. The higher percentage decline in earnings per share of -16% (-18% CER), relative to HEPS, is due to the net increase in the impairment of VBP impacted intangible assets.

Set out below is a reconciliation of earnings per share at the basic, headline and normalised headline levels.

	2024 Cents	2023 Cents	Change %	2023 (CER) Cents	Change (CER)%
Basic earnings per share (EPS)	**991,4**	1 176,9	(16)	1 212,4	(18)
Impairment of property, plant and equipment	**18,3**	0.7		0,7	
Impairment of intangible assets	**531,6**	292,0		313,8	
Impairment of goodwill	**32,7**	—		—	
Reversal of impairment of intangible assets	**(219,9)**	(67,3)		(73,2)	
Loss on sale of tangible and intangible assets	**2,5**	9,8		11,6	
Insurance compensation on assets	**—**	(6,7)		(7,0)	
Headline earnings per share (HEPS)	**1 356,6**	1 405,4	(3)	1 458,3	(7)
Restructuring costs	**48,9**	47,2		52,6	
Transactions costs	**86,6**	45,9		48,7	
Normalised HEPS	**1 492,1**	1 498,5	—	1 559,6	(4)

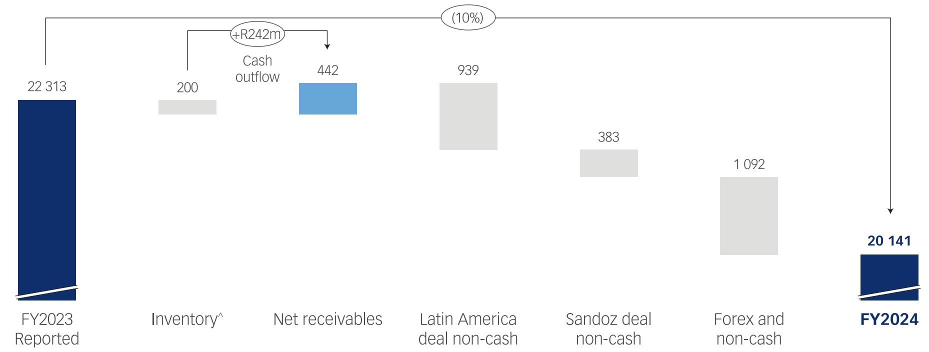
New Heparin operating model results in inventory unwind

The conversion of the Heparin operating model to a toll manufacture arrangement contributed to a R2,9 billion unwind in Heparin inventory levels, with opportunity to further reduce inventory levels going forward. This unwind has been substantially offset by increases required in the other Manufacturing segments and in Commercial Pharmaceuticals required to sustain business operations including take-on inventory from acquisitions.

Foreign exchange and non-cash aspects relating to the Latin America and China transactions have contributed to a 10% reduction in net working capital, decreasing the investment in working capital to 45% of revenue from 55% reported in the prior year. Our working capital levels are influenced by the long working capital cycle associated with our API business, and excluding this business, working capital reduces to 36% of revenue compared to 44% at June 2023.

Group Chief Financial Officer's review continued

Net working capital bridge (R'million)

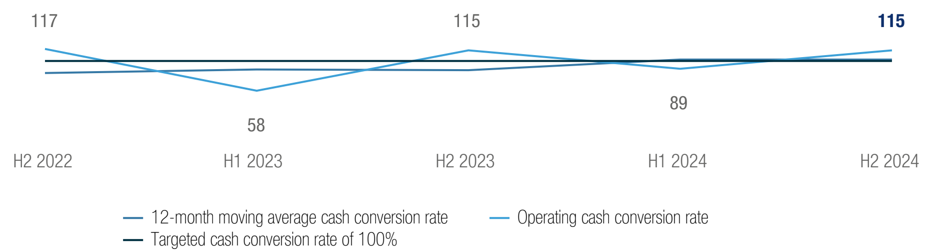


^ *Comprises: Heparin (-R2,9 billion); Other Manufacturing (+R1,3 billion); and Commercial Pharmaceuticals (+R1,4 billion).*

Operating cash conversion rate exceeds benchmark

Solid operating cash flows, even after partial funding of the Latin America product portfolio acquisition of R2,1 billion, coupled with a reduced working capital investment were the key catalysts in growing cash generated from operating activities by 13% to R6,2 billion. Operating cash flow per share of 1 401,4 cents per share ensured a 103% conversion of headline earnings to cash, exceeding our benchmark of 100%.

Operating cash conversion cycle (%)



Non-current asset optimisation

Commercial Pharmaceuticals invests in derisking its portfolio

The transactions with Lilly and Applied Molecular Genetics Inc ("Amgen") for sub-Saharan Africa ("SSA"), Viatris for Latin America and Sandoz for China provide a firm platform for bolstering and de-risking our product portfolio footprint in emerging markets, ensuring that Commercial Pharmaceuticals is well poised for future growth.

Strategic investments in our manufacturing capabilities start to deliver enhanced contributions

We have continued to invest in the sterile manufacturing capacity at our Gqeberha and Notre Dame de Bondeville sites. This investment supports our strategy of insourcing production of our Anaesthetic portfolio and building a platform for the contract manufacture of niche sterile products. Total property, plant and equipment ("PPE") capex for FY2024 was R3,1 billion. Excluding any further potential market-related enhancements, it is anticipated that the level of capital expenditure will reduce from FY2025 as we complete the sterile capacity expansion and technical transfer projects currently in progress.

Impairment to intangible assets and goodwill

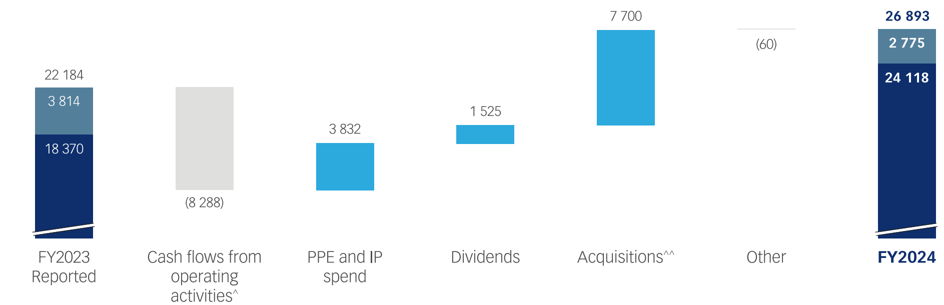
We classify certain of our intangible assets as being of indefinite life. Each year the carrying values of the intangible assets and goodwill are rigorously tested for impairment and carrying values are written down where there has been a reduction in value. Intangible assets, which are no longer assessed as indefinite life are reclassified as definite life assets. This year, net impairments of intangible assets and goodwill were R1,6 billion on a total combined net book value of R71,8 billion at financial year end. The increased impairments in FY2024 are largely attributable to the VBP impact on Diprivan and Fraxiparine.

Funding and debt profile

Value-accretive acquisitions increase net debt levels

The cash flows from operating activities have been substantially offset by capital outflows in respect of acquisitions, PPE and intellectual property ("IP") spend and dividend payments, leading to an increase in net debt to R26,9 billion. The leverage ratio of 2,28 times is well within the covenant level of 3,5 times and below our internal limit of 3,0 times providing headroom for future opportunities.

Net debt bridge (R'million)



* *Inventory funding loan owing by Aspen Oss to Merck Sharpe & Dohme ("MSD").*
^ *Comprises cash flow from operating activities per the cash flow statement of R6 225 million plus the funding of the Latin American portfolio acquisition of R2 063 million.*
^^ *Includes the R5,3 billion Latin American portfolio acquisition funded from both operating and investment cash flows.*

Group Chief Financial Officer's review continued

Second Development Finance Institution ("DFI") loan

During September 2024, Aspen secured an additional EUR500 million loan from IFC, Proparco, DEG and DFC (the "DFIs"). This new loan builds on Aspen's partnership with the DFIs, which was first established in 2021. The proceeds of the loan will be used by the Group to repay existing loan facilities and to fund expansionary capital expenditure. The commercial terms, covenants and undertakings of the second DFI loan are materially similar to the Group's existing borrowings.

Net financing costs remain stable

Net financing costs have marginally increased, with higher net interest costs, fuelled by higher rates and increased net debt levels being offset by lower foreign exchange losses resulting from reduced volatility in emerging market currencies relative to the Euro.

	2024 R million	2023 R million	Change %
Net interest paid	**(1 168)**	(795)	
Effective interest rate for the period* (%)	**4,67**	3,21	
Foreign exchange losses	**(64)**	(434)	
Normalised net funding costs	**(1 232)**	(1 229)	0
Debt raising fees on acquisitions	**(52)**	(38)	
Foreign exchange gains on acquisitions	**–**	–	
Reported net financing costs	**(1 284)**	(1 267)	1

* *Excluding amortisation of capital-raising fees.*

Dividends to shareholders aligned to prioritisation model

In accordance with the Board-approved capital allocation prioritisation model and taking into account earnings and cash flow performance for FY2024, and the leverage ratio which is well below the limit of no more than 3,0 times, the Board declared a gross dividend of 359 cents per ordinary share, which was paid to shareholders registered in the share register as at 20 September 2024. This represents an increase of 5% over that declared in the prior year. Refer to page 33 for more information on our capital allocation model.

Maintenance of financial health

To sustain our business model and create value for investors, we have a fiduciary responsibility to manage our financial capital responsibly. We have implemented financial controls and treasury management systems to mitigate risks related to currency fluctuations, interest rates and credit exposure as much as reasonably possible. The Audit & Risk Committee supports the Board in fulfilling its duties by overseeing the safeguarding of assets, accounting systems and practices, internal control processes and the preparation of the Group and Company Annual Financial Statements.

Internal financial controls

Key internal financial controls for all significant operating businesses within the Group are documented in formal financial internal control frameworks. These frameworks are regularly maintained and updated by financial management throughout the year or during the year end process. Group Internal Audit performs audits of these key controls annually. This process provides support in corroborating that there are no material breakdowns in the internal controls underpinning the financial results.

Additionally, each subsidiary conducts an annual self-assessment, which is formally signed off by the respective financial head and reviewed and approved by the Group finance team. This assessment covers financial and disclosure controls, internal financial and operating controls, business performance-related representations and a detailed fraud assessment review. The assurance provided by this process provides the basis for meeting the requirements of section 3.84(k) of the JSE Listings Requirements.

Funding and treasury risk management

Under the Group's Treasury Policy, all treasury activities are undertaken in a controlled and systematic manner to supports the Group's commercial and manufacturing operations. This includes managing financial risks within agreed risk tolerances set by the Audit & Risk Committee, ensuring compliance with relevant laws, regulations and undertakings, optimising funding and deployment of capital within the Group and maintaining adequate liquidity to meet its strategic objectives. Additionally, the policy aims to facilitate transactions necessary to achieve the Group's business objectives and, to the greatest extent possible, ensure the best cost execution of treasury-related trades, considering both explicit and implicit costs.

The Group Treasury Policy also outlines the management of specific risks, such as liquidity, refinancing, capital structure, covenant compliance, foreign exchange rate, interest rate and counterparty risks and sets out KPIs for each identified risk. The Group Treasury Committee monitors and provides guidance on treasury-related matters, including the control environment, its risk register, policies and procedures and structures. It also focuses on initiatives aimed at centralising, automating and optimising the Group's treasury operations assessing capital structure, solvency and liquidity, and ensuring the effective implementation of the Treasury Policy.

The Audit & Risk Committee retains overall responsibility for overseeing that the Group meets its treasury objectives. It approves changes to the Treasury Policy, reviews the Group's performance in terms of its treasury-related KPIs, approves the Group's capital structure and the assessment of the Group's solvency and liquidity, and reviews the Group's treasury risk register. In addition, the Audit & Risk Committee ensures that the Group's treasury function is subject to annual internal audit reviews.

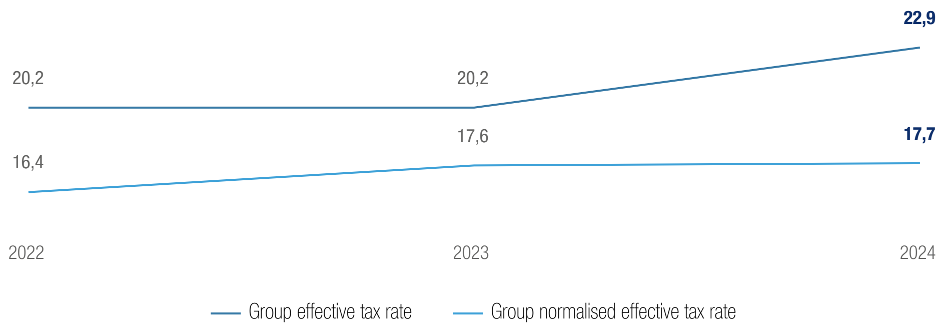
A responsible approach to taxation

As a global organisation with operations in many countries, we acknowledge our responsibility to pay the appropriate amount of tax in compliance with local laws. We maintain transparent and positive relationships with tax authorities and are committed to responsible tax practices. The Group Tax Committee oversees the Group's tax strategy and risk management and ensures that our tax affairs are proactively managed. Our approach to taxation is more fully explained on page 92.

Group Chief Financial Officer's review continued

In FY2024, the effective tax rate increased, primarily due to higher impairments of intangible assets that are not tax deductible. However, the normalised effective tax rate has remained stable.

Group effective tax rate (%)



Ongoing improvement in financial and tax reporting systems

Throughout the year, we continued to advance our digitalisation strategy by investing in enterprise resource planning ("ERP") systems and advanced technology. These initiatives are key to improving the quality, timeliness, and depth of financial and tax reporting across the Group, aligned with our objective of achieving greater efficiency and transparency in financial management.

Looking ahead

The Commercial Pharmaceuticals business has been de-risked and is well positioned for future growth. We anticipate that in FY2025, Commercial Pharmaceuticals will achieve double-digit CER revenue and gross margin growth, driven by underlying organic growth and further bolstered by the full-year contributions of recent acquisitions.

For Manufacturing, we expect FDF, supported by increased contribution from Sterile manufacturing, to be the primary driver of CER EBITDA growth in FY2025. Over the period FY2025 to FY2026 (compared to FY2024), we estimate CER EBITDA to increase incrementally by R2 450 million due to these initiatives. While this aligns with previous guidance, the exact timing of this growth may vary between the two financial years, depending on the approval timeline from the South African regulatory authority. Additionally, the Group's performance could be further enhanced from CY2026 onwards by the opportunities in the GLP-1 segment, as outlined in the Group Chief Executive's review. We expect the overall EBITDA margin percentage to improve in FY2025, supported by a lower mix of Heparin sales and a higher contribution from Sterile contract manufacturing.

Finance costs will continue to be influenced by the prevailing interest rate environment. We anticipate an increase in net interest costs due to the carry-over effect of the current higher interest rates into FY2025. The effective tax rate is also expected to rise in FY2025 as Sterile manufacturing contributes a larger share of overall profit. However, lower working capital investment and strong operating cash flows should enable us to exceed our targeted operating cash conversion rate of 100%.

Guidance to FY2024 partially achieved with a positive outlook on revenue and EBITDA growth

Target	FY2022	FY2023	FY2024	Commentary
Increase from rebased FY2020 EBITDA margin of 25,8%	Positive performance	Positive performance	Negative performance	EBITDA margin of 25,2% negatively impacted by increased Manufacturing sales mix and China VBP
EBITDA growth > Revenue growth	Positive performance	Negative performance	Negative performance	EBITDA growth of 1% < Revenue growth of 10%
NHEPS > EBITDA growth	Positive performance	Negative performance	Negative performance	NHEPS flat < EBITDA growth of 1%
Leverage ratio no greater than 3x	Positive performance	Positive performance	Positive performance	Significant headroom providing capacity for value-enhancing investments
Improving free cash flow	Performance maintained	Performance maintained	Positive performance	Improved FCF in FY2024
Recommence dividends	Positive performance	Positive performance	Positive performance	Recommenced from FY2021 and increased dividend declared for FY2024

Positive performance | Performance maintained | Negative performance

Closing remarks

While our financial performance in FY2024 was affected by many challenges, this year has highlighted our resilience and steadfast commitment to executing our Business Strategy. This is evident in the stronger performance in the second half of the year and the positive outlook for FY2025. The Group is well positioned for sustainable growth and poised to capitalise on value-accretive opportunities. I remain confident that with our continued focus on executing the Business Strategy, combined with disciplined financial management, we expect to achieve the higher growth projected for FY2025.

I would also like to sincerely thank the finance team members across all our operations for their hard work and dedication throughout the year. Their efforts have been critical in maintaining strong financial discipline and delivering meaningful financial reporting.

Sean Capazorio
Group Chief Financial Officer

Creating sustainable value

In this section:

Environmentally responsible supply chain optimisation

Aspen Global Incorporated manages more than 3 000 stock-keeping units ("SKUs") from 85 manufacturing sites and 25 API manufacturers.

Over the past 15 years, it has distributed approximately 1,1 billion packs of medicine to more than 100 countries worldwide.

Since 2020, several air, sea and road freight environmentally conscious initiatives have been adopted, which have contributed towards a significant reduction in CO_2 emissions. These actions further complement the Group's commitment to environmental sustainability.

View this case study online.

Our business model

We deliver on our purpose through our differentiated business model and globally integrated value chain. We transform our stocks of capital through our business activities, seeking to preserve and create value for our stakeholders, and minimise value erosion, in a responsible and sustainable way.

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

Inputs*

for ease of reporting, values are at 30 June 2024

Intellectual
- Trusted Aspen brand
- Targeted and effective product portfolio renewal
- Strong presence in emerging markets
- Digital platform enabling strategy execution

Product portfolio of more than **550 brands**

Intangible assets of **R66,4 billion**

Manufactured
- Complex manufacturing expertise
- Vertical integration advantages
- Globally competitive, scalable and widely accredited manufacturing facilities
- Reliable external supply contract manufacturing network

7 API and **17 FDF** manufacturing facilities worldwide

PPE of **R19,9 billion**

Human
- Diverse Board
- Strong and proven leadership team
- High performance and innovative culture
- Empowered local management
- Industry-specific specialist skills

Workforce of more than **9 300 people**

R64,3 million in training and development spend

Social and relationship
- Strong stakeholder relationships and corporate reputation
- Robust corporate governance framework
- Support of local communities

Engagement with key stakeholders

Social licence to operate

Natural
- Focus on environmental protection
- Initiatives to reduce consumption of scarce natural resources

942 megalitres of water withdrawn

1 048 533GJ energy used

Financial
- Planned prioritisation of capital allocation
- Diverse and enduring support from funders
- Strong operating cash flow generation

R84,9 billion equity

R26,9 billion net debt

R104,5 billion market capitalisation

Value chain activities

Product portfolio management

Patient/consumer needs

Product development, acquisition and registration

Investment in a product portfolio of niche, specialty medicines that present opportunities for sustainable revenue growth through our Product portfolio management model (page 32)

Portfolio Management Review

Manufacturing and supply chain operations

Procurement

Manufacturing: •API •FDF

Distribution

Efficiencies achieved through end-to-end global supply chain management performed by a highly experienced team

Capitalise on our own significant manufacturing capability of both APIs and FDFs as well as our external supply network

Leverage strategic manufacturing opportunities with third parties to fill our sterile manufacturing capacity

Supply Management Review

Commercialisation

Marketing and sales

HCP engagement and support

Patient/consumer use

Generation of organic revenue and profit growth through focused promotion of our products by our teams of dedicated sales representatives

Demand Management Review

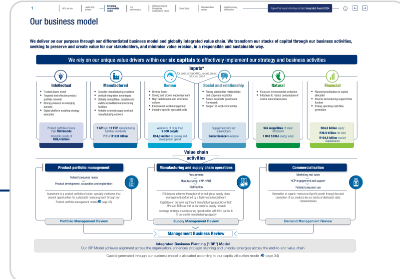
Management Business Review

Integrated Business Planning ("IBP") Model

Our IBP Model achieves alignment across the organisation, enhances strategic planning and unlocks synergies across the end-to-end value chain

Capital generated through our business model is allocated according to our capital allocation model (page 33)

Our business model continued



Outputs

We provide high quality, affordable medicines focusing on niche therapeutic areas

Manufacturing and supply of APIs and FDF pharmaceuticals

Supply of chemical and biochemical APIs and FDF pharmaceuticals through our Commercial Pharmaceuticals and Manufacturing business segments.

Emissions and waste

An inevitable consequence of production and distribution are carbon emissions and the generation of waste.

Total GHG emissions: 140 983tCO_2e

Total waste: 79 626 tonnes

Outcomes

Increasing, preserving or eroding value in capital stocks

Intellectual

Medicines provided to patients in more than **115** countries and territories

157 new products launched

R2,4 billion invested IP

Vaccine and Human Insulin technical know-how further developed

No significant product recalls

Manufactured

R3,1 billion invested in PPE

Additional **R2,5 billion** capex planned for FY2025

No adverse outcomes from regulatory inspections at sites

Human

14% staff turnover

R9 billion paid in salaries and benefits

48% of workforce are women

1,06 total recordable incident frequency rate ("TRIFR")

Regrettably **one** occupational fatality

Social and relationship

R14,4 million SED investment through more than 163 projects

Constructive engagements with key stakeholders

Maintained **Level 4 B-BBEE** contribution

R2,06 billion in taxes paid to governments

Ethical culture assessed as "Mature"

Natural

93% of waste recycled

6% decrease in total GHG emissions

Zero significant environmental incidents

Financial

R20,5 billion wealth created

6%

return on invested capital ("ROIC")

Leverage ratio **2,3 times**

Free cash flow of **R2,4 billion**

Dividend of **359 cents** declared

Value created

Achieving outcomes that create long-term value for our stakeholders (page 10)

Making strategic trade-offs and the impact on our capitals

In developing our strategy, we assess the availability, quality and affordability of capital inputs and how our business activities transform our stocks of capitals. Optimising value inevitably involves trade-offs in how and when value is shared between different stakeholder groups, and in how that value is created, transformed or depleted across the capitals. We seek to maximise positive outcomes and limit negative impacts over the short, medium and long term.

The capital constraints we face

Intellectual

- A dynamic approach to product portfolio management to ensure we remain relevant and value accretive requires capital investment for M&A activity.
- Our products, many of which are older products, require continual investment to ensure they remain safe and in compliance with the relevant local pharmaceutical regulations.
- Developing the technical know-how to meet the needs of complex, sterile manufacturing in an increasingly automated environment.
- The rapid pace of innovation and technological advances requires ongoing investment in our business systems and processes.

Manufactured

- Constructing and maintaining pharmaceutical manufacturing facilities requires significant capital outlay to ensure ongoing compliance with regulatory requirements and future-focused manufacturing practices.
- Disruptions in supply chains, unavailability of utilities (energy and water) and supply constraints of key raw materials can negatively impact continued business operations.

Human

- Attracting and retaining the right talent with the necessary skills for now and into the future remains challenging in a highly competitive market.
- Increasing workforce diversity, inclusivity, engagement and well-being are critical to maintaining productivity.

Social and relationship

- Increasing expectations of various stakeholders for pharmaceutical companies to contribute to solving global issues, most notably inequitable access to medicines.
- Expectations related to product safety, product availability and product pricing.
- Increased reputational risks due to conduct of employees as well as the conduct of contractors and suppliers.

Natural

- Natural resources are finite and must be managed carefully.
- Certain of our operations are situated in high water-stressed areas.
- Balancing the need for reliable and cost-effective energy that supports economic growth and continuity of supply with the need to transition to a low-carbon economy.

Financial

- Impact of geopolitical events and market sentiment on key cost drivers, foreign exchange rates and cost of financial capital.
- The need to balance capital allocations between maintaining manufactured capital, building intellectual capital, providing returns to stakeholders while retaining a prudent level of financial capital reserves.

More information on actions taken to enhance positive outcomes and minimise negative outcomes for stakeholders

Intellectual: page 55 **Business segment overviews** page 61 **Patients** page 74

Manufactured: page 56 **Manufacturing overview** page 66

Human: page 57 **Our People** page 78

Social and relationship: page 58 **Society** page 85

Natural: page 58 **Environment** page 94

Financial: page 59 **Group Chief Financial Officer's review** page 21

Making strategic trade-offs and the impact on our capitals continued

Strategic trade-offs we have made:

Building a world-class sterile manufacturing platform

Building a world-class sterile manufacturing platform is a cornerstone of our organic growth strategy. Building production capacity for the future has required us to make material investments in multi-year capital build and expansion projects. These material capital investments negatively impact financial returns during the period of construction, technical transfer and validation, but create opportunity for improved financial performance once the manufacturing capacity is fully commercialised.

short term

long term

Undertaking organisational design to achieve a fit-for-purpose business

A series of organisational restructuring projects are ongoing throughout the Group. While organisational redesign projects result in increased effectiveness, improved operational efficiency and an enhanced culture of ownership and accountability, they inevitably bring anxiety and uncertainty for all of those engaged in the process, and could result in increases or decreases in employee numbers or an adjustment in grading. While organisational change is complex, it is necessary to build a modern, efficient and agile organisation positioned to deliver on strategic objectives and goals.

short term

Achieving digital transformation

The rapid shifts in digital technology and increased cyber threats require us to make significant investments in transforming our digital landscape to be a strategic enabler to support the Group's Business Strategy. The significant shift to a more digital landscape requires financial capital in the shorter term, but increases operational efficiency and effectiveness, benefits our human capital and enhances our interactions with our stakeholders.

short term

long term

Consumption of natural resources

We consume natural resources, including fossil fuels in the production, packaging and transportation of our products to provide medicines to patients and create sustainable economic value for our stakeholders. As we implement various environmental initiatives to reduce our impact on nature, there is often a financial impact in the short term, but these efforts position the Group for long term financial sustainability.

long term

Our product portfolio management model

Through our dynamic portfolio management model, we build, maximise and reshape our basket of products to achieve a global product portfolio of niche, specialty products complemented by leading OTC brands, aligned with our manufacturing capability.

We have made significant investments in upgrading our older medicines to meet modern regulatory requirements, providing value-for-money alternatives to new and more expensive innovative products. The integration of global and regional acquisitions and pipeline launches into our product portfolio while divesting of non-core products, positions us to provide affordable critical medicines with proven efficacy and safety to patients in a sustainable way.

Portfolio management model

Drivers of portfolio strategy

Patients' needs

—

Market conditions

—

Group capability

—

Return on investment expectations

Build portfolio

Acquire
Proactively seek value enhancement opportunities

Develop
Leverage intellectual and manufacturing advantage

Product development and lifecycle management

Collaborate
Strategic relationships with multinational companies

Maximise portfolio returns

Sales and Marketing
Manufacturing
Supply chain

Leverage sales and distribution network

Achieve manufacturing synergies

Optimise supply chain

Integrate acquisitions into existing business

Reshape portfolio

Revitalise
Evaluate opportunity to extract further value, e.g. line extensions, new regional launches

Collaborate
Seek partnerships that will unlock further value

Divest
Check alignment with portfolio strategy and divest non-core assets

Aspen portfolio

Balance between focus and diversification across regions and therapies

—

Leading specialty and OTC brands

—

Off-patent, niche specialty brands

—

New chemical entities through strategic licensing and distribution

Available capital

Generate sustainable cash flows

Realisation of proceeds from sale of assets

Our capital allocation model

Our capital allocation decisions are integrated into our strategy and budget planning processes, driven by our overall objective of growing shareholder value sustainably.

Key considerations driving our capital allocation include achieving an effective allocation between maintaining our intellectual and manufacturing assets to secure operational returns, protecting the strength of our balance sheet to give us stability and flexibility through business cycles, investing in value-based organic and inorganic growth opportunities and rewarding our shareholders through dividends and/or share buy back programmes. The Board provides oversight of capital and budget allocations, ensuring the most effective deployment of available capital resources.

Priority 1

PPE capex and IP development

Objective: Ensure business sustainability and efficiency

Priority 2

Acquisitions and disposals

Objective: Portfolio renewal and value accretive

Priority 3

Dividends paid

Objective: Dividends per share ≥ 20% of NHEPS

Priority 4

Larger acquisitions and disposals*

Objective: Strategic M&A

* *Share buybacks will be considered if they are value accretive.*

Subject to internal leverage cap of 3,0 times

Capital allocated in 2024

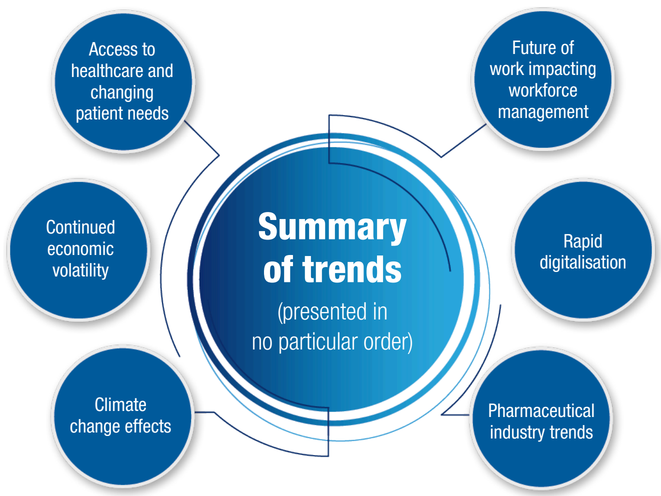
R3 832 million invested

R1 455 million net outflow

R1 525 million in dividends

R6 255 million net outflow

Our external operating context



We operate in a highly regulated industry across multiple geographies. This complex and dynamic environment presents us with opportunities to increase our value contributed through an innovative, agile strategic approach and robust risk management.

We continuously assess global trends that could significantly impact the Group's operational landscape and business model, identifying emerging threats and opportunities early on. This proactive approach allows us to capitalise on opportunities and effectively mitigate potential negative impacts.

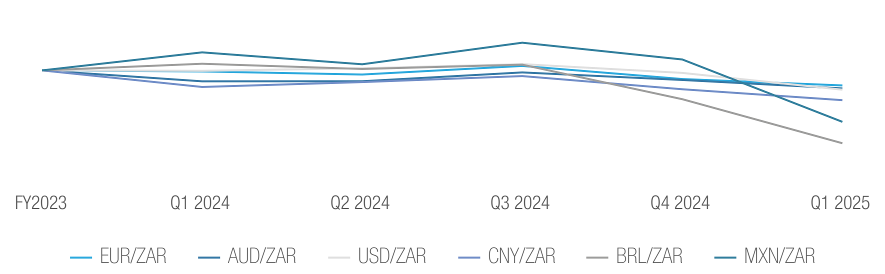
Trends	Key factors	Our response
Access to healthcare and changing patient needs		
8,2 billion projected world population for 2024 and reaching a peak of 10,3 billion by mid-2080s *Source: United Nations, July 2024*	Demographic shifts Dramatically lower access to medicine in developing countries Economic pressures Geopolitical fragmentation Increased focus on health security Improved life expectancy Ineffective and/or inefficient healthcare systems Inequitable access to medicines Pandemic preparedness Patients prioritising essentials Population growth Rise in non-communicable diseases Shortage of healthcare workers Supply chain disruptions	Access to healthcare is one of the biggest challenges facing society. As a manufacturer and distributor of pharmaceuticals, we endeavour to ensure there is an available supply of our high quality, affordable medicines which are accessible to patients who need them, while maintaining the sustainability of our business. Our product portfolio is comprised primarily of established, post-patent medicines and generics. We have made significant investments to not only meet modern regulatory requirements, but also to address the changing needs of patients and provide value-for-money alternatives to newer, more expensive innovative drugs. Our products are competitively priced and have demonstrated clinical value. We continue to invest in our manufacturing capacity and expand our capability in producing niche products, including APIs and sterile FDF manufacturing. This includes enhancing our existing sterile manufacturing facilities to support vaccine and other biological production. Our manufacturing facilities in Africa are strategically positioned to help reduce the continent's dependency on pharmaceutical imports. Our flexible and extensive distribution network allows us to adapt to developing situations as needed. Refer to Patients on page 74.

Our external operating context continued

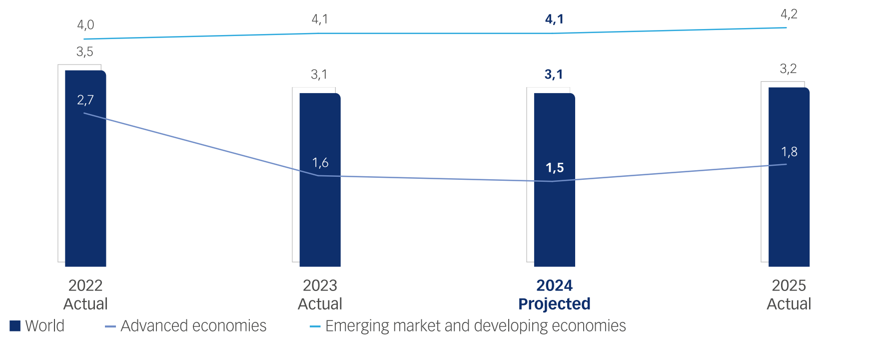
Trends	Key factors	Our response

Continued economic volatility

Average exchange rates for top six currencies by revenue contribution indexed to 100 (FY2023 = 100) (%)



World economic growth projections (growth rate)



Source: IMF World Economic Outlook Update, July 2024

Global inflation is expected to ease to **6,4%** in 2024 before dropping to 3,7% in 2025

Source: Euromonitor, Q2 2024

- Cost-of-living crisis
- Exchange rate volatility
- Geo-economic warfare
- Growing inequality in several countries
- Healthcare system capacity
- Inflationary pressures
- Patients prioritising essentials
- Socio-political conflict

Our product portfolios have strong brand equity, supporting global and regional promotion of products. Despite inflationary pressures, we have implemented robust cost management controls, ensuring that our products remain competitively priced and clinically valuable. Refer to the Group Chief Financial Officer's review on page 21.

Our adaptable distribution network supplies medicines to over 115 countries and territories, reducing our exposure to market risks in any single country or currency. This is achieved through an effective supply chain model, supported by in-country distribution aimed at maximising the reliable supply across many regions. Our diversified portfolio includes niche medicines, anaesthetics, thrombosis therapies, OTC, consumer, branded and generic prescription products.

We have implemented a centralised treasury operating model to concentrate cash, funding and treasury risk management. We continuously monitor our funding portfolio and net borrowings as to tenor, instrument type and currency mix to maintain adequate access to liquidity, optimise funding costs, and to mitigate earnings volatility from foreign exchange fluctuations.

Our external operating context continued

Trends	Key factors	Our response

Climate change effects

3,6 billion

people already live in areas highly susceptible to climate change

Source: World Health Organisation, July 2024

Key factors

- Climate change impacts (including the effects on people and communities as well as infrastructure and related resources)
- Ecological changes
- Increased disclosure and regulatory requirements
- Increased stakeholder focus on sustainable development and ESG
- Natural disasters
- Urbanisation

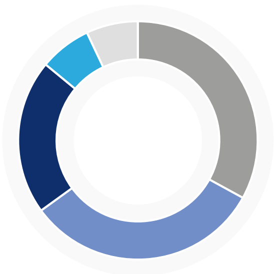
Our response

Responsible corporate citizenship and sustainability objectives are the foundation of our strategy. We are currently developing our Sustainability and ESG Strategy. Additionally, we have conducted a climate change scenario analysis to complement our climate risk assessment, aiding in formulating our response to climate change risk (refer to page 50 for further details). Initiatives have been launched to ensure compliance with disclosure and regulatory requirements. Our investment in our products ensures they remain relevant and offer value to our patients. Disaster recovery and business continuity plans have been developed and will be invoked should a catastrophe impact our ability to supply medicines.

Rapid digitalisation

65% of consumers say that they still trust businesses that use artificial intelligence ("AI")

Consumer trust in AI-driven businesses (%)



	%
Very likely	33
Somewhat likely	32
Neither likely nor unlikely	21
Very unlikely	7
Somewhat unlikely	7

Source: 24 Top AI Statistics and Trends In 2024, Forbes, June 2024

Key factors

- Increased cyberattacks
- Influencer culture impact
- Ethical use of AI
- Data privacy concerns
- Digitalisation of business processes
- Technology's potential to exacerbate inequalities
- Telemedicine and digital medical tracking solutions
- Rapid AI development
- Remote virtual care services
- Spread of viral misinformation

Our response

We are making substantial investments in our digital resources and platforms to establish secure, agile, world-class operating environments across our businesses. Continuously advancing our Digital Transformation Strategy, we monitor developments in this rapidly evolving landscape and maintain flexibility in our responses. Strengthening the Group's cybersecurity posture has been a key focus area.

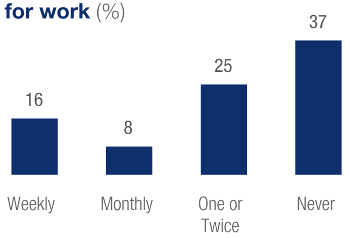
For more information on our Digital Transformation Strategy, refer to page 44.

Our external operating context continued

Trends	Key factors	Our response

Future of work impacting workforce management

Frequency of employees using generative AI tools for work (%)



Note: Percentages shown may not total 100 due to rounding and omission of 'don't know' responses
Source: PwC's Global Workforce Hopes and Fears Survey 2024 of 56 600 workers across 50 countries and regions

Key factors

- Employees re-evaluating priorities
- Increased demand for work-life balance and flexibility
- Global talent pools independent of location
- High costs of recruitment and training
- Increased focus on employee well-being and its impact on productivity
- Scarcity in high demand skills
- Digital transformation shaping workforce profiles

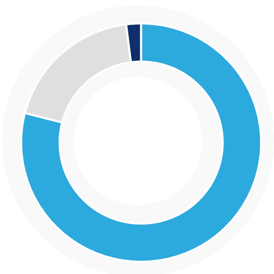
Our response

We are engaged in several ongoing organisational projects aimed at aligning the Group with our dynamic environment. These initiatives include reviews of our operating models, structures and human capital management to design an organisation that is well suited to its purpose.

Additionally, we continually enhance platforms and provide tools that empower employees to develop while optimising their effectiveness and productivity. We have also developed an enhanced employee well-being framework which is in implementation across our global operations. For more information on our Human Capital Strategy, refer to page 43.

Pharmaceutical industry trends

Predicted market share by 2028 (%)



Major developed markets	79
Pharmerging markets*	19
Rest of world	2

** IQVIA defines pharmerging markets as those with per capital income below USD30 000 and a five-year aggregate pharmaceutical growth over USD1 billion.*
Source: Global Outlook to 2028, IQVIA Institute, January 2024

4,7%
forecast compound annual growth rate ("CAGR") of global pharmaceutical sales to 2029

Source: Statistica, July 2024

Key factors

- Cost-of-living crisis
- Increasing lifestyle disorders
- Pricing pressures on medicine
- Scrutiny on the value of medicines by patients, governments and other healthcare funders

Our response

As a globally recognised specialty pharmaceutical company with a strong presence in emerging markets, we are well positioned to perform in these expanding pharmaceutical markets. We uphold high ethical standards, prioritise strong corporate governance and embrace a stakeholder-inclusive approach to safeguard our reputation and navigate the complex, dynamic and uncertain global environment.

Maintaining trust among stakeholders, such as governments, regulators, patients and society, is crucial for the pharmaceutical industry. Through ongoing engagements, we strive to enhance our credibility and strengthen relationships, addressing legitimate concerns with innovative solutions. For more information, refer to Engaging with our stakeholders on page 38.

We continue to invest in manufacturing capabilities and capacity to increase volumes and achieve efficiencies. Concurrently, we optimise our operating model to unlock synergies and value creation in a challenging pricing environment. Pricing decisions are overseen by the Group's Pricing Committee, ensuring balance between responsible pricing and business sustainability.

Engaging with our stakeholders

At Aspen, we recognise that the long-term success of our business depends on the strength of our relationships with all stakeholders. We are committed to fostering open, transparent and continuous dialogue with a diverse range of stakeholders, including customers, employees, investors, suppliers, regulators and the communities in which we operate.

We define our stakeholders as the people, groups or organisations who may be directly or indirectly impacted by our activities. We have a structured system of engagement in place to ensure that we provide timeous, accurate and relevant information to our stakeholder groups, and that our interaction and communication with our stakeholders is consistent.

Our engagement efforts are driven by the belief that understanding and addressing the expectations and concerns of our stakeholders enables us to create sustainable value, manage risks effectively, and innovate responsibly. We employ a variety of channels – including surveys, meetings, forums and digital platforms, to ensure their voices inform our decision-making and help shape our business strategy.

Our Executive management team submits quarterly stakeholder engagement reports to the Board, which detail notable engagements with the Group's key stakeholders. Any material topics or matters of concern that may arise are considered by the Board at its quarterly meetings.

Management responds to material issues raised by stakeholders, as appropriate, in the ordinary course of business.

After a thorough consideration of the Group's various stakeholders, we have categorised our key stakeholders as:
- Patients, HCPs and customers
- Governments, competition authorities and pharmaceutical regulatory bodies
- Employees and collective labour organisations
- Suppliers, service providers, consultants and business partners
- Communities in which we operate
- Contract manufacturing customers

We have also considered and self-assessed the quality of the relationships we have with these stakeholders and used the following scale as an indication of the quality of the relationship:

◉	No existing or poor relationship
◉◉	Relationship established, but work to be done to improve the quality of the relationship
◉◉◉	Good quality, mutually beneficial relationship, with some room for improvement
◉◉◉◉	Strong relationship of mutual benefit

Patients, HCPs and customers

Aspen considerations

Our products are used, prescribed or distributed by these stakeholders, and therefore, it is imperative that they are fully aware of the indications, benefits and side effects of our products. By maintaining a close dialogue with these stakeholders, we strive to deliver solutions that address critical health challenges while ensuring the highest standards of safety, efficiency and ethical responsibility.

Stakeholder interests

- High quality, affordable medicines
- Patient safety and pharmacovigilance
- Consistent, reliable and timeous supply of products
- Continued manufacturing capacity and ability to supply critical medicines
- Impact of product recalls and/or any quality and/or efficacy concerns which may arise
- Strengthened product portfolio in expanded geographies

Material matters engaged on since the previous report

- Ensuring continued supply of critical medicines
- Product recalls and pharmacovigilance engagements
- Supply shortages in respect of certain of our products
- Education on the benefits of products in the Aspen portfolio
- Product information and safety updates

Reference to value created for stakeholders

- Our value creation process page 10
- Our People page 78

How we engage

- Pharmaceutical representatives calling on HCPs and key opinion leaders to educate on medicinal qualities, differentiators and patient benefits
- Presence at healthcare conferences
- Dedicated pharmacovigilance and medical information communication channels, allowing patients and HCPs to enquire about product features and report any adverse events or safety concerns
- Communication measures to announce product concerns or product recalls to HCPs and patients
- Open communication with customers through commercial and technical discussions and one-on-one meetings

Capitals

Relationship indicator

◉◉◉◉

Engaging with our stakeholders continued

Governments, competition authorities and pharmaceutical regulatory bodies

Aspen considerations

Our ability to produce, market and distribute pharmaceutical products depends on the manufacturing licences, marketing authorisations, and a range of other regulatory matters under the auspices of these authorities.

Stakeholder interests

- Legal and regulatory compliance
- Support for public health initiatives
- Affordable public health outcomes
- Social and environmental impact of operations
- Tax revenues, tax transparency and local investment

Capitals

Relationship indicator

Material matters engaged on since the previous report

- Collaboration with governments in a number of countries and territories to support and assist with various initiatives aimed at improving the health of patients
- Product recalls
- Potential business opportunities
- SED spend, contribution to healthcare enhancement and equitable access to medicines
- Engagement with governments and regulatory authorities to enhance localisation of supply of products in Africa

Reference to value created for stakeholders

- Our value creation process page 10
- Patients page 74
- Society page 85

How we engage

- Audits of manufacturing sites and Marketing Authorisation Holders by regulatory authorities to ensure Good Manufacturing Practice ("GMP") and regulatory compliance
- Registration of products and maintenance of marketing authorisations through submissions and direct engagements with regulatory authorities
- Participation in industry bodies
- Reports and interactions aimed at confirming legislative and regulatory compliance policies and processes

Employees and organised labour organisations

Aspen considerations

Our Employees are the foundation of our success and play a vital role in ensuring that we achieve our strategic objectives. We recognise that our people are our most valued asset, and their contributions shape the future of our company.

Stakeholder interests

- Job security, skills development and career planning
- Equitable remuneration packages, performance incentives and benefit structures
- Gender equality, diversity and inclusivity
- Equitable policies, practices and procedures
- Clearly articulated employee value proposition
- Reputation as an ethical employer
- Employee health, safety and wellness
- Employee bargaining and organisational rights
- Aspen's constructive engagement with employees through organised labour organisations and forums such as works councils, bargaining units and formalised workplace engagement committees

Capitals

Relationship indicator

Material matters engaged on since the previous report

- Regular townhalls held and internal communications circulated in order to keep employees appraised of business unit performance, strategic goals and key initiatives
- Undertaking a number of diversity, inclusion and equity initiatives in order to make these aspects part of the Aspen employee journey
- Internal communications survey to measure the perceived effectiveness of communications with employees
- Launch of various leadership development programmes across middle and senior management

Reference to value created for stakeholders

- Our value creation process page 10
- Our People page 78

How we engage

- Involvement in government programmes aimed at creating jobs and uplifting disadvantaged communities
- Direct engagements by supervisors and business management
- Internal communication measures such as the Group intranet, announcements and digital posts
- Conferences
- Digital and in-person town hall meetings for businesses and the Group
- Onboarding and internal training
- Employee surveys
- Meetings and other interactions with work councils, trade unions, and trade union representatives
- Employee wellness campaigns
- Exit and stay interviews
- Active encouragement of employees to participate in Nelson Mandela International Day ("Mandela Day")
- Tip-offs Anonymous Whistleblowing hotline

Engaging with our stakeholders continued

Suppliers, service providers, consultants and business partners

Aspen considerations

These stakeholders play a crucial role in enabling us to meet our commitments to patients, HCPs, customers and other stakeholders.

Stakeholder interests

- Fair engagement terms and timely settlement
- Ongoing communication about our expectations and service levels provided
- Fair tender and selection processes

Capitals

Relationship indicator

Material matters engaged on since the previous report

- Supply chain constraints
- Suppliers' ability to ensure continuity of supply and impact on Aspen's own ability to ensure continued supply
- Negotiation of contract terms and extensions
- Operational, tactical, and executive review meetings with service providers to ensure alignment to Aspen's strategic intent

Reference to value created for stakeholders

- Our value creation process page 10
- Society page 85

How we engage

- Tender, procurement and "expression of interest" processes
- Meetings to discuss service levels or other commercial aspects
- Interactions regarding safety, health, environmental and ethical compliance
- Visits to manufacturing sites, both virtually and physically

Investors and funders

Aspen considerations

As providers of financial capital, these stakeholders need to be kept informed of material developments impacting the Group and our future prospects.

Stakeholder interests

- Strategy and business model
- Growth in revenue, EBITDA, free cash flow and return on invested capital
- Appropriate management of capital expenditure, working capital and expenses
- Capital allocation
- Gearing, solvency and liquidity
- Returns to shareholders
- Security over assets, ethical stewardship of investments and good corporate governance
- Implementation of business continuity measures
- Fair executive remuneration and incentivisation
- Aspen's standing in terms of ESG

Capitals

Relationship indicator

Material matters engaged on since the previous report

- Strategic review and prospects
- Impact of trading environment on operational performance and progress against guidance
- Further VBP risk in China and potential acquisitive strategies to mitigate this risk
- Implementation of additional EUR 500m debt funding facilities from a club of development finance institutions
- Enhancing shareholder value through dividend declarations in FY2023 and FY2024
- Advances made by Commercial Pharmaceuticals in enhancing its product portfolio in emerging markets
- Fair remuneration outcomes, with a focus on the fixed and variable incentives of executives and performance measurement in respect of these incentives
- Engagements on ESG aspects, including carbon emissions and related disclosures
- Approved ESG goals and targets
- Product pipeline and development
- Group executive committee, junior and middle management level succession planning

Reference to value created for stakeholders

- Our value creation process page 10
- Group Chief Financial Officer's review page 21
- Our approach to sustainability page 72

How we engage

- In-person and virtual meetings, roadshows and conferences
- JSE Stock Exchange News Service announcements, media releases and interim and annual results presentations
- Annual general meeting
- Investor relations section of the Aspen website
- Engagements with the financial media

Engaging with our stakeholders continued

Communities in which we operate

Aspen considerations

We recognise that healthy communities contribute to a strong healthcare ecosystem, which is vital to advancing public health. Through active engagement, partnerships and social responsibility initiatives, we strive to address the unique healthcare needs of each community, promote health equity and support sustainable development.

Stakeholder interests

- Employment, education and skills development opportunities
- Socio-economic upliftment
- Environmental impact in respect of carbon emissions, solid waste disposal, as well as water and effluent management
- Ethical business conduct
- Aspen's contribution to local and community healthcare systems

Material matters engaged on since the previous report

- Humanitarian relief efforts to communities in war-torn territories, including donations of life-saving medicines
- Funding of tertiary students in South Africa to allow them to complete studies in chosen fields such as engineering, pharmacy and commerce
- Procurement from local suppliers and service providers
- Systematic reduction of the environmental risk posed by our manufacturing operations
- Supporting education/training for HCPs in local communities
- Initiatives to assist in building healthcare infrastructure

Reference to value created for stakeholder

- Our value creation process page 10
- Society page 85
- Environment page 94

How we engage

- Initiatives aimed at creating jobs and uplifting disadvantaged communities
- Responsible environmental management practices
- Working with communities to assist in building healthcare capabilities and capacities
- Rigorous ethics and compliance management programmes
- Participation in local, regional and international industry bodies

Capitals

Relationship indicator

Material contract manufacturing customers

Aspen considerations

As Aspen positions itself as a strategic partner of choice in terms of contract manufacturer in the pharmaceutical industry, it is crucial that we understand the needs and expectations of these customers.

Stakeholder interests

- Aspen's ability to ensure continuity of supply of the products we have been contracted to produce
- Aspen's application of quality management systems and GMP, including aspects such as sourcing, employment, environmental and safety practices
- Aspen's practices and reputation as a good corporate citizen
- Maintenance of regulatory approvals in respect of manufacturing sites used for third-party manufacturing

Material matters engaged on since the previous report

- A contract manufacturing agreement concluded with Novo Nordisk for the technical transfer and commercial manufacture of human insulin
- Negotiation of three sterile manufacturing agreements (including one mRNA) with multinational pharma companies for production at our French manufacturing facility
- Ongoing engagement on technical transfers of Serum vaccines
- Continued negotiations on new contracts and extensions to existing contracts

Reference to value created for stakeholder

- Our value creation process page 10
- Patients page 74

How we engage

- Extensive due diligence processes prior to selection and contract finalisation
- Regular meetings with these customers
- Periodic site inspections and audits

Capitals

Relationship indicator

Our Business Strategy

Our Business Strategy is to create value for our stakeholders by promoting access to medicines through building robust product portfolios that achieve organic growth and by leveraging our world-class manufacturing capacities and capabilities.

Strategic positioning

Our strategic positioning supports delivery of our vision

We achieve this by building a differentiated portfolio of relevant IP, creating value through our complex manufacturing capabilities and enabling access through our globally integrated supply chain.

Our market positioning is focused on opportunities presented by emerging markets, balanced with presence in more established, stable developed markets.

Through our dynamic portfolio management model on page 32, we build, optimise and reshape our basket of products to achieve a global product portfolio of niche, specialty products complemented by leading regional brands, aligned to our manufacturing capability.

We have proven manufacturing capability and capacity, creating access and collaboration opportunities with multinationals.

Our five strategic objectives

provide the foundation to deliver our strategy of creating value for our stakeholders. Our focus areas outline our plan of action over the short to medium term.

Strategy implementation and performance measurement

We implement our strategy by applying the resources we have available in executing our business model to achieve sustainable growth and value creation on page 28.

We have identified KPIs designed to provide a defined measure of performance against our strategic objectives. We track our performance by reporting against these KPIs to the Board on a quarterly basis. Certain KPIs (indicated with ▲) are linked to incentive schemes. In this way, the performance of executive directors, executives and senior management is aligned with our sustainable Business Strategy.

Reporting on our performance against our strategic objectives is included in Our strategic business performance on page 55.

Reporting on performance against incentives is included in the Remuneration review on page 110.

To promote access to medicines through a differentiated portfolio of high quality, affordable medicines

Our focus areas

- Implement our Access to Medicines Strategy▲
- Build and strengthen pipeline and accelerate product launches
- Focus on expanding our emerging country portfolios by establishing a meaningful presence in countries with high growth potential
- Implement initiatives to achieve security of supply
- Explore opportunities to reshape, optimise and revitalise our product portfolio
- Realise opportunities to play a greater role in vaccine supply to Africa
- Implementation and execution of the GLP-1 opportunity from CY2026 onwards

KPI

- Number of product recalls ▲

To optimise the strategic advantage of our integrated value chain

Our focus areas

- Optimise operations and drive efficiencies reducing the cost of goods and operational expenses
- Achieve the transfer of the manufacture of complex, sterile products to Aspen sites
- Focus on supply performance and optimise carrying levels of inventory
- Successfully implement partnerships and manufacturing contracts with multinationals to leverage available manufacturing capacity in niche specialty sterile manufacturing
- Advance digital transformation across our value chain (refer to our Digital Transformation Strategy on page 44)

KPI

- Gross profit ●

To develop and retain a talented, agile and diverse workforce inspired to achieve operational excellence

Our focus areas

- Build a culture of operational excellence and cross-functional collaboration
- Strengthen leadership capacity across the Group
- Harness the benefits of equity, diversity, inclusion and belonging
- Focus on the attraction, development and retention of required skills
- Maintain a strong health and safety culture across our operations
- Align organisational design to position the Group for success
- Refer to our Human Capital Strategy on page 43

KPI

- Average staff turnover ▲^
- Average training spend per employee ▲^
- Percentage of females in top management roles in the Group ▲^
- Percentage of black employees in top management roles in South Africa ▲^
- TRIFR ♦^

To be a good corporate citizen by conducting our business in a responsible, inclusive and sustainable way

Our focus areas

- Maintain high governance and ethical standards
- Enhance relationships and reputation with our various stakeholders
- Recalibrate Sustainability Strategy and align ESG priorities (refer to Our Sustainability Strategy on page 45)
- Explore resource efficiency projects to achieve security of supply and minimise impact on the environment
- Develop a climate change strategy

KPI

- B-BBEE accreditation in South Africa ■
- FTSE/JSE Responsible Investment Index score
- Carbon emissions ♦
- Waste recycled ♦
- Water withdrawn ♦
- Electricity used ♦

To create sustainable economic value for our stakeholders

Our focus areas

- Drive organic growth through the realisation of the potential of existing portfolios and territories
- Increase operating margins and generate strong free cash flows
- Remain alert to acquisition, disposal and collaboration opportunities which present strategic value
- Optimise the allocation of available capital
- Deliver on the anticipated increased contribution from sterile manufacture in fully utilising our capacity over the short to medium term
- Deliver economic benefits to suppliers, employees, governments, communities and shareholders

KPI

- Revenue growth ●
- NHEPS growth ●▲
- Normalised EBITDA growth ●▲
- Normalised EBITDA margin percentage ●
- Operating cash flow per share ●
- ROIC ●▲
- Free cash flow ●▲
- Leverage ratio ●

^ *KPI definitions are included in the Sustainability and ESG Data Supplement available online.*

▲ *Linked to performance and long-term incentive scheme. Further details included on page 118*

Assurance on our KPIs

We obtain assurance on these reported KPIs through a combined assurance approach: ♦ IBIS ■ Empowerdex ● EY ▲ Internal Audit

Further discussion on combined assurance is included on page 5.

Our Human Capital Strategy

Our strategic focus is to unlock potential for sustainable growth and performance excellence by cultivating a talented, agile, and diverse workforce capacitated to deliver on our Group Strategy. We aim to inspire operational excellence through a compelling employee experience rooted in a culture that prioritises well-being, innovation, and the strength of equity, diversity, inclusion and belonging.

Our Human Capital Strategy is built on six key pillars, anchored in our policies, governance structures, and reporting frameworks.

More information on our human capital performance can be found on pages 69 and 78 to 84.

Strategic pillars

Talent management
A dynamic, Group-wide approach to talent that is diverse, future-ready, and capable of achieving our strategic objectives. We are committed to having the right talent, at the right time, equipped with the right skill sets

Leadership development
Building and supporting leaders who are trusted, and purpose led, coaching their teams, and fostering environments that support and guide performance excellence while promoting and recognising a collaborative growth mindset.

Equity, diversity and inclusion
Enabling an inclusive collaborative and supportive environment where all employees deserve fair treatment and equal access to opportunities (equity), are celebrated and valued for their differences (diversity) and inclusion.

Rewards and performance
Rewards and performance systems that recognise and enable excellence by setting clear, measurable, and strategically aligned objectives, fostering continuous performance improvement, and offering differentiated rewards to encourage the right behaviours.

Business partnership
Driving a business-focused, human capital function that provides trusted and impactful human capital support and advisory that ensures that all Human Capital activities and structures are strategically aligned with organisational priorities.

Technology platform
Evolving to "e-human capital" with an integrated, innovative cloud solution that enables human capital transformation by equipping human capital and business leaders with decision-making tools to meet business objectives.

Our Human Capital Strategy is designed to foster a high-performance culture that fully realises the potential of our diverse talent pool to deliver on our Group strategy. We are committed to optimally acquiring, developing, retaining, and deploying our people by creating an environment that values diversity, ensures every voice is heard, and is supported by equitable policies and practices that enable everyone to thrive in their roles. Additionally, we are focused on enhancing core skills, including resilience, a growth mindset and data-driven decision-making, to drive sustainable growth and deliver value to all stakeholders.

We achieve our strategy through an integrated talent management approach focused on the 3C's of talent formula

Contribution

Finding meaning from work

Employees feel part of a global community and actively participate in our purpose. To achieve this, we place emphasis on:

- alignment of our employees' values and goals to those of our business;
- creating a challenging and motivating work environment; and
- robust recruitment, selection and retention processes.

Competence

Ability to do the work

Identify and bring the right talent into the organisation and continually build fit-for-future competence. We develop and enhance the competence of our employees by:

- clearly articulating what is expected and the standards to adhere to;
- assessing employees to ensure their skills remain relevant and fit-for-purpose;
- investing in talent improvement; and
- tracking competence.

Commitment

Willing to do the work

Create greater employee emotional response to work as seen in engagement and commitment to create career fulfilment, recognition and retention. We encourage greater commitment through a value proposition that includes:

- clearly articulated organisational direction and purpose;
- financial and other incentives;
- recognition of an employee's impact; and
- building a sense of community to foster belonging.

With our values embedded in all we do, our Group Strategy outlines how we will optimally manage our talent:

Acquire | **Develop** | **Retain** | **Deploy**

As our business consolidates and optimises for performance, we have been focused on leveraging our global footprint of talent. Our human capital operating model is also premised on integration of all value-creating and business relevant human capital processes from performance management to succession planning, while allowing for agility to respond to our fast-paced and dynamic business environment and ever-changing employee model.

Our Digital Transformation Strategy

The execution of our strategic objectives is enabled by the effective and efficient use of our digital technology capabilities. Key to our Digital Transformation Strategy is ensuring that these capabilities evolve to improve our ways of working, increase efficiency and enhance our interactions with our many stakeholders.

The One Digital Platform we are commissioning as part of our initial strategy will evolve into the core of our self-oriented technology strategy for the next three to five years. As the platform consolidates more information and data, stakeholders will gain deeper insights, enabling enhanced operational, tactical and strategic decision-making. The platform's key tenets focus on critical areas such as process optimisation, information management, culture, ethics and behaviour, as well as fostering our people's skills and competencies. Additionally, it emphasises adherence to principles, policies and procedures, the development of digital products and services, and promoting an agile and adaptive organisational structure to ensure long term success. More information on our digital transformation performance can be found on page 70.

Our Digital Transformation Strategy at a glance

5 Strategic digital imperatives

- Improve the contribution margin
- Enable accurate and predictive real-time organisational data
- Secure digital assets
- Simplify and facilitate daily activities using digital investments
- Enable new sources of digital value for all stakeholders

Value drivers and success measures

- Reduced inefficiencies
- Enhanced collaboration
- Reduced digital cost
- Increased compliance
- Increased digital value
- Improved security
- Enhanced governance
- Improved ways of working

Process and information

Culture, ethics and behaviour

People, skills and competencies

aspen

Organisational structure

Products and service

Principles, policies and procedures

Master data governance

ERP modernisation

Platform standardisation

Cybersecurity resilience

Smart factory

Digital supply chain

Our digital vision:

Contributing positively to making high quality, affordable medicines through digital innovation that will allow our global internal customers to reach and care for patients.

Beyond 2024:

The aim of the technology strategy is to focus on business-driven initiatives that leverage technology to provide rich information to support strategic and operational decision making, enhance organisational efficiency and deliver reduced costs, positioning Aspen as a collaborative partner in the pharmaceutical value chain.

Our Sustainability Strategy

We are committed to creating value for our stakeholders in a manner that is responsible, transparent, and that respects the rights of all. We recognise that to achieve long term success, we need to deliver our Business Strategy in a way that not only creates value for Aspen and our shareholders, but also in a manner which demonstrates our responsibility to society and the planet. We have grouped our sustainability commitments into four keys pillars, underpinned by our 16 sustainability goals.

Healthier populations

We are committed to promoting access to medicines by providing a reliable supply of high quality, affordable products across the geographies of our operations.

Goals

- Improve the health and quality of life of millions of people each year by increasing access to our portfolio of affordable, quality medicines
- Contribute to health security for Africa through enhancing manufacturing and commercialisation capability and capacity on the continent
- Partner with relevant stakeholders to strengthen healthcare and enhance broad access to essential medicines by vulnerable populations
- Achieve supply of safe products for patients

Strategic objectives | **Capitals** | **SDG**

Inspiring culture

We are committed to creating an inclusive, healthy and safe work environment, where everyone is treated fairly and respectfully and is inspired to develop to their full potential.

Goals

- Achieve diversity and inclusivity in our workforce
- Attract and retain a thriving, talented workforce
- Fair and equitable compensation for our employees
- Ensure the safety and well-being of our employees

Strategic objective | **Capital** | **SDGs**

Thriving communities

We are committed to operating an ethical and responsible business underpinned by our shared values and governance structures. We uphold the dignity, fundamental freedoms and human rights of our employees, contractors and the communities in which we live and work, and others affected by our activities.

Goals

- Procure responsibly and ensure ethical and responsible conduct in our supply chain
- Make a meaningful impact on socio-economic value creation while contributing toward black economic empowerment in South Africa
- Contribute towards sustainable and healthy communities
- Maintain high governance and ethical standards

Strategic objective | **Capitals** | **SDG**

Restored planet

We are committed to practising responsible environmental stewardship and seeking to minimise any negative impact our operations have on the environment in compliance with applicable laws, regulations and other environmental management requirements.

Goals

- Reduce our carbon emissions in alignment with the goals of the Paris Agreement
- Responsibly manage our site discharges
- Exercise responsible water stewardship and pursue water neutrality in operations located in high water-stress areas
- Apply a lifecycle approach to resource use and waste management

Strategic objective | **Capitals** | **SDGs**

Our risks and opportunities

Risks are inherent to our business due to our complex, highly regulated and uncertain operating environment. Identifying, analysing and appropriately responding to these business risks is crucial for achieving our strategic objectives, protecting stakeholders' interests and complying with legal requirements. Our success depends not only on our ability to minimise negative impacts, but also seizing potential opportunities for value creation presented in an uncertain future.

An integrated approach to risk management

The identification and management of risks are central to achieving our strategic objectives. These processes protect us against potential negative impacts, enable us to take strategic risks for reward and enhance our resilience against emerging threats. To this end, we employ an integrated approach considering economic, environmental and social factors affecting us and our stakeholders. We evaluate both opportunities and threats underlying each identified risk to ensure a balanced outcome between risk and reward for the Group's sustainability.

Risk management activities occur at all levels in the organisation. We strive to embed sound risk management in our strategy, planning, budgeting and performance management processes. Senior executives are accountable for effective risk management within their areas of responsibility and for fostering a culture of risk awareness throughout the organisation. The Group Risk Management Policy and the Risk Management Framework provide structure for these activities, ensuring alignment with the Group's risk appetite and tolerance levels.

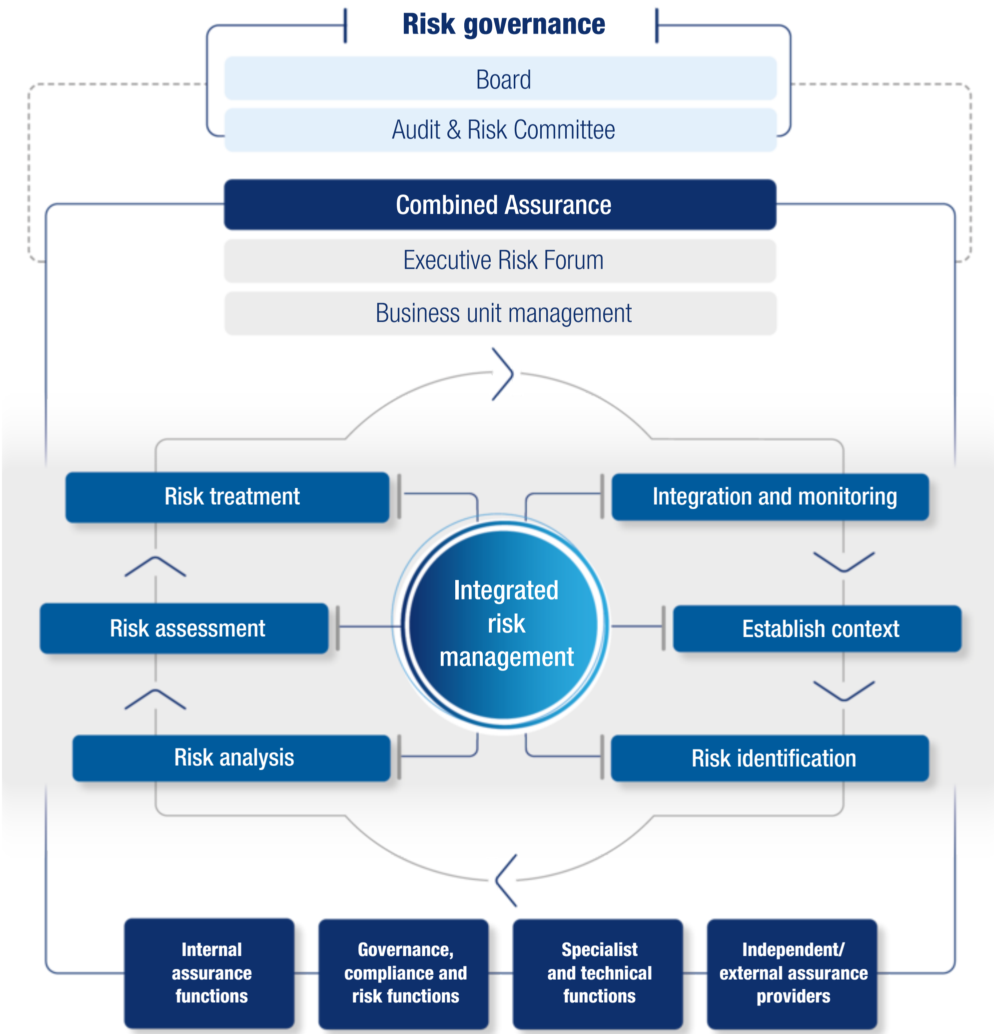
On a quarterly basis, the Group Risk function coordinates and consolidates risk assessments across the Group to identify new emerging risks and opportunities. We evaluate opportunities that demonstrate the value our initiatives and strategies could yield for the Group's growth and sustainability. Our value creation process (page 10), business model (page 28) and Business Strategy (page 42) elaborate on how we leverage opportunities to create value. The Group's various risk profiles are discussed and are regularly reviewed by the Executive Risk Forum, comprising senior Group executives, and are integrated into a Group Risk Report for consideration by the Audit & Risk Committee and the Board.

Risk governance

The Board holds ultimate responsibility for the Group's approach to risk management and internal controls. It defines the Group's risk appetite, determining the level of risk acceptable in pursuing the Group's strategic objectives. Oversight of risk management implementation is delegated to the Audit & Risk Committee. This Committee reviews the material risks facing the Group and ensures effectiveness of the risk management process and risk responses through a combined assurance approach.

Risk landscape

The past year has been characterised by global economic uncertainty, increased geopolitical polarisation, inflationary pressures and foreign currency volatility. Challenges relating to VBP impacts in China continue to test our resilience. Despite ongoing exposure to significant uncertainty, we have integrated the management of these impacts into our risk management approach and have appropriately adapted our responses. Emerging risks are monitored by executives, under the Board's direction (also refer to Our external operating context on page 34) .

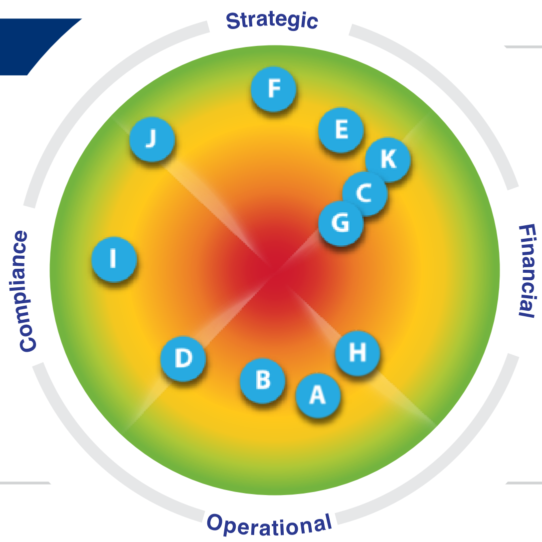


Our risks and opportunities continued

The key risks and opportunities that could have a material impact on our ability to achieve our strategic objectives and create value are outlined below.

Summary of key risks and opportunities *(presented in alphabetical order)*

- **A** Attraction, development, well-being and retention of employees
- **B** Continuity of supply
- **C** Delivery of pipeline and new products
- **D** Digital transformation and information security
- **E** Environmental sustainability, including climate action
- **F** Ethical conduct and stakeholder relationships
- **G** Execution of our business strategies
- **H** External macro factors
- **I** Legislation, regulation and compliance
- **J** Patient safety and product quality
- **K** Realising expected benefits from acquisitions and divestments



A Attraction, development, well-being and retention of employees

Risk context

We need an agile, diverse, skilled and committed pool of talented employees to execute the Group's strategy in an increasingly complex environment. There is fierce competition for the best talent, especially in certain technical and specialist fields in our regions of operation. Increased flexibility and new ways of working are key drivers in attracting top talent. Employee engagement and retention can be affected by organisational change and the resultant uncertainty. The rapid pace of workplace change, coupled with social and economic distress, leads to higher levels of stress, fatigue and mental health concerns. These factors pose an increasing risk to employee engagement and productivity. The health and safety of our personnel is a top priority, supported by compliance with health and safety laws, and the alignment of our systems, processes and procedures with local regulations.

Opportunity for value creation

By developing a compelling employee value proposition, the Group aims to position itself as an employer of choice in the competitive landscape. Maintaining a safe and healthy working environment fosters a motivated and productive workforce, promoting a high-performance culture, innovation and alignment with strategic goals.

Our response

Talent management is a key focus area in our Human Capital Strategy, with initiatives aimed at enhancing the definition and understanding of our talent supply and demand requirements.

We have implemented targeted programmes to increase diversity and gender representation, accelerate the development of high-potential employees and expand our employee succession pool through focused skills development and behavioural awareness programmes. To nurture employee well-being, we are strengthening various support programmes and initiatives within the business. Change management initiatives are implemented in business units impacted by organisational changes. Our health and safety management systems align with global standards and performance is monitored by the Social & Ethics Committee.

Strategic objectives

Capital

Risk trend

↔

Material matters

MM3 MM6 MM7

Our risks and opportunities continued

B Continuity of supply

Risk context

Our end-to-end value chain may be disrupted by external events, such as unavailability of essential raw materials, utilities, manufacturing components and services, or closure of our manufacturing sites due to natural disasters, civil unrest, regulatory interventions, fire and pandemics. The technical and regulated nature of the supply of pharmaceutical manufacturing carries an inherent risk of quality failures, which can lead to batch rejection or product recalls (refer to Patient safety and product quality risk on page 52). We heavily rely on specialised raw material suppliers and third-party manufacturers to deliver products within specification and required time frames. We continue to engage in multiple projects to transfer certain products to new manufacturing lines. While these technical transfers achieve more cost-effective and reliable manufacturing, they also pose execution risks. For further information refer to Our external operating context on page 34.

Opportunity for value creation

We strive to maintain a reliable supply of medicines for our customers and the patients who depend on them. Effectively managing the risks within our complex supply chain and responding promptly to disruptions are key drivers that support our reputation as a responsible and reliable pharmaceutical company. Consistent availability of supply enables us to capitalise on disruptions affecting other products. More cost-effective manufacturing increases affordability, enhancing access to medicines.

Our response

We build strong, long-term relationships with API suppliers and third-party manufacturers to ensure continuity and security of supply. When appropriate, we also manufacture our own APIs. Our strategy to invest in our sterile manufacturing capabilities for in-sourcing the production of anaesthetics further enhances our ability to manage our supply chain. Skilled and experienced teams handle technical transfer projects, with oversight from the Group Operations division to ensure progress is monitored and required milestones are met. We maintain safety stock of raw materials and finished products to buffer against supply disruptions. Continually strengthening our systems, processes and business continuity plans allows for a coordinated response to supply disruptions. We also maintain appropriate insurance coverage for high-impact events.

Strategic objectives

Capital

Risk trend

↓

Material matters

MM1 MM2 MM7

C Delivery of pipeline and new products

Risk context

The identification, development and commercialisation of new products is time-consuming and costly. Projects may fail or be delayed at any stage due to various factors. Given lengthy time frames associated with new product development projects, assumptions made at the project's initiation may change, affecting the planned return on investment. New products may not be accepted by the health regulators, may not perform as expected or may face greater-than-anticipated competition. The timing of new product launches depends on the speed of processing the necessary registrations by the regulatory authorities in each country.

Opportunity for value creation

Successfully launched products from our pipeline expand treatment options for HCPs and patients. A robust pipeline is a key driver in our sustainable growth strategy, offering opportunities to leverage our investment in IP and manufacturing capabilities.

Our response

Our product portfolio management strategy emphasises identifying opportunities that align with our Business Strategy. This approach leverages our intellectual and manufacturing strengths while aligning with local market conditions across a broad geographic footprint.

By implementing product development lifecycle management, our regional business and Group product portfolio development teams continuously review and refine our pipeline, focusing on molecules with confirmed commercial feasibility and enhanced value creation potential.

Strategic objectives

Capitals

Risk trend

↓

Material matters

MM1 MM4

Our risks and opportunities continued

D Digital transformation and information security

Risk context

Digital technologies continue to revolutionise the way companies conduct business and operate. Keeping pace with the speed of digital transformation is imperative to remaining competitive and relevant, while ensuring employees stay informed about digital developments (refer to Attraction, development, well-being and retention of skills risk on page 47). Patients and HCPs are increasingly accustomed to the convenience of digital and remote healthcare, requiring pharmaceutical companies to adopt innovative technologies to engage with their stakeholders (refer to Our external operating context on page 34).

An agile digital strategy, supported by investments in IT infrastructure, systems and capabilities, is essential. However, large-scale IT projects are exposed to implementation risk. With growing incidents of cyberattacks, it is increasingly important to ensure secure and reliable IT systems and infrastructure, as well as the carefully management of sensitive information to ensure data privacy. Failure to adequately protect critical systems and information can disrupt business operations, result in the loss of commercial or strategic advantages, or lead to breaches of data privacy regulations.

Rapid advancements in AI applications have the potential to significantly impact our business processes, presenting both opportunities and challenges. However, these developments also come with ethical, security and governance risks that must be carefully managed.

Opportunity for value creation

Digital technologies are crucial in advancing our strategic objectives and supporting sustainable operations. Increased digitalisation and the adoption of AI, automation and robotics offer opportunities for efficiency gains, cost reduction, development of employees' digital skills, enhanced collaboration both internally and with our key partners, and information-driven decision-making.

Our response

Our digital transformation has received increased focus, emphasising foundational areas such as governance, cybersecurity and risk management to position us for growth and optimisation. We have continued to make a considerable investment in modernising our ERP, regulatory and compliance systems, and manufacturing execution systems. Digital platforms are increasingly being used to enhance communication and collaboration with our various stakeholders. Our data privacy policies ensure that personal data, both electronic and hard copy, is collected, transferred and stored appropriately. The Audit & Risk Committee provides oversight of Information & Technology ("I&T"). For more information on our Digital Transformation Strategy, refer to page 44.

Strategic objectives

Capital

Risk trend

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Material matters

MM5 MM7

Our risks and opportunities continued

E Environmental sustainability, including climate action

Risk context

Our operations rely on scarce natural resources and have negative environmental impacts, including carbon emissions and waste. Our industry inherently carries an elevated risk of environmental contamination. There is increasing global pressure from regulators, investors, HCPs, customers and society at large for companies to transition to a low-carbon economy and adopt robust sustainability strategies. This transition involves more stringent regulatory compliance and transparency standards in countries where we have operations. Our customers and business partners are likely to place greater emphasis on our environmental sustainability performance, and that of our value chain, in their purchasing decisions. Physical impacts of climate change threaten business continuity both for our operations and across the entire value chain.

Opportunity for value creation

Addressing the risks related to environmental sustainability and our environmental impact presents opportunities to reduce our carbon footprint and achieve greater efficiencies within our operations. It also enhances our resilience against physical impacts. Our broader environmental stewardship activities support our commitment to being a responsible corporate citizen and contributing to the promotion of healthier communities.

Our response

Through the development of our Group Sustainability Strategy, we initiated processes to better understand the potential impact of climate change, water and biodiversity on our business through climate risk, water and biodiversity assessments. We are committed to developing action plans with specific targets to reduce our carbon emissions, waste generation and water consumption. These efforts will build on existing environmental and resource efficiency initiatives aimed at reducing our reliance on scarce resources and minimising our environmental impact. We support the TCFD and have enhanced our disclosures in line with its recommendations. Initiatives have been launched to ensure compliance with developing disclosure and regulatory requirements. (see page 4).

Strategic objective

Capitals

Risk trend

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Material matters

MM6 MM7

F Ethical conduct and stakeholder relationships

Risk context

We recognise that our success depends on conducting our operations ethically and meeting stakeholder expectations. Failure to adhere to our values and Code of Conduct could lead to a loss of stakeholder confidence and reputational damage.

Opportunity for value creation

Maintaining a corporate culture rooted in ethical conduct is essential for building trust with our various stakeholders and enhancing our corporate reputation.

Our response

We maintain a zero-tolerance stance to unethical behaviour. Our Code of Conduct is a values-based framework designed to guide employee conduct. We review employee understanding of our Code of Conduct annually. A formal ethics management programme has been implemented and the Social & Ethics Committee oversee its effectiveness. Our approach to stakeholder relationship management involves identifying and transparently addressing issues that may impact our commitment to good corporate citizenship.

Strategic objectives

Capital

Risk trend

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Material matters

MM7

Our risks and opportunities continued

G Execution of our business strategies

Risk context

Several risks could affect the development and execution of our business strategies. These include increased competition, the global challenge of affordable healthcare, demand fluctuations, changes in healthcare policies, new pricing policies and programmes, legislated pricing cuts, volatile market environments, commercial team performance, insufficient demand for manufacturing capacity, and supply availability. If our business strategies do not achieve the expected performance outcomes, it could place additional pressure on our financial sustainability. Prolonged declines in commercial performance of specific products may lead to impairment of IP, while underutilised manufacturing capacity could adversely affect returns on invested capital. For more details, see Our external operating context on page 34.

Opportunity for value creation

Achieving our business performance expectations is core to the Group's strategy of creating sustainable long-term value for all our stakeholders. By implementing responsible pricing strategies, we strive to balance product affordability with reasonable returns on investments. Our proven manufacturing capabilities and capacity also foster collaboration opportunities with multinational partners, enhancing access and sustainability.

Our response

We are continuously reshaping our product portfolio to achieve a well-balanced and diversified mix of Prescription, OTC and Injectables, emphasising niche specialty brands where we see significant opportunities. We consistently invest in our commercial team structures, manufacturing capabilities, processes and skills, while seeking mutually beneficial collaborations to secure sustainable third-party volumes. By actively engaging with regulatory authorities and other key stakeholders, we ensure that each country or territory can monitor and adjust their approach to manage pricing pressures. Our strategy to transfer the production of certain products to our own facilities is expected to improve margins, enhance competitiveness and strengthen supply security. We are focused on achieving efficiencies, cost reductions and synergies in this challenging and regulated pricing environment.

Strategic objectives

Capitals

Risk trend

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Material matters

MM1 MM2 MM4 MM7

H External macro factors

Risk context

As a multinational Group, we are exposed to a range of geopolitical, social and economic risks that could impact our operations. These risks are complex and continuously evolving, creating an uncertain business environment. While many regions offer opportunities, macro-economic factors such as policy uncertainty, restrictions on access to funds, currency volatility, rising interest rates, social unrest and increased inflation can impede our growth. For more details, refer to Our external operating context on page 34.

Opportunity for value creation

The ability to effectively navigate the dynamic and uncertain market environment creates opportunity to achieve growth, enhanced returns and further diversification.

Our response

Our diverse geographical footprint helps mitigate the impact of localised macro factors. We continuously monitor socio-economic trends and geopolitical events in countries where we operate and implement strategic responses as needed, including stringent management of our operating expenses.

Strategic objectives

Capitals

Risk trend

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Material matters

MM4 MM7

Our risks and opportunities continued

I Legislation, regulation and compliance

Risk context

The pharmaceutical industry faces complex, costly and evolving regulations that govern the approval, manufacturing, labelling, marketing and sale of pharmaceutical products. These regulations vary by region, country or territory and are rigorously monitored and enforced. All aspects of our business are subject to extensive legislation and regulation, which becomes more complex due to our multinational operations. Changes in these laws and regulations can significantly impact our operations and increase the risk of non-compliance.

Opportunity for value creation

Maintaining compliance with relevant laws, regulations and standards is essential to our licence to operate and is fundamental to our commitment to being a responsible corporate citizen.

Our response

Our business practices are reinforced by our ethical commitment and adherence to legislative compliance management processes. We have established a robust regulatory and compliance management framework across the Group's operations. We continuously monitor legislative and regulatory developments. Regular internal communication and training ensure employees understand and adhere to ethics standards, while key regulatory and compliance requirements are regularly assessed. Compliance with legal and regulatory standards is overseen by Group executives and the Board.

Strategic objectives

Capitals

Risk trend

↔

Material matters

MM6 MM7

J Patient safety and product quality

Risk context

Our products, primarily prescription medicines, are used by patients across numerous countries. We are responsible for implementing robust pharmacovigilance procedures and systems to identify, investigate and address any potential safety concerns relating to these products. The quality requirements for pharmaceuticals are stringent throughout the entire supply chain, including standards for suppliers, manufacturing and distribution. The complex technical manufacturing processes associated with our products heighten the inherent risk of quality deviations and batch rejection.

Opportunity for value creation

Our primary responsibility is to the patients who use our products, the HCPs who prescribe them and the regulators who safeguard public health. Our commitment to deliver a reliable supply of high quality, affordable medicines, and effectively address safety or quality incidents as they arise is crucial to maintaining the trust these stakeholders place in the Aspen brand.

Our response

Our Group Pharmacovigilance function, supported by local business units worldwide, is tasked with monitoring and managing the safety of all our products throughout their product lifecycle. We use robust systems and processes to ensure manufacturing quality standards, compliance with current GMP and adherence to other regulatory requirements. Our Quality Assurance department performs audits to uphold our high quality standards. The Social & Ethics Committee oversees our responsibility to patients and consumers. The Group maintains appropriate product liability insurance.

Strategic objectives

Capitals

Risk trend

↔

Material matters

MM1 MM2

Our risks and opportunities continued

K Realising expected benefits from acquisitions and divestments

Risk context

An integral part of our strategy involves acquisition, licensing, collaborations and divestments. Risk associated with acquisitions includes the potential failure to identify suitable opportunities, not realising the anticipated benefits, or encountering unexpected risks and obligations from the transaction. The success of our acquisition strategy hinges on effective integration of acquired technologies, products, and businesses and their subsequent growth. When disposing of assets that are no longer considered core, the Group may face challenges in completing the transaction on favourable terms, may need to provide guarantees and warranties, and could be exposed to claims from buyers or creditors transferred from the business.

Opportunity for value creation

Effective portfolio management allows us to address patients' medication needs, build targeted therapeutic portfolios, achieve a desired geographical footprint and leverage our manufacturing and supply chain capabilities. Acquisition and disposal transactions are crucial to our portfolio management model enabling us to accelerate our strategy, to achieve accretive growth in the Group's overall economic value and reshape and renew our product offerings in response to changes in our operating environment.

Our response

We conduct thorough due diligence to strategically identify, value and execute transactions involving external specialists, where necessary. Experienced and highly skilled professionals handle negotiations. We have a well-established approvals framework, with proposed transactions undergoing critical review by executive management, and if needed, approval by the Board. Dedicated integration teams are responsible for executing transition agreements to ensure a successful transfer of processes and product distribution. Post-acquisition performance is closely monitored to ensure effective integration and alignment with business plans.

Strategic objectives

Capitals

Risk trend

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Material matters

MM4

Our performance

In this section:

Achieving an unmet Florinef® need in China in record time

Congenital adrenal hyperplasia ("CAH") is a group of serious genetic diseases that lead to adrenal hormone deficiencies, particularly in children. Without treatment, CAH affects the growth and sexual maturation of children, with potential for additional adrenal complications.

Florinef®, indicated for the treatment of CAH, had no presence in China despite it being widely available for some 70 years. Aspen met this pressing healthcare need and secured Florinef® registration for Chinese patients in May 2024.

View this case study online.

Our strategic business performance

A high-level overview of our performance over the past year and the outlook for each of our strategic objectives is set out in the pages that follow.

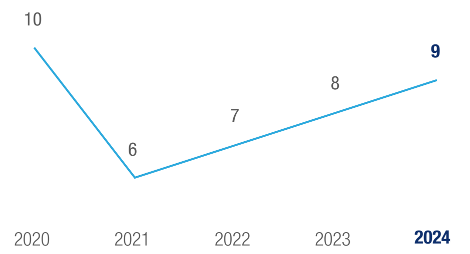
Strategic objective

To promote access to medicines through a differentiated portfolio of high quality, affordable medicines

Performance highlights

- Maintained a reliable supply of medicines across the geographies of our operations.
- Achieved progress against the milestones set out in our Access to Medicines position paper aimed at galvanising the Group's efforts to achieve its commitments to promote access to medicines.
- Progressed the technical transfer of the four vaccines from Serum Institute
- Enhanced our portfolio of products in emerging markets through transactions with Lilly, Viatris and Sandoz.
- Concluded an agreement to manufacture Human Insulins for Novo Nordisk.
- Continued the targeted approach to product development and licensing initiatives, creating a product pipeline aligned with the Group's future growth plans, successfully launching a total of 157 products in 32 countries and territories, broadening access to high quality, affordable medicines and products.
- Secured a commercial licence for the intellectual property necessary to commercialise GLP-1s post the expiry of the originator patents, which is expected from CY2026 onwards.
- Maintained a strong quality culture, achieving positive results from inspections undertaken by regulators and audits conducted by customers.
- Maintained a low level of product recalls.

KPI: Product recalls (number)



The number of product recalls has been maintained at a relatively low level. Most recalls were self-initiated and limited to batch-specific issues requiring recall of the affected batches only.

Challenges experienced

- Instances of supply delays and disruptions required careful stock allocation and prioritisation to minimise the impact of supply shortages.
- The timing of new product launches is dependent on meeting regulatory requirements and the speed of processing the necessary registrations by the regulatory authorities in each country.
- Increasing complexity of regulatory requirements and product regulations, requiring additional resources to maintain and upgrade our IP.

Near to medium-term outlook

- The execution of our agreement with Serum Institute will provide the opportunity to expand our supply of vaccines to Africa and further strengthen the continent's pandemic readiness.
- Investments in our vaccine manufacturing capability and capacity positions us to collaborate with, among others, African countries and Gavi/UNICEF to further support enhanced access to medicines.
- The completed transactions significantly broaden our product portfolio and pipeline opportunities in emerging markets.
- Commercial Pharmaceuticals is well positioned to deliver on organic growth objectives.
- The Sandoz acquisition de-risks our product portfolio in China and creates a platform for future growth.
- Development and refinement of the product pipeline in line with the Group's targeted therapeutic categories for each region are being pursued to build on the areas of expertise we have developed and reduce exposure to pricing risks.
- Commercial opportunities to enter the rapidly growing GLP-1 market for breakthrough products in the treatment of diabetes and obesity are advancing positively.
- Ongoing consideration of acquisition, collaboration and partnering opportunities to achieve enhanced distribution capability in territories where we lack sufficient critical mass.

Key risks and opportunities

- Continuity of supply.
- Delivery of pipeline and new products.
- Digital transformation and information security.
- Execution of our business strategies.
- External macro factors.
- Legislation, regulation and compliance.
- Patient safety and product quality.

Material matters

MM1 MM2 MM6 MM7

Positive performance
Performance maintained
Negative performance

Our strategic business performance continued

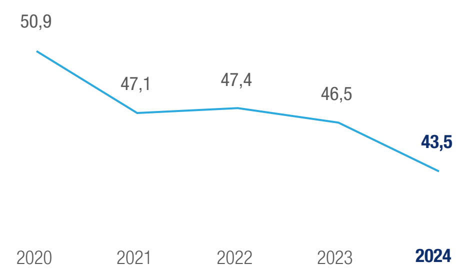
Strategic objective

To optimise the strategic advantage of our integrated value chain

Performance highlights

- Further progressed the significant capital projects at the Gqeberha site in South Africa and Notre Dame de Bondeville site in France (which came online in April FY2024), aimed at increasing capacity and capability for additional sterile manufacturing opportunities.
- Completed the technical transfer and commenced commercialisation of the mRNA manufacturing contract at Notre Dame de Bondeville.
- Progressed technical transfers of the manufacture of Human Insulins and the Serum Institute vaccines at Gqeberha and awaiting regulatory approval.
- Cost of goods reductions achieved through site transfers.
- Continued to implement changes required to meet serialisation regulations at our manufacturing sites.
- Initiated projects at Gqeberha to transition the site to off-municipal grid power supply.
- Progressed the strategic project to optimise our end-to-end value chain through an integrated business planning process.
- Continued investment in digital transformation to enhance the integration of manufacturing and finance processes and systems, achieving increased efficiency and the ability to manage risks across the complex supply chain more effectively (refer to page 44).
- Ongoing transformational organisational design and process improvement initiatives aimed at increased efficiency and cost reduction across our value chain.

KPI: Gross profit percentage (%)



The Commercial Pharmaceuticals margins have remained resilient over time even after absorbing the negative impact of VBP in China. The increased Manufacturing sales mix led by high Heparin sales has diluted the Group's gross profit margin.

Challenges experienced

- Continued upward cost pressures.
- The pharmaceutical supply chain is complex, and optimally matching supply with demand in multiple territories remains a focus area for the Group.

Near to medium-term outlook

- The consolidation of Anaesthetics manufacturing into Aspen sites will further increase our control over the supply chain, enhancing security of supply and thereby allowing better access to these essential medicines. It will also lead to lower cost of goods, allowing access to more competitively priced commercial opportunities.
- The commencement of commercial batch manufacturing for completed sterile manufacturing contracts, together with the increased production volumes pertaining to the Serum Institute vaccines, will contribute positively to the utilisation of the sterile manufacturing capacity at the Gqeberha site.
- Manufacturing and commercial opportunities to enter the rapidly growing GLP-1 market are being pursued.
- The process improvement initiatives underway at some of our key sites are expected to yield further efficiency gains.
- Despite the expected continuation of inflationary pressures, further reductions in costs of goods are expected to cushion the impact.
- Our integrated supply chain and niche manufacturing capabilities, matched with our global distribution capabilities, place us in a position to enter into value-creating partnerships.
- The significant investment in digital transformation initiatives is expected to increase overall value chain efficiency.

Key risks and opportunities

- Continuity of supply.
- Digital transformation and information security.
- External macro factors.
- Legislation, regulation and compliance.
- Patient safety and product quality.

Material matters

MM1 MM2 MM5 MM6 MM7

Positive performance
Performance maintained
Negative performance

Our strategic business performance continued

Strategic objective

To develop and retain a talented, agile, and diverse workforce inspired to achieve operational excellence

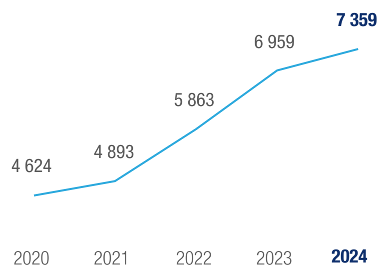
Performance highlights

- Further progressed the implementation of our Group Human Capital Strategy, with global talent management, and equity, diversity and inclusion receiving heightened strategic focus (refer to page 43).
- Focused on succession planning for both the Executive Committee and senior management.
- Completed further organisational redesign projects to improve operational effectiveness.
- Continued efforts aimed at the targeted restructuring of the workforce in selected operations to achieve the required operational efficiency.
- Increased investment in training interventions to equip our employees with core and technical skills required for growth.
- Further enhanced the Group universal incentive scheme aimed at achieving alignment between the Group, business units and individuals in setting, measuring, and achieving performance objectives.
- Progressed the implementation of the Human Capital Technology Enablement Strategy.
- Maintained our TRIFR lower than the tolerance level.

KPI: Average staff turnover (%)

Overall staff turnover and voluntary staff turnover rates have shown a slight improvement. We continue to face high competition for employees in certain markets while voluntary departures as part of organisational redesign projects in certain business units also contributed to turnover experienced.

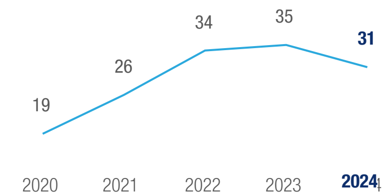
KPI: Average training spend per employee (Rand per employee)



Training spend has gained further momentum in FY2024 as we continue to deliver training interventions aimed at enhancing technical skills, SAP and leadership programmes.

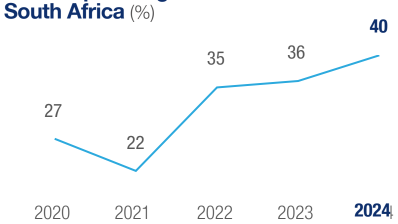
Positive performance
Performance maintained
Negative performance

KPI: Percentage of female employees in top management roles in the Group (%)



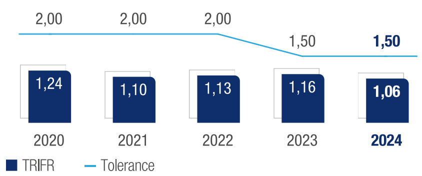
The representation of women in the senior positions in the Group has decreased to 31% as a result of retirement and resignation of senior female talent. Efforts continue to advance women within the organisational structure.

KPI: Percentage of Black employees in the top management roles in South Africa (%)



The percentage of black employees in the top management roles in South Africa has improved to 40% as we remain focused on improving representation in our senior management levels.

KPI: Total recordable incident frequency rate (ratio)



The TRIFR has declined slightly and remains below the tolerance level indicating a sound health and safety culture. Regrettably, one occupational fatality was recorded as a result of a motor vehicle accident caused by a third-party. The investigation, analysis and remediation of all incidents remains a focal point in order to prevent recurrence.

Challenges experienced

- The ability to attract, retain and develop the diverse talent and specialist technical skills required to support the increasing complexity of the Group remains a focus area.
- Retirements and resignations of females in senior positions have resulted in a decline in female representation in top management roles.
- The inherent health and safety risks relating to the pharmaceutical and chemical industry require an unwavering focus on maintaining a strong occupational health and safety culture across all our operations.
- Regrettably, one employee lost her life in a fatal car accident while on official duty. This incident has placed a spotlight on the risks to our sales representatives and to mitigate such risks, prevention programmes have been initiated.

Near to medium-term outlook

- The continued implementation of the Group Human Capital Strategy will further progress our objective to create an engaging, enabling, and inclusive environment for all our employees.
- The deployment of digital technologies will improve the employee experience, drive improved human capital service levels, and create opportunities for data-driven insights.
- Further organisational redesign projects will commence, where required, to position the Group for increased effectiveness and commercial synergies.
- The drive to improve the representation of women and, in South Africa specifically, racial diversity in key management levels remains a focus in the medium term.
- Initiatives to further enhance the occupational health and safety culture across our operations continue to receive attention.

Key risks and opportunities

MM3 MM5 MM6 MM7

Our strategic business performance continued

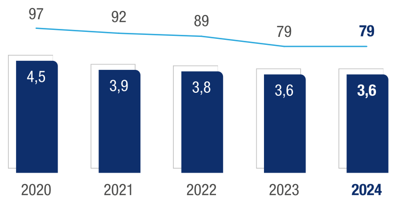
Strategic objective

To be a good corporate citizen by conducting our business in a responsible, inclusive and sustainable way

Performance highlights

- The Executive Sustainability Forum provided strengthened oversight of our sustainability performance, and reporting to the Social & Ethics Committee continues to be enhanced.
- Formalised a Group Sustainability Strategy, supported by Group sustainability goals, measures and targets (refer to page 45).
- Retained our inclusion in the Top 30 FTSE/JSE Responsible Investment Index Series and FTSE4Good Index Series.
- Maintained our support of the UN Global Compact, the CDP for Climate Change ("CDP-CC") and CDP for Water Security ("CDP-WS") initiatives.
- Strengthened our Ethics & Compliance policy framework and programme.
- The Executive Transformation Committee provided focus on targeted transformation initiatives in the South African business and the achievement of B-BBEE objectives.
- Continued our support of SED projects contributing to the well-being of the communities in which we do business.
- Developed a Group Human Rights Policy.
- Progressed various environmental projects, including initiatives that will reduce carbon emissions.
- Revised our Supplier Code of Conduct to align with Pharmaceutical Supply Chain Initiative ("PSCI") principles, developed a position paper on Responsible Supply Chain and initiated enhanced supplier sustainability evaluations.
- Integrated sustainability/ESG KPIs in business unit scorecards and long-term incentive scheme.

KPI: FTSE/v Responsible Investment Index score

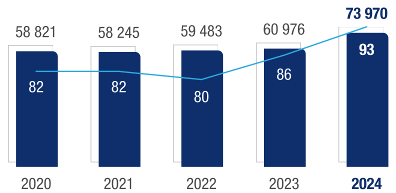


FTSE/JSE Responsible Investment Index score

FTSE/JSE Responsible Investment Index percentile

Due to a change in the timing of the assessment performed by the FTSE Russel, an updated score for our FY2024 is not available and reporting is at the previously published score. We have retained our inclusion in the top 30 FTSE/JSE Responsible Investment Index and FTSE4Good Index as at 30 June 2024.

KPI: Waste recycled



Waste recycled (Tonnes)

Waste recycled (%)

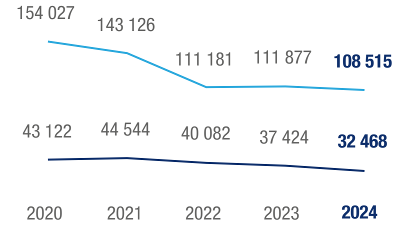
While the total volume of waste generated increased by 12%, a higher percentage was recycled resulting in an improvement of our waste recycled metric. Only 1% of waste generated is directed to landfill.

KPI: B-BBEE accreditation in South Africa

	2020	2021	2022	2023	2024
Contributor level	4	4	4	4	**4**

Through executing a focused B-BBEE strategy, we have retained our contributor level at Level 4.

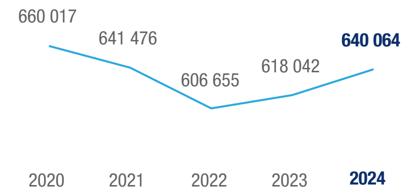
KPI: Carbon emissions (tCo_2e)



Scope 1 Scope 2

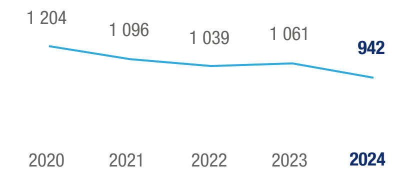
Total carbon emissions have decreased, with scope 1 emissions reducing by 13% and Scope 2 by 3%. Combined scope 1 and 2 emissions have reduced by 28% over the five-year period. The reductions are as a result of operational factors, notably a reduction in natural gas consumption by Oss, coupled with the implementation of energy saving and renewable energy projects across the Group.

KPI: Electricity used (gigajoules)



Electricity consumption increased by 4% over the prior year, mainly as a result of increased production. Over the five-year period, electricity consumption has reduced by 3%.

KPI: Water withdrawn (megalitres)



There has been a 11% decrease in the volume of water withdrawn substantially driven by optimisation projects implemented at sites in the Netherlands. Over the five-year period, water withdrawn has reduced by 22%.

Challenges experienced

- Stakeholder expectations, reporting and disclosure requirements in respect of our corporate citizenship and sustainability commitments continue to increase and require ongoing attention to ensure we continue meeting these in a balanced and responsible manner.
- Our operations span multiple territories, with complex regulatory frameworks requiring ongoing vigilance to reduce the risk of non-compliance.

Near to medium-term outlook

- Ongoing emphasis will be placed on ensuring an ethical and values-driven culture throughout the Group.
- Ongoing review and strengthening of our Group Ethics & Compliance function to align with the increasingly complex compliance landscape.
- Continued investment in appropriate skills development and enterprise development initiatives as well as a focus on preferential procurement to further improve our B-BBEE performance.
- In line with our Group SED policy, projects aligned with specific objectives will be continued in the countries in which we do business.
- A climate change strategy and decarbonisation roadmap are being developed for the Group, aimed at addressing climate change risks and achieving carbon reduction targets.
- Commenced EU Corporate Sustainability Reporting Directive readiness assessment to be able to comply with future reporting requirements.

Key risks and opportunities

- Environmental sustainability, including climate action.
- Ethical conduct and stakeholder relationships.
- Legislation, regulation and compliance.

Material matters

MM1 MM6 MM7

Positive performance

Performance maintained

Negative performance

Our strategic business performance continued

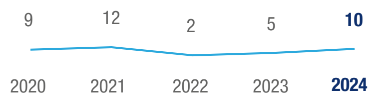
Strategic objective

To create sustainable economic value for our stakeholders

Performance highlights

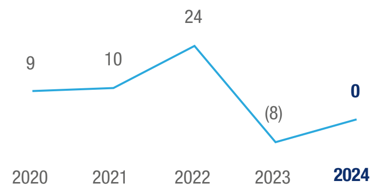
- Created R20 456 million in value, with R10 281 million being paid to employees, R2 060 million in revenue being generated for governments, R26 852 million in payments being made to providers of goods and services and R14 million to support various SED initiatives.
- Value returned to shareholders through an increase in dividend to 359 cents per share.
- Achieved highest ever normalised EBITDA for a half-year reporting period in H2, growing by 17% over H1, and ending the year with revenue growth of 10% and normalised EBITDA growth of 1%.
- Introduced a new operating model for the Heparin business, resulting in an unwind of R2,9 billion in associated inventory.
- A lower working capital investment resulted in a strong cash conversion rate of 103% and a 13% growth in operating cash flow per share.

KPI: Revenue growth (%)



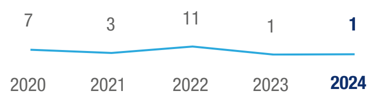
Revenue grew by 10% to R44 706 million with Commercial Pharmaceuticals revenue increasing 4% and Manufacturing revenue increasing 25%.

KPI: NHEPS growth (%)



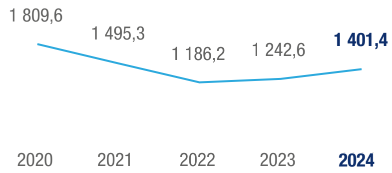
Growth of 1% in EBITDA offset by higher depreciation charge resulting in flat NHEPS growth.

KPI: Normalised EBITDA growth (%)



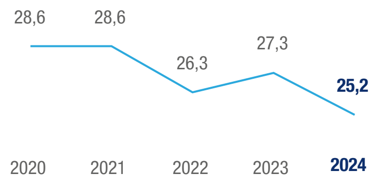
Normalised EBITDA grew 1% with growth from acquisitions being diluted by VBP in China.

KPI: Operating cash flow per share (cents)



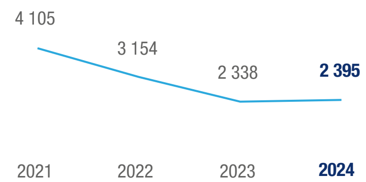
Operating cash flow improved year-on-year underpinned by solid trading cash flows coupled with lower investment in working capital.

KPI: Normalised EBITDA margin (%)



The normalised EBITDA margin percentage has declined due to the dilution of gross profit margins resulting from the increased Manufacturing sales mix.

KPI: Free cash flow (R'million)*



Free cash flow was positively impacted by lower working capital levels partly offset by higher sterile expansion capital expenditure, increased finance costs and cash tax payments. Free cash flow included the partial funding of the Latin American product portfolio acquisition of R2,1 billion through operating cash flows.

Positive performance
Performance maintained
Negative performance

Challenges experienced

- Geopolitical situation in Russia and Ukraine continued to impact our business in these countries.
- Ongoing downward pressure on selling prices.
- Greater than anticipated VBP impact in China.
- Inflationary cost pressures.
- Investment in non-revenue-generating technical transfer activities relating to the onboarding of new sterile manufacturing opportunities.
- Higher interest rates.
- Evolving pharmaceutical regulations and application of increasingly stringent quality standards leading to raised costs of compliance across all territories. The high cost of doing business in this complex regulatory environment places pressure on achieving satisfactory returns on investment.

Near to medium-term outlook

- The product portfolio additions in Latin America, South Africa and China, underpinned by solid underlying organic growth, are targeted to drive double-digit CER revenue growth in Commercial Pharmaceuticals in FY2025.
- Exposure to VBP risk in China significantly reduced.

Our strategic business performance continued

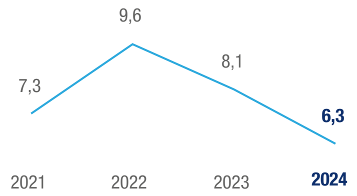
Strategic objectives

Performance highlights

- Acquisitions increased the leverage ratio to 2,28 times, remaining well within our internal limit of 3,0 times.
- Commercial Pharmaceuticals absorbed the sharp price decreases in China under VBP. Resolving this negative overhang with the successful conclusion of acquisitions in China and Latin America has de-risked the base business, ensuring it is well poised for future growth.

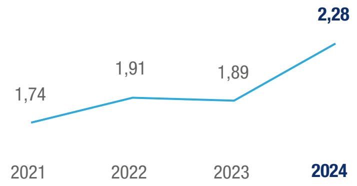
To create sustainable economic value for our stakeholders continued

KPI: Return on invested capital (%)*



The decrease in the return on invested capital is influenced by the lower operating profit margins and increased intangible asset impairments.

KPI: Leverage ratio (%)



An increase in net debt has resulted in a leverage ratio of 2,28 times which is comfortably within the covenant level of 3,5 times and below management's maximum level of 3,0 times.

* *These KPIs were only measured from 2021 and therefore no prior comparatives are available.*

Positive performance
Performance maintained
Negative performance

Near to medium-term outlook

- Utilising existing sterile capacity and successfully transferring contracts into our facilities is core to the future growth strategy. The contribution from these contracts in FY2024 exceeded the guidance provided of R500 million.
- Continued focus on initiatives aimed at reducing operating costs and driving production efficiency.
- Our favourable relationships with many multinational pharmaceutical companies positions us to engage with them regarding collaborations and mutually beneficial transactions.
- The securing of a commercial licence for the intellectual property necessary to commercialise GLP-1s post the expiry of the originator product patent, together with exclusive supply agreements to the licensor, provide potential opportunity to participate in this rapidly growing market segment.

Key risks and opportunities

- Delivery of pipeline and new products.
- Digital transformation and information security.
- Execution of our business strategies.
- External macro factors.
- Legislation, regulation and compliance.
- Realising the expected benefits from acquisitions and divestments.

Material matters

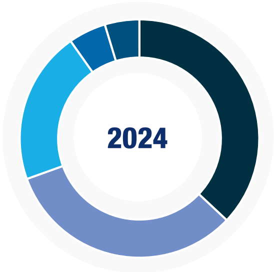
MM2 MM4 MM7

Business segment overviews

Prescription

Products which generally require a prescription from a healthcare professional. Primary therapeutic areas are anti-inflammatories, immunosuppressants, hypothyroidism, anti-gout, analgesics, and corticosteroids.

Revenue (%)



25% of Group revenue

36% of Group gross profit

Africa Middle East	45
Australasia	39
Americas	25
Asia	6
Europe CIS	6

	2024 R'million	2023 R'million	% Change Reported	% Change CER
Revenue				
Africa Middle East	**4 242**	3 876	9	9
Americas	**2 832**	1 801	57	42
Australasia	**2 618**	2 713	(4)	(6)
Europe CIS	**991**	989	—	(7)
Asia	**697**	542	29	24
Total	**11 380**	9 921	15	11
Gross profit (%)	**60,9**	60,7		

Key brands

Eltroxin	Imuran	Lipitor	Lyrica	Meticorten	Purinethol
Thyroid hormone	Immunosuppressant	Cardiovascular	Anticonvulsant and neuropathy	Corticosteroid	Oncology

Performance

Prescription brands achieved robust growth of 15%, with revenue reaching R11 380 million. This was primarily driven by the Americas, which posted a 57% increase supported by both organic and acquisition-led growth. Asia grew by 29%, benefiting from a 7% increase in organic growth alongside acquisitive gains. Africa Middle East, the largest region in this segment, reported strong organic growth of 9%. Europe CIS remained flat while Australasia experienced a 4% decline due to regulated price reductions in Australia.

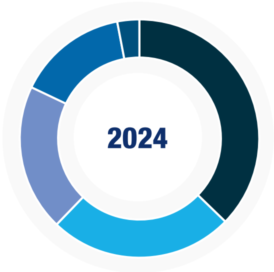
The gross profit margin rose to 60,9% (FY2023: 60,7%), with the positive impact of the favourable sales mix more than offsetting the effects of regulated price cuts in Australia.

Business segment overviews continued

Over the counter

Products that do not require a prescription and are mainly sold through retail pharmacies and the fast moving consumer goods sector, where brand recognition, marketing, and interactions with pharmacists play a key role in influencing consumer choices.

Revenue (%)



22% of Group revenue

29% of Group gross profit

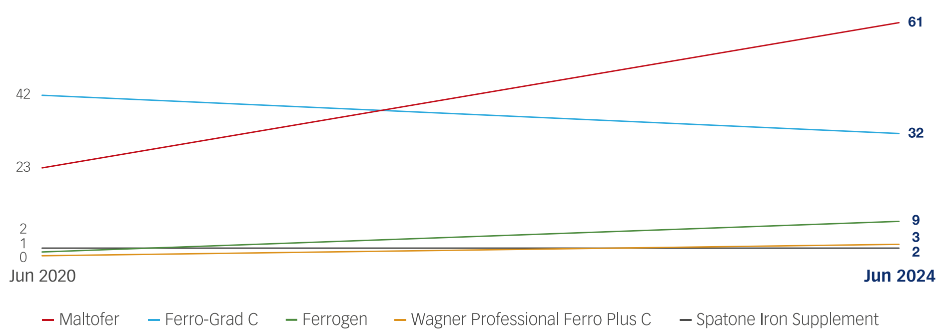
Africa Middle East	37
Australasia	25
Europe CIS	20
Americas	15
Asia	3

	2024 R'million	2023 R'million	% Change Reported	CER
Revenue				
Africa Middle East	**3 561**	3 501	2	2
Australasia	**2 430**	2 278	7	4
Europe CIS	**1 974**	1 742	13	7
Americas	**1 450**	1 323	10	1
Asia	**291**	262	11	7
Total	**9 706**	9 106	7	3
Gross profit (%)	**58,7**	58,6		

Key brands

Emla	Maltofer	Magnesia Bisurada	Mybulen	Ovestin	Solpadeine	Xylocaine Topicals
Topical anaesthetic	Iron supplement	Antacid	Analgesic anti-inflammatory	Hormone replacement therapy	Opioid analgesic	Topical anaesthetic

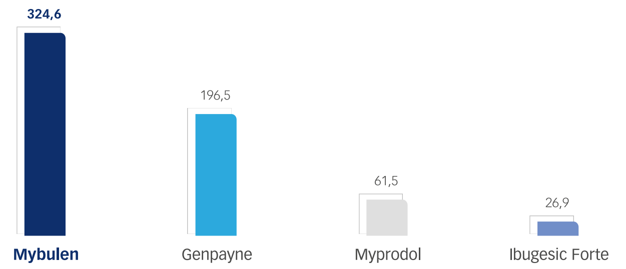
Australia: OTC Iron deficiency market, Maltofer vs competitors (MAT values, AUD'million)



Source: IQVIA June 2024

Business segment overviews continued

South Africa: Mybulen vs competitors (MAT values, R'million)



Source: IQVIA June 2024

Performance

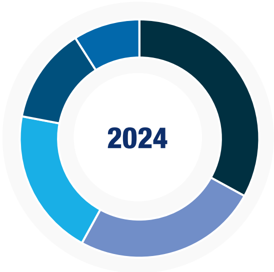
The OTC segment has become the second largest within Commercial Pharmaceuticals and has enjoyed strong performance across all regions. For FY2024, revenue increased by 7% to R9 706 million, driven by notable growth in Europe CIS, which saw a 13% rise bolstered by the women's health portfolio. Australasia, the second largest OTC region, grew by 7%, benefiting from increased promotional efforts. The Americas were up 10%, while Africa and the Middle East grew by 2%, with a particularly strong performance in South Africa during the second half of the year.

The gross profit margin increased slightly to 58,7% (FY2023: 58,6%) due to the favourable impact of the portfolio mix.

Business segment overviews continued

Injectables

Revenue (%)



21% of Group revenue

28% of Group gross profit

Asia	33
Americas	25
Europe CIS	20
Africa Middle East	13
Australasia	9

Key brands

Arixtra	Diprivan	Fraxiparine	Sustanon	Ultiva	Xylocaine
Anticoagulant	General anaesthetic	Low molecular weight heparin	Testosterone replacement therapy	Opioid analgesic for anaesthesia	Regional anaesthetic

Aspen's injectable products are primarily administered in hospitals and also prescribed and administered by either physicians or in a retail pharmacy environment. These products focus on key therapeutic areas, including anaesthetics, anticoagulants, antithrombotic agents, analgesics, and hormone replacement therapies.

	2024 R'million	2023 R'million	% change Reported	CER
Revenue				
Asia	**3 112**	4 701	(34)	(35)
Americas	**2 395**	1 955	23	12
Europe CIS	**1 903**	2 116	(10)	(15)
Africa Middle East	**1 218**	777	57	58
Australasia	**856**	836	2	—
Total	**9 484**	10 385	(9)	(12)
Gross profit (%)	**58,2**	60,6		

Performance

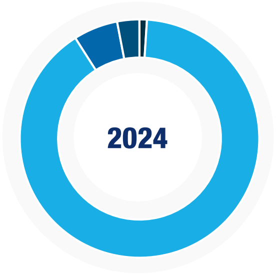
Injectables revenue decreased by 9% to R9 484 million, primarily due to the effects of China's VBP. Revenue in Asia fell by 34%, while Europe CIS saw a 10% decline, mainly driven by the downturn in Russia. In China, the inclusion of Fraxiparine and Diprivan in the national VBP list led to declines in both volume and price, particularly in the latter half of the financial year. The decline was partly offset by product acquisitions in South Africa and strong growth in Brazil. The strategic acquisition of the Sandoz business in China is expected to sustainably de-risk the injectables segment from FY2025 onwards.

The gross profit margin of 58,2% (FY2023: 60,6%) was influenced by VBP partly offset by cost savings from the continuing insourcing of sterile production.

Business segment overviews continued

Manufacturing

Revenue* (%)



32% of Group revenue

7% of Group gross profit

Europe CIS	90
Australasia	6
Africa Middle East	3
Asia	1

* *Based on source of manufacture.*

Aspen operates 24 manufacturing facilities spread across 15 sites. Our strategic manufacturing sites have earned international accreditation from some of the world's most stringent global regulatory agencies. Our manufacturing capabilities encompass a wide range of product types, including steriles, oral solid doses, liquids, semi-solids, biologicals, and APIs.

	2024 R'million	2023 R'million	% Change Reported	CER
Revenue				
Finished dose form	**5 262**	3 970	33	24
Active pharmaceutical ingredients	**5 102**	5 024	2	(6)
Heparin	**3 772**	2 303	64	51
Total	**14 136**	11 297	25	16
Gross profit percentage	**9,2**	11,4		

Performance

Manufacturing revenue grew significantly by 25%, partly aided by exchange rate tailwinds. All segments experienced growth, with the FDF segment rising by 33%, supported by the contribution from third-party contracts for sterile manufacturing. The Heparin segment surged by 64% following the strategic shift towards toll manufacture. The API segment grew by a steady 2%.

The gross profit margin declined to 9,2%, down from 11,4% in FY2023 influenced by the higher Heparin sales mix following the transition to toll manufacture and the non-recurrence of grant funding enjoyed in the prior year. In the second half of the year, the margin improved to 12,3% benefiting from the higher sterile capacity fill contribution of more than the R500 million guided.

Manufacturing operational overview

Our strategic objective of supplying high quality, affordable medicines is underpinned by our own manufacturing capabilities. Our 24 manufacturing facilities provide a range of production capabilities and capacities, assisting us in the achievement of our current and future commercial objectives. These include steriles, oral solid, semi-solid, liquids, biologicals, vaccines and API manufacturing. Our niche and complex production capabilities provide differentiation in an increasingly commoditised environment. Our sterile capacity and capability offer an additional strategic advantage when considering the increased demand for vaccines and other steriles, including biological products.

Building a globally relevant sterile footprint

During the last year, our strategic manufacturing projects continued to focus on the alignment of our facilities with our manufacturing and commercial strategies, enhancing technology as well as our quality and compliance standards, policies and procedures. Ongoing investment in upgrading our world-class manufacturing facilities, in addition to the implementation of state-of-the-art electronic systems and IT capability, support our ability to supply quality products, ensure ongoing compliance with GMP and create increased manufacturing capacity to meet both current and future operational requirements.

Capital expenditure on the replacement and expansion of property, plant and equipment amounted to R3,1 billion (2023: R2,2 billion). A further R2,5 billion is planned for FY2025 driven by the final stages of the sterile manufacturing capacity expansion project.

The level of capital expenditure on these strategic projects is expected to reduce from FY2026.

Manufacturing operational overview continued

During the year, we focused on effecting the technical transfer activities relating to the four Serum Institute vaccines. These activities are progressing and extensive activity has been undertaken in support of the transfers. The technical transfer of all four vaccines is due to be completed during FY2025. Activities undertaken during the past two years have also focused on demonstrating our technical contract manufacturing capability and capacity to several multinational companies at both the Notre Dame de Bondeville and Gqeberha sites. These efforts resulted in progressing the three sterile manufacturing agreements with multinational pharmaceutical companies at Notre Dame de Bondeville, including the one for mRNA filling and packing. Commercial production commenced in H2 2024. In addition, the agreement concluded with Novo Nordisk for the contract manufacture of Human Insulin at the Gqeberha site has progressed and both teams have prepared the site for the technical transfer of the insulin vials. This production is expected to commence following the final completion of technical and regulatory formalities. These contracts significantly advance our capacity-fill strategy and position our sterile manufacturing facilities to contribute meaningful returns on the investments made.

Oral solid dose manufacturing

Gqeberha, South Africa

We remain focused on increasing the complex manufacturing output at the Gqeberha site. This site has the ability to provide flexible high-volume manufacturing and packing capabilities for a variety of oral solid doses to several countries through the different regulatory approvals held by the respective facilities.

Continuous improvement projects in respect of these facilities are progressing well, with key projects being:

- The implementation of SAP to replace the legacy ERP system is complete. The SAP ERP provides a stable platform for increased digitalisation opportunities and efficiencies for the site.
- Roll-out of the balance of the Manufacturing Execution system within the oral solid facilities resumed post the SAP stabilisation period.
- The second phase of the Laboratory Information Management System ("LIMS") project, which includes the connection of the analytical instruments directly to the LIMS, was completed in June 2024.
- There is increased focus on initiatives to enhance competence at all levels across the site to ensure sustainable long-term performance.
- Projects aimed at self-sustainability in electricity supply have progressed to the conclusion of a Power Purchase Agreement for an on-site power supply project that converts plastic waste to synthetic gas through pyrolysis. Construction and air emissions applications are in progress and the project is expected to be completed mid CY2025. This project, together with other renewable energy sources on site, will provide sufficient energy for the site to have no reliance on the municipal power grid. In the interim, sufficient back-up power supply is available on a generator rental contract.
- Conversion of all refrigeration facilities to a centralised ammonia system is at an advanced stage. A "Cooling as a Service" agreement has been finalised and approved. The aim is to convert to an environmentally friendly refrigerant while improving efficiency and reducing cost. Construction is underway and commissioning is scheduled for Q3 FY2025.
- The construction of a biomass steam generation plant is complete and is now supplying the site with steam on a permanent basis This has eliminated the use of heavy fuel oil as a fuel for steam generation, improving both carbon emissions and cost.

Semi-solid and liquid dose manufacturing

Bad Oldesloe, Germany

We have invested in extension projects at our Bad Oldesloe site to position it to play a strategic role in our manufacturing strategy. The progress on key initiatives is as follows:

- The extension of the manufacturing and packing lines to accommodate the transfer of anaesthetic liquids, creams and ointments has been completed. Three lines are already producing product for market supply and one line has been prepared to produce for market supply in Q1 FY2025.
- The project to install a new blow-fill seal line has been completed. The first commercial production was manufactured and supplied. This line will provide competitive advantages and a production capacity of 120 million sterile single-dose poly ampoules per annum.

Sterile manufacturing

Our facilities at the Gqeberha and Notre Dame de Bondeville sites provide us with extensive sterile manufacturing capability. Capacity expansion plans in respect of these sites have progressed well in the past year:

Gqeberha, South Africa

- Activities to introduce anaesthetics production have commenced, a significant step in the evolution of this site. All previously planned construction phases of the new SVP 2 facilities have been completed and all equipment commissioned. Commissioning of a new vial line commenced during FY2024 and will be completed within FY2025. Commercial manufacture of Ultiva commenced at the site during FY2024. The introduction of this new product, together with the increasing anaesthetic ampoule volumes, is expected to see the export volume for the total South African Operations business move from 21% to over 60%, with more than 10 additional SKUs being added to the existing portfolio during the ramp-up phase over the next four years.
- The facility received a vaccine manufacturing licence from the South African Health Products Regulatory Authority ("SAHPRA") in February 2021, and the focus has now moved to the technical transfer and commercialisation of four vaccines from Serum Institute. Plans for the expansion of the facility's vaccine manufacturing, as well as lyophilization and cartridge capacity, have been approved and procurement of equipment is at an advanced stage. Construction of the required civil infrastructure commenced in September 2023 and is on schedule for completion at the end of CY2025. This includes the required support services such as packaging, cold storage, laboratories, ground water and electrical supply.

Manufacturing operational overview continued

Notre Dame de Bondeville, France

- The new suite to manufacture anaesthetic dosage forms is complete, the validation of the one polyampoule line is complete and the second line is in the final phase of validation. The regulatory submission plan is under execution. The first commercial production commenced in April 2024.
- The technical transfer plans for the introduction of new products on site are under execution as planned in partnership with external customers. These projects require investment in specific capabilities and capacities, knowledge transfer and organisational changes.
- The transfer of new diluent production has been successfully completed and commercialised.
- An extension to the warehouse to construct a cold chamber (approximately 1 500 pallets) has been completed.
- Vaccine production validation was completed and the plant has been FDA approved.

API manufacturing

Our API network comprises seven owned sites: three located in the Netherlands (two in Oss and one in Boxtel), one in the USA (Sioux City), two in France (Notre Dame de Bondeville) and one in South Africa (Cape Town). In addition, we have the use of two API manufacturing blocks situated at Laurus Labs Limited ("Laurus Labs") in India. These sites provide Aspen with specialised API capabilities in respect of both our own as well as third-party commercial opportunities. The combination of the Oss and Sioux City sites with the Notre Dame de Bondeville site provides a fully integrated biochemical supply chain to support some of our Thrombosis portfolio of products. Initiatives to enhance our capacity and improve sustainability at the API sites have continued to receive focus as follows:

Oss, the Netherlands

Initiatives at the De Geer site include the following:

- A project has been initiated within the powder processing and dispensing facility to achieve a smaller particle size (<10 µm) for our APIs by adapting our current equipment.
- Preparative work is ongoing in the Chemical plant for the MES implementation which is expected to be completed in FY2026.
- To mitigate risk, a project to adapt the vessels used for acetylene has been started.
- A project has been started to extend the current solvent tank farm with a parking place for tank trucks.
- To prevent pollution of the cooling water system of the reactors, a project will be executed in Q1 FY2025 to adjust this system, which will also reduce maintenance costs and production downtime.
- Due to capacity increase in the chemical plant, the vacuum-drying capacity will be increased Q1 FY2025.
- The sprinkler systems in the chemical plant and warehouse are being adapted for the use of fluorine free foam.
- By reviewing all our process steps and separating different solvent and water streams in our processes we were able to reduce the amount of solvent waste that is sent for incineration by 440m^3 on an annual basis, recycling these solvent waste streams instead. This project will be finalised in Q1 FY2025.

Initiatives at the Moleneind site include the following:

- A new fire extinguishing system has been installed in all production buildings. This mitigates business risk and reduces the size of the mandatory company fire brigade.
- Projects to upgrade and renew the high-performance liquid chromatography equipment skids which are in use for peptides and the related API manufacture completed.
- By connecting the outlet of our demineralised water system to the feed of our steam generator system, we have been able to re-use the demineralised water, saving 12 million litres of drinking water annually.
- The Strategic Site Masterplan project has commenced and will continue in FY2025. The project aims to achieve optimisation of existing asset use, achieve synergies and cost-efficiencies and align to future strategic goals.
- The site is preparing for the implementation of Veeva regulatory information management system in FY2025 and Veeva quality management system in the following year.

BioChem Oss, the Netherlands

- Implemented a methanol recovery unit to regenerate methanol waste streams for reuse in processes, improving sustainability and reducing solvent costs.
- Assessment and upgrade of end-of-life parts of HVAC system ensuring required environmental conditions in the production area.
- Replacement of the end-of-life highly purified water system to ensure high quality water for bio-chemical processes.
- New fire protection system installed.

FCC in Cape Town, South Africa

- A rigorous technical transfer programme focused on transferring the production of etonogestrel from Oss to FCC is in progress as part of the ongoing steps to integrate FCC into the broader Aspen API chemical supply chain. Other APIs are being considered for transfer from Oss or CMO's to FCC.
- The previously installed high containment powder-handling process centre (milling and micronising) commissioning is fully completed and in commercial production.
- Progress is being made regarding environmental sustainability, with commissioning of FCC's aqueous waste treatment plant.
- Further steps are underway to enhance risk management at the site through the ongoing expansion of fire prevention and control systems, particularly related to the recently renovated flammable store.

More details of our manufacturing capabilities are available online.

External supply manufacturing network

Our FDF manufacturing network also comprises supply from numerous global CMOs, several of which are located in Europe. A number of the products, predominantly from our Anaesthetic portfolio, have been transferred to our own manufacturing sites. This move will enhance ongoing supply sustainability within an integrated supply chain. We have an internal team of supply chain and quality experts who ensure that all the requisite controls are in place to facilitate supply, on time and in full, and in compliance with our required quality standards.

Cost containment and increased efficiencies

We have a strong focus on continuous improvement initiatives and savings plans to enhance production efficiencies and optimise economies of scale across the Group. Comprehensive, detailed, multi-year savings plans, covering all aspects of the operations, are progressing to plan and the improvements to the SA Operations, Oss, and the Notre Dame de Bondeville sites are poised to deliver important future cost savings to the Group.

The cost-reduction initiatives fall into two distinct categories: procurement and organisational design. The savings plans have a phased implementation and should be complete by the end of CY2026. In addition to the procurement and organisational changes, structural process efficiency initiatives are ongoing and will have both an economical and an ecological improvement, supporting the Group's sustainability goals.

The progress made in achieving these plans across the Group Operations is monitored on a regular basis. By owning our strategically important manufacturing capital, we are able to better manage our product quality, production efficiencies and cost competitiveness to ensure responsive management of the supply chain. This, in turn, supports the maintenance of Group margins.

Human capital overview

Providing integrated, purpose-led and fit-for-future human capital solutions to drive value creation has meant offering local focused but globally relevant strategies that align human capital practices with the overarching strategic objectives of Aspen. By integrating various aspects of human capital management – such as talent acquisition, development, performance management, employee experience, and succession planning – we ensure that our employees are equipped, motivated, and supported to achieve the Group's strategic objectives. These solutions are designed to enhance efficiency, foster innovation, unlock the potential of our employees, and contribute to Aspen's long-term success.

Human capital strategic pillars

We focused on the following

Talent management

- Continuation of our Group Mobility framework to facilitate the movement of talent across the Group.
- Continuation of our Group succession planning framework, where we identified mission-critical and scarce-skill roles at senior levels as well as high-potential individuals to enable us to mitigate talent risks in these critical areas.
- Launching of the Group Well-being framework and well connect programme.

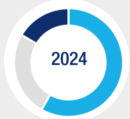
14%

Group turnover rate (2023: 14%).

Leadership development

- Launching our leadership competency framework, Leadership 2.0, with competencies that drive performance excellence.
- Designing core foundational leadership programme for our first-time leaders.
- Developing and implementing mentoring and coaching programmes that foster a culture of growth through meaningful relationships and collaboration.

Leadership training (employees)



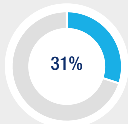
Future-ready leadership	187
Mentorship and personal growth	81
Diversity and Inclusion	53

Equity, diversity and inclusion

- Implementing inclusion programmes that created awareness around leading diverse, high performing teams.
- Facilitating awareness sessions around the Aspen Equity, Diversity and Inclusion framework and related policies.
- Implementing a Women in Leadership programme to upskill and reskill women leaders across the organisation.

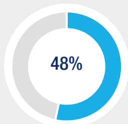
Female representation

Leadership teams



(2023: 35%)

Total workforce



(2023: 48%)

Rewards and performance

- Rolling out the Group grading system within commercial business segments.
- Rolling out of the Group job architecture to ensure fairness and consistency in evaluating the value of people's roles, together with the Group performance management process.
- Implementation of a Group-wide performance management process and performance scorecards.

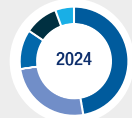
95%

Performance appraisals completed for permanent employees

Business partnership

- Launching critical commercial projects focused on aligning Group grading structures with Group reward principles.
- Conducting a comprehensive review of employment terms and conditions across the Group operations to promote fairness and consistency.
- Standardisation of recruitment processes for senior and executive roles across all business segments.

Total employees by region (9 350 employees) (%)



Africa Middle East	47
Europe CIS	25
Asia	12
Americas	10
Australasia	6

Technology platform

- Implementation of a Group Human Capital technology roadmap
- Initiation of the Job Profile Builder platform on Success Factors. This platform will assist in the standardisation of job families and role profiles across the business.
- Development of the Learning Management System. reassessment tool was initiated in line with the Group's efforts to build a technology-enabled learning culture.

22

Number of sites uploaded on Success Factors

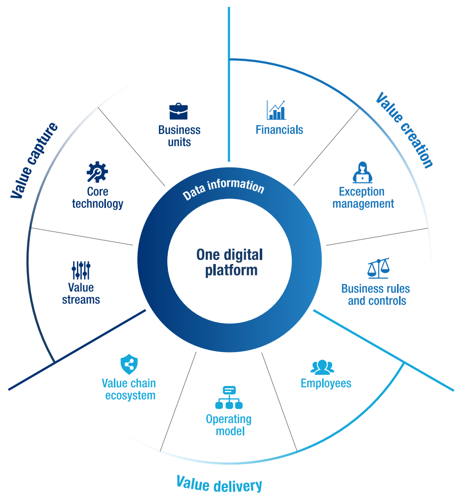
More information on our Human Capital Strategy and pillars, can be found on page 43.

Digital transformation overview

Our Digital Transformation Strategy (refer page 44) underscores our dedication to informed decision-making and maintaining our competitive edge in a dynamic global environment. In the rapidly evolving pharmaceutical industry, the integration of the Aspen One Digital Platform strategy has become essential in connecting our company to a broader value ecosystem as we expand our role as a manufacturing outsource partner.

Progressing our digital transformation

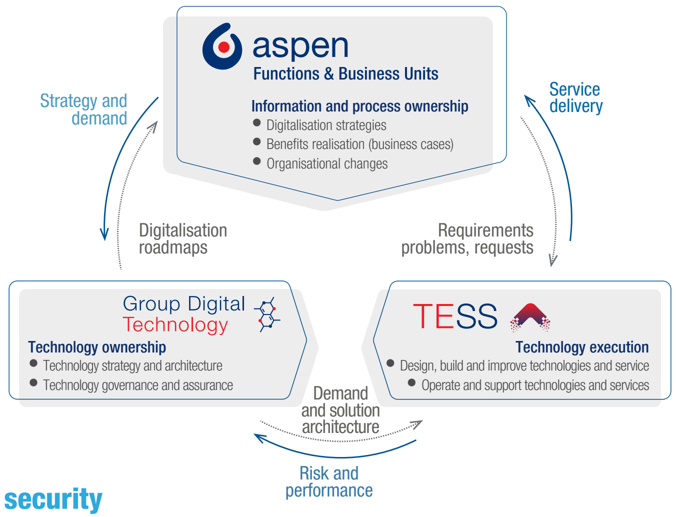
This approach leverages advanced Industry 4.0 technologies – such as AI, big data analytics, and the Internet of Things – to foster seamless collaboration across the supply chain, research and development, healthcare providers, and regulatory bodies. By enhancing data quality and providing real-time access to predictive analytics, our One Digital Platform empowers decision-makers with actionable insights that optimise operational efficiency, accelerate drug development, and improve patient outcomes. As the platform continues to evolve, it will unify these capabilities, offering a comprehensive, real-time view of business operations powered by cutting-edge technology. This strategic adoption not only enables agile responses to market demands but also aligns with our commitment to innovation and sustainable growth.



Notable advancements in our infrastructure include the decommissioning of a large part of the Group's data centre, the migration to a cloud environment, and the onboarding of 76 sites onto a new network which helped to resolve over 7 400 security vulnerabilities. Additionally, migrating critical files to cloud platforms improved accessibility and reduced maintenance overhead. The first year of our five-year portfolio plan has been successfully completed, revealing opportunities for data-driven improvements. The ongoing replacement of legacy technology and the consolidation of services continue to drive greater automation across the organisation.

Mobilising digital transformation through technology-enabled shared services

Over the past year, we have reached significant milestones that have strengthened our technological foundation and enhanced operational efficiency across the organisation. Key achievements include the successful go-live of TESS, which mitigates certain Group technology risks, as well as the deployment of business-capability mapping and a comprehensive portfolio strategy, that provides valuable insights into our operations and investments.



Information security

Information security remains a top priority, especially given the rapidly evolving threat landscape. Protecting our confidential data and ensuring business continuity are critical to our success. The Cybersecurity Centre of Excellence ("CoE") is making steady progress on its strategic roadmap to enhance our security maturity, focusing on three key pillars: Govern, Deliver, and Operate. Under the 'Govern' pillar, we have successfully implemented our Information Security Management Systems. We continue to strengthen our central capabilities, particularly in detecting and responding to cyber incidents. Through our newly established Security Operations Centre, we averted a significant cyber threat this year resulting in minimal impact to the organisation. Improved asset monitoring for vulnerabilities enabled faster threat identification and remediation during this incident.

Information & Technology governance

During this period, we refined our Technology and Information Policy to ensure alignment with TESS and the broader governance requirements outlined in King IV. Additionally, we finalised the organisational structure of the Global Digital Technology team and have initiated making key appointments and placements to focus the technology function on strategic initiatives, while shared services remain concentrated on execution and continuous improvement.

Our information management efforts are focused on enhancing the maturity of information governance and management practices to unlock greater value from information within the Group. With the rapid increase in digitalised business processes and the growing volume of data generated, along with the expanded use of data analysis tools and AI, we are actively reviewing and updating many of our policies and standards to ensure they align with global best practices.

The executive level I&T Strategic Committee continues to provide strategic direction over information and technology as well as the related risk and control environment. Governance oversight is provided by the Audit & Risk Committee.

Achieving impact through our sustainability pillars

In this section:

Standing in solidarity with the people of Rio Grande du Sol in Brazil

Aspen's employees have demonstrated a spirit of care, hope, and solidarity with communities in need for more than 14 years by participating in our global Mandela Day programme.

In April and May 2024, extreme weather conditions and torrential rains sowed a path of destruction in Rio Grande du Sol, impacting about 600 000 citizens. Our team in Brazil rallied to support the community and supplied more than 10 tonnes of emergency supplies, which brought relief to some 4 800 individuals.

View this case study online.

Our approach to sustainability

We are dedicated to creating lasting value for our stakeholders in a responsible, transparent manner that upholds the rights of all. We recognise that achieving long-term success requires delivering our Business Strategy in a way that not only benefits Aspen and our shareholders, but also demonstrates our responsibility to society and the planet.

Our sustainability commitments

Sustainability is core to our purpose, our values and our philosophy *Healthcare. We Care.* Our sustainability commitments are embedded within the Group's strategic objectives and shape the way we do business. Our sustainability commitments are informed by the following key frameworks:

UN Global Compact

We are a UN Global Compact participant and have aligned our sustainability commitments with the principles of the UN Global Compact, which cover human rights, labour, environment and anti-corruption and bribery. Our Communication on Progress submitted on the UN Global Compact platform, sets out our approach to the application of these principles.

United Nations Sustainable Development Goals

The United Nations 2030 Agenda for Sustainable Development, launched in 2015, outlines a global action plan for advancing people, planet and prosperity. The 17 SDGs aim to tackle the world's most pressing challenges through the promotion of sustainable development. As a multinational pharmaceutical company, we play an important role in contributing to the delivery of the SDGs. While all 17 SDGs are critical, we have identified eight SDGs where we believe we can have the greatest impact, linking these to our sustainability themes and sustainability goals.

Our Sustainability Strategy

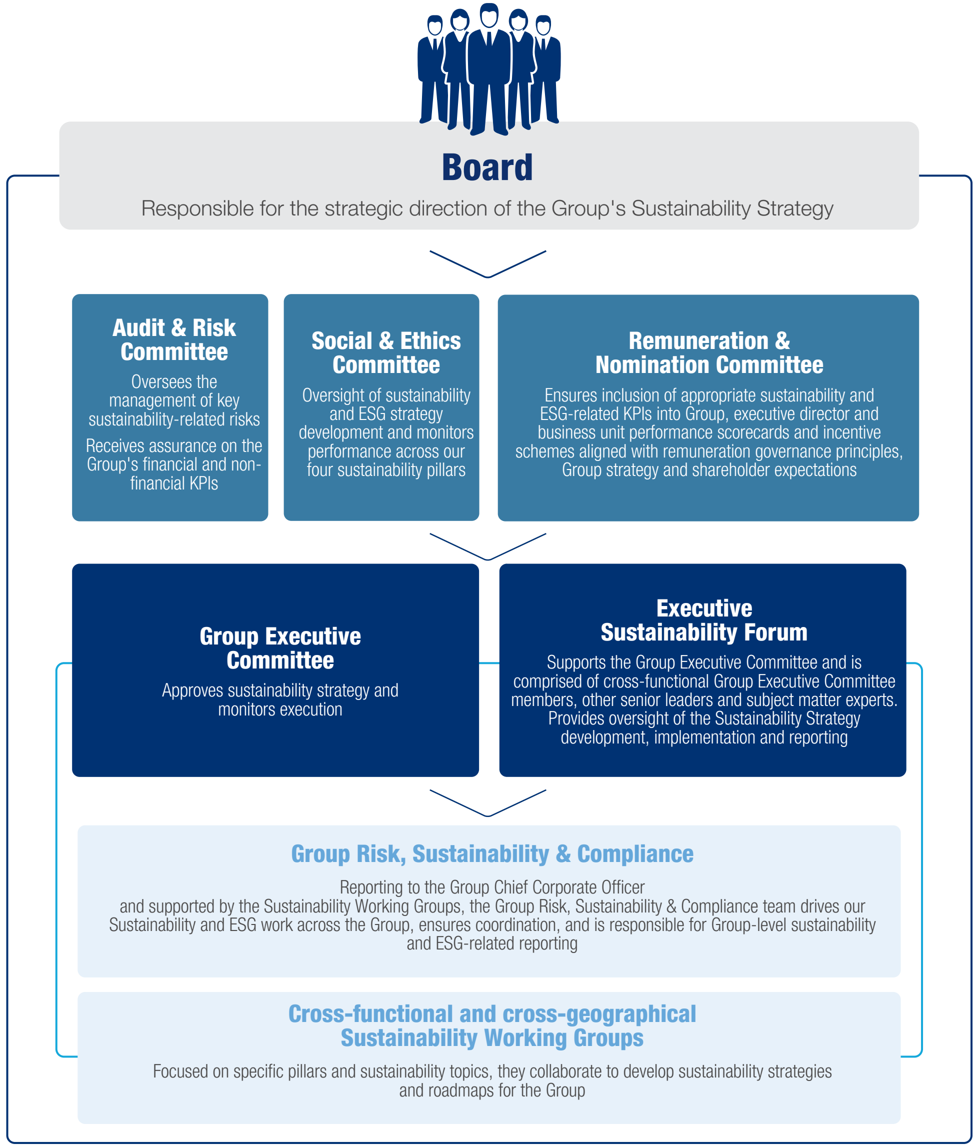
Guided by our sustainability materiality assessment (page 73), our Sustainability Strategy (set out on page 45) is built around 16 sustainability goals, grouped into four pillars: Patients, Our People, Society and the Environment. Each goal is supported by specific milestones, measures and targets approved by the Board. We have systematically integrated our Sustainability Strategy with our broader business objectives, while also enhancing internal planning and reporting mechanisms to track performance. While still maturing, the objective is to provide enhanced information to our oversight structures and to our external stakeholders, as appropriate.

Enhanced governance over sustainability

To reinforce our commitment, we have enhanced Executive and Board oversight of our sustainability performance, risk and opportunities. In FY2022, the Group Senior Leadership Conference endorsed a high-level roadmap for the development of a Group-wide Sustainability Strategy. This move signalled strong support from the highest levels of leadership for a more deliberate integration of sustainability commitments into the Group strategy. The development of our Sustainability Strategy has progressed according to key milestones under the oversight of the Executive Sustainability Forum, chaired by the Group Chief Operations Officer. We report on sustainability-related issues to the Social & Ethics Committee who monitor the Group's sustainability and ESG performance across the four sustainability pillars.

A link to performance and remuneration

In line with our remuneration philosophy, we have incorporated sustainability (ESG) KPIs into our performance and incentive schemes. This includes embedding sustainability-linked KPIs (aligned with Group objectives) into business unit scorecards, the inclusion of specific ESG-related priorities in the annual key performance areas or assessments ("KPAs") of the Group executive directors as well as the inclusion of an ESG measure in the Group's long-term incentive scheme (page 118).



Our approach to sustainability continued

Our commitment to transparency in reporting

We are continuously advancing our sustainability and ESG reporting to meet the growing expectations of our stakeholders, including our investors. Alongside our ongoing reporting commitments to the UN Global Compact and CDP, we align our disclosures with global frameworks such as the GRI, SASB, TCFD and the JSE Sustainability Disclosure Guidance. These are comprehensively detailed in our Sustainability and ESG Data Supplement, available online. We are proud to have maintained our listing in the Top 30 FTSE/JSE Responsible Investment Index Series and to remain a constituent of the FTSE4Good Index.

Sustainability materiality assessment approach

Our Sustainability Strategy is shaped by a rigorous sustainability materiality assessment, which helps us identify and prioritise the governance, social and environmental issues most significant to our stakeholders and to our business operations. As both the business landscape and stakeholder expectations continuously evolve, this assessment allows us to align or efforts with the most pressing concerns. It informs our sustainability strategies, highlights opportunities and provides a foundation for setting meaningful metrics to evaluate our sustainability performance. The insights gained from this process also guide the content of our reporting, ensuring it remains relevant and impactful.

Sustainability materiality update

This year, we reviewed the previous year's sustainability materiality outcomes and concluded that no substantial changes were necessary. However, we made the following minor updates to reflect the evolving scope of our sustainability priorities:

- "Data governance" was amended to "Information and data governance"
- "Localisation" was added as a component to "Transformation and economic inclusion"

The sustainability materiality matrix was debated by the Executive Sustainability Forum, approved by the Group Executive Committee and reviewed by the Social & Ethics Committee.

In alignment with the requirements of the EU Corporate Sustainability Reporting Directive, we have initiated a double materiality assessment project for the Group, ensuring we remain at the forefront of the developing sustainability reporting landscape.

Increasing importance to stakeholders

		• Climate change and GHG emissions • Information and data governance • Economic value generated and distributed • Labour rights	• Access to medicines • Compliance • Corporate governance • Ethical business culture • Health security • Human rights • Patient safety • Reliable supply of quality products
• Air emissions (other than GHG)		• Employee health and safety • Employee well-being • Energy efficiency • Fair compensation • Fair taxation • Responsible marketing • Responsible product portfolio • SED and investment in communities • Transformation, localisation and economic inclusion (B-BBEE in South Africa) • Resource use and waste • Water and effluent	• Diversity, equity and inclusion • Responsible advocacy • Responsible supply chain management • Workforce development
• Biodiversity and abundance	• Health system strengthening • Pharmaceuticals in the environment • Product environmental stewardship		
• Animal welfare • Clinical trial conduct			

Increasing impact on Aspen

Sustainability themes: • Patients • Our People • Society • Environment

Patients

Healthier populations

We are committed to promoting access to medicines by providing a reliable supply of high quality, affordable products across the geographies of our operations.

As a pharmaceutical company, and aligned to our purpose of improving the health and quality of life of patients, we have a responsibility, and the opportunity, to make a meaningful contribution to the global challenge of making healthcare accessible to all.

Additional information available online:

- Aspen Sustainability and ESG Data Supplement
- Aspen Code of Conduct

Our goals

- Improve the health and quality of life of millions of people each year by increasing access to our portfolio of affordable, quality medicines
- Contribute to health security for Africa through enhancing manufacturing and commercialisation capability and capacity on the continent
- Partner with relevant stakeholders to strengthen healthcare systems and enhance broad access to essential medicines by vulnerable populations
- Achieve supply of safe products for patients

Our impact

- Improved health and quality of life for the patients who use our medicines
- Maintained a reliable supply of quality and affordable treatment options and medicines for HCPs and healthcare systems
- Increased capacity and technical know-how to respond to emerging healthcare crises in Africa, and the world
- Progressed technical transfer of four Aspen-branded vaccines and Human Insulin production for Novo Nordisk for African patients

210 medicines
on the WHO Essential Medicines List

Patients in more than
60 low- and middle-income countries
treated with our medicines

20 SED initiatives
aimed at strengthening healthcare, including emergency product donations

Our material sustainability topics

- Access to medicines
- Animal welfare
- Health security
- Patient safety
- Responsible advocacy
- Responsible marketing
- Reliable supply of quality products
- Responsible product portfolio

Our contribution to the SDGs

We contribute to the following SDG and targets through our actions aligned to our material sustainability topics:

3 Good health and well-being

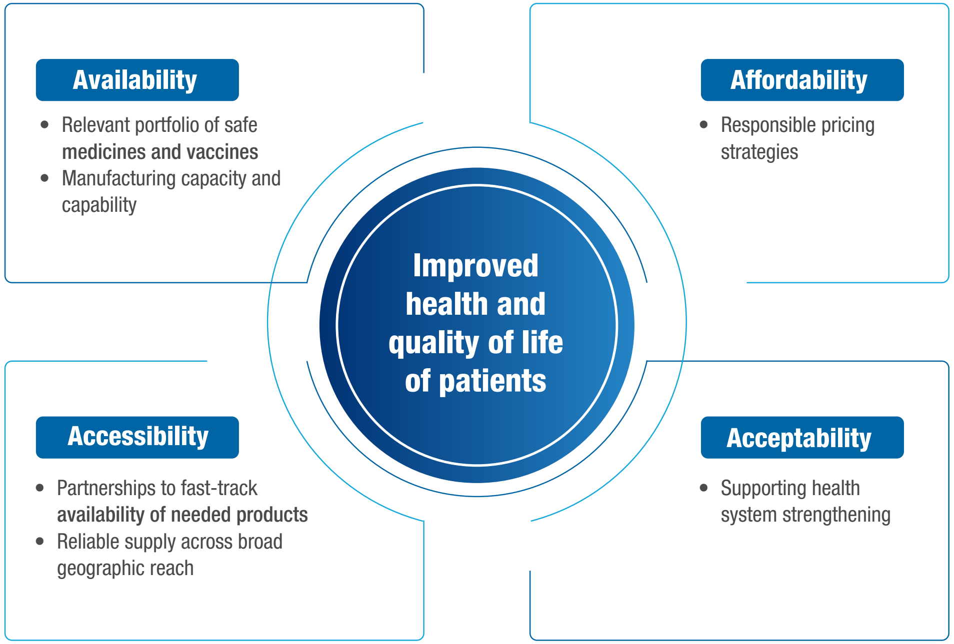
Ensure healthy lives and promote well-being for all at all ages

3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being

3.8 Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all

Strategic objectives | **Capitals** | **Stakeholders**

Patients continued



Access to high quality, affordable medicines

Access to affordable healthcare is a global priority and we fully support the WHO's promotion of Universal Health Coverage. We are committed to advancing the outcomes of the UN SDG 3 of "ensuring healthy lives and promoting well-being for all at all ages". As a global pharmaceutical company, with a relevant portfolio of medicines and vaccines, our most significant contribution to increasing access to healthcare is through providing essential treatments. The medicines we manufacture and distribute improve health, enhance the quality of life of patients globally and contribute to creating economic benefit through healthier, more productive populations. Our focus remains on developing a product portfolio that capitalises on our intellectual property and manufacturing strengths. This includes continued investment in effective, established specialty medicines, which offer cost-effective alternatives to newer, more expensive treatments. By providing these viable options, we help lower healthcare costs and prevent the need for more costly interventions. With a strong global footprint, particularly in developing regions, we are able to extend the reach of our medicines and products to new patient populations in need.

A key component of our strategy is contributing to equitable access to vaccines, particularly for less developed nations, with a special focus on Africa. We are committed to leveraging our increased sterile manufacturing capacity available to support this effort. Our proven track record in vaccine production positions us to make a meaningful contribution to strengthening health security by providing high quality, affordable vaccines. We are proud of our partnership with the Bill & Melinda Gates Foundation and Coalition for Epidemic Preparedness Innovations ("CEPI"), which has enabled us to support African regional manufacturing capacity for an affordable supply of vaccines to, among others, African countries and Gavi/UNICEF, as well as contributing to pandemic preparedness through a share of our manufacturing capacity over the next decade.

We recognise the shared responsibility of building resilient and sustainable healthcare systems with governments and private stakeholders, such as HCPs, NGOs and other private sector participants.

This year, we made significant progress on our Access to Medicines position paper (available online) which aims to galvanise our efforts in alignment with our sustainability goals. To further drive this initiative, our Global Access to Medicines Committee focuses on the following key elements of our access to medicines strategy:

Essential medicines

Our diverse product portfolio in targeted therapeutic areas and unique trusted brands provides effective treatment options for patients. Approximately 210 (FY2023: 180) of our products include molecules considered essential medicines by the WHO (WHO Model List of Essential Medicines (issued 2023)).

Product reach

Our medicines are accessible to patients in over 115 countries and regions, including patients in emerging economies. In the 2024 financial year, we supplied medicines to more than 60 low-and middle-income countries and 48 of the 108 countries identified in the Access to Medicines Index as countries where better access to medicines is most needed.

Affordability and pricing

Our product portfolio mainly comprises established, post-patent medicines and generics. Most of our product portfolio is not protected by patent exclusivity and is therefore subject to market and regulatory mechanisms aimed at achieving affordable access to medicines. Pricing decisions are overseen by the Group's Pricing Committee, established to ensure an appropriate balance of responsible pricing and business sustainability.

Patient support programmes

Through a partnership with a non-profit organisation in South Africa, we have initiated patient support programmes that will provide funding support for patients in high need disease areas, such as chronic kidney disease and breast cancer. These programmes ensure patient compliance and persistence with their medicines to allow for effective patient outcomes from their treatment.

Collaboration to manufacture, market and distribute four Aspen-branded vaccines in Africa

Our collaboration agreement with Serum Institute to manufacture, market and distribute four vaccines – the pneumococcal vaccine, the rotavirus vaccine, the polyvalent meningococcal vaccine and the hexavalent vaccine – provides the opportunity for Aspen to support African nations with their Expanded Programmes on Immunisation.

Manufacturing capacity and capability

Our 24 manufacturing facilities (14 of which are situated in low- and middle-income countries) support our strategy of supplying high quality and affordable medicines to the patients that need them.
In particular, the investment in our South African facilities has boosted the availability of complex, sterile and vaccine manufacturing capacity and capability on the African continent. While supporting the manufacture of our own product portfolio, our contract manufacturing agreements with multinational pharmaceutical groups further contribute to the availability of essential medicines and vaccines for patients.

Patients continued

Emergency and humanitarian relief

This year, we have continued to support local and international NGOs in responding to emergency situations resulting from natural disasters and conflict. This has included the donation of medicines used in emergency surgeries and the treatment of cancers.

Collaboration with leading global pharmaceutical companies

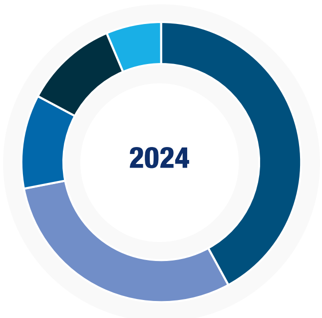
Through our strong positioning in emerging markets, and our reputation as a trusted business partner, we seek to collaborate with leading global pharmaceutical companies to market, distribute and/or sell portfolio niche products in emerging markets. Through these partnerships, we contribute to ensuring a reliable and safe supply of medicines to patients that might otherwise not be served.

Product pipeline

Intellectual property, in the form of developed, licensed and acquired product molecule dossiers, is the key driver for organic growth in the pharmaceutical industry. Our product pipeline largely represents opportunities related to acquired and internally developed product dossiers, planned product line extensions to leverage existing brands within and across territories and targeted branded product acquisitions. Our internal product development takes place under the direction of our highly skilled scientists, both in our own laboratories as well as in collaboration with other global pharmaceutical companies and research facilities. Products in the pipeline are aimed at therapeutic categories relevant to disease profiles in each territory. The pipeline continually undergoes technical and commercial feasibility testing for the territories where they are aimed to be launched. Acquisitive growth, in the form of corporate acquisitions and product distribution arrangements, largely entered into with leading multinational pharmaceutical companies, supplements our organic growth strategy and strengthens our ability to respond to identified healthcare needs.

During the year, we continued to launch new products and grow our pipeline, with 157 products launched in 32 countries and regions.

Launches per region (157 in total) (number)



Americas	66
Africa Middle East	47
Asia	17
Europe CIS	17
Australasia	10

We also concluded the following agreements significantly enhancing our product portfolios in the respective emerging markets:

- an acquisition of the commercialisation rights and related intellectual property of a portfolio of well-known branded products from Viatris in Latin America;
- an agreement with Lilly in terms of which we will distribute and promote Lilly's products in sub-Saharan Africa for an initial term of 10 years, automatically renewable for two further periods of five years;
- contract manufacturing agreements with Novo Nordisk for the technical transfer and commercial manufacture of Human Insulins; and
- an acquisition of the entire share capital of Sandoz (China) Pharmaceutical Co., Limited., together with the commercialisation rights and intellectual property for a portfolio of established products in China as well as a pipeline of products to be launched in the short to medium term.

Responsible marketing and promotion of products

We are committed to providing accurate and balanced information about our products by ensuring that we promote them responsibly across our commercial operations. Our Group Policy on Product Promotion and Scientific Engagement is aligned with the International Federation of Pharmaceutical Manufacturers & Associations' Code of Practice and affirms that our interactions with healthcare professionals are intended to benefit patients and to enhance the practice of medicine. These interactions are focused, therefore, on informing healthcare professionals about our medicines, providing scientific and educational information, and supporting medical research and education. Following a review of the policy in FY2024, procedures have been strengthened for certain activities including meetings and services arrangements with healthcare professionals, and providing support such as educational or research grants, sponsorships or charitable contributions. These procedures include appropriate due diligence, review, approval and record keeping. Relevant Aspen staff conduct certification training to ensure understanding and application of relevant principles. We are also committed to complying with other relevant regulations and legislation in respect of matters relating to consumer relationships, including advertising standards and consumer engagement protection laws. Compliance by Aspen's businesses is monitored through the Group quality audit schedule. There were no instances of non-compliance with regulations related to marketing and promotion identified during the year.

Our Advocacy and Government Relations Policy sets the standards for ethical engagement with stakeholders in the healthcare community (government authorities, scientific societies, trade associations, experts, patient organisations and non-governmental organisations) on matters of public policy that affect patients, the pharmaceutical industry, and our business, in the countries in which we conduct business.

Our Global Aspen Learning Academy provides training to our qualified medical representatives across the Group, ensuring that they have specialist product knowledge to support and guide HCPs with whom they interact. This includes competency training for all the trainers responsible for disease and product knowledge as well as other trainers within the organisation. We have further initiated continuous improvement projects for the standardisation of learning materials for brands shared across our learning management systems to support certification. The Aspen Learning Academy conducts product awareness training for employees and for customers, as appropriate.

Since we do not deliver products directly to the end-customer or consumer, we ensure that only accredited third-party distributors are used to provide logistics services and, in certain countries, wholesaling services. Our suppliers and service providers are bound by the Supplier Code of Conduct and are required to uphold prescribed ethical and human rights standards across the supply chain.

Patients continued

Patient safety

The Group Pharmacovigilance team, supported by the local business units globally, is responsible for monitoring and managing the safety of all our products. Pharmacovigilance covers the activities relating to the detection, assessment, understanding and prevention of adverse effects or any other drug-related problems, and is core to our patient responsibility. To provide enhanced support for our affiliated businesses and strengthen our overall pharmacovigilance capabilities, we have centralised our pharmacovigilance functions.

As part of our product lifecycle management process, we continuously assess the risk/benefit relationship of our products. In collaboration with health regulatory authorities, we endeavour to provide all HCPs and patients with comprehensive up-to-date safety information, which allows for the safe use of our products. In line with best practice, we have continued to invest in digital tools to enhance our surveillance of product safety information from multiple global sources and ensure the effective consolidation and review of this data. We use this information to enhance our product safety information, which is made available through the required channels. The Social & Ethics Committee provides oversight of consumer relationships as this relates to product quality and adverse drug reaction incidents reported globally.

Clinical trials

We have limited involvement in clinical trials. Clinical studies are conducted to fulfil regulatory authority obligations or are limited to post-marketing studies. Clinical activities are therefore limited to well-known and established medicines, involve a small number of patients and do not pose a risk to patient safety. Market research studies that are conducted involve gathering marketing-related information by means of a patient or HCP questionnaire, or they involve a retrospective data review, which means these are non-interventional studies with no risk to the patient. In order to obtain registration of our products in certain markets, like China, it is a requirement to submit clinical data relevant to the local population. Therefore, we have conducted a small pharmacokinetic study in China to fulfil the regulatory requirements for one of our well-established products. In addition, a Phase 3 pain study (involving 384 patients) is underway in South Africa to fulfil the regulatory requirements for a new product registration.

Before, and while conducting a clinical trial (be it a clinical study, a post-marketing study or a bioequivalence study), it is mandatory to secure the required regulatory and ethics approvals. We have several policies that govern the standards and processes utilised during the process of conducting a clinical trial. These policies describe the role of the sponsor and mandate that the sponsor oversight should always be evident. Detailed project plans with milestones are in place for each trial, with performance measures to ensure completion of studies.

Animal testing

To date, we have not undertaken pre-clinical research, but on very rare occasions, we have been required by regulatory authorities to conduct animal testing as part of new drug development or to determine the safety of manufactured APIs. Where animal testing has been required by regulatory authorities, we have outsourced only to partners who adhere to our high ethical standards. Considering that in future we may need to undertake pre-clinical research in respect of vaccine development, regulatory validation and quality release testing using animals, we have adopted a formal policy on animal research. This policy espouses our commitment to the three Rs: reducing the number of laboratory animals required by improving existing methods of testing; refining existing methods; and finding alternative methods (replacement).

Product safety and quality

Since patient safety is of primary importance, we have a zero-defect approach to managing product quality. We recognise that we are accountable for the responsible manufacture and supply of products in accordance with applicable pharmaceutical regulations, legislation and guidelines. This underpins the trust in the Aspen brand. Stringent compliance procedures are in place across the supply chain to maintain and grow customer confidence. Regulated in-process and supply chain quality management controls are in place and adhered to. Raw materials and packaging materials are purchased from accredited and authorised suppliers who meet the necessary quality, regulatory and Aspen-specified requirements.

Products are manufactured at our own manufacturing sites or sourced from reputable third-party suppliers. Manufacturing sites are required to comply with GMP, which governs the manufacture of products in the pharmaceutical industry, and to uphold the status of pharmaceutical regulatory approvals applicable to the supplied territories. The Aspen Quality Assurance department as well as various regulatory agencies conduct audits of potential and existing suppliers to support the high quality objectives and compliance with GMP across the supply chain. All inspection findings are closely managed through to close-out, with critical findings receiving executive management oversight.

Only products that meet the prescribed quality and regulatory standards are released for sale and regulated quality compliance controls are in place. The quality and efficacy of supplied products are monitored throughout the product lifecycle using systems approved and monitored by regulatory authorities. As the owner and/or holder of the marketing authorisation, we are responsible for the quality of our own products across all territories.

Clinical studies are not routinely performed, unless required to support new product registration. This is to ensure the required safety and efficacy data is obtained, before a product is brought to market. One study is currently ongoing to fulfil this requirement.

During the year, our sites and regulatory teams were subject to various regulatory inspections. No warnings or notices were issued pursuant to these inspections.

Nine product recalls were initiated during the year, marginally increasing from eight in the prior year. The product recalls were mostly self-initiated due to incorrect labelling, out of specification products, cross-contamination, and site discontinuation. Some of these recalls were health authority requests for withdrawal of the affected batches that were out of specifications or with stability failure. All product recalls are thoroughly investigated, and appropriate corrective action is taken to minimise the risk of reoccurrence.

Measures to combat counterfeit medicines

In line with global trends to combat counterfeit medicinal products, we are committed to compliance with all medicine serialisation requirements implemented globally. These measures require a comprehensive system to track-and-trace medicines through the entire supply chain to the end user, the patient. This allows us to identify every product by a unique serial number in addition to the origin, shelf life and batch number for that product. To date, we have implemented serialisation in European, Asian and Middle Eastern countries where required. Additional serialisation projects are underway, aligned to each country's requirements.

Reliable supply of quality products

We have further progressed our strategic transformation project, referred to as IBP, aimed at creating a modern, agile and integrated end-to-end supply chain. The improvement in the links between commercial forecasting and manufacturing, coupled with improved visibility and shared accountability for end-to-end supply chain performance, will result in the overall improvement of delivery of quality medicines to patients who need them. This robust process, which will be underpinned by new technology and data tools, improves delivery to patients, reduces service costs, and reduces the risk of stock-outs and inventory write-offs.

Our People

Inspiring culture

We are committed to creating an inclusive, healthy and safe work environment, where everyone is treated fairly and with respect and is inspired to develop to their full potential.

To deliver on our purpose of improving the health and quality of life of patients, we must attract, develop and retain diverse people who are the best at what they do.

Additional information available online:

- Aspen Sustainability and ESG Data Supplement
- Aspen Code of Conduct

Our goals

- Achieve diversity and inclusivity in our workforce
- Attract and retain a thriving, talented workforce
- Fair and equitable compensation for our employees
- Ensure the safety and well-being of our employees

Our impact

- Provide employment and opportunities for growth and development in the geographic regions in which we operate
- Maintain a diverse and inclusive working environment free of discrimination and harassment so that everyone can thrive
- Implement programmes to support employee health and well-being

Our material sustainability topics

- Diversity, equity and inclusion
- Employee health and safety
- Employee well-being
- Fair compensation
- Labour rights
- Workforce development

R9 billion in salaries and benefits paid to our more than 9 300 employees

R64,3 million invested in training and development initiatives

31% female representation in senior roles

One occupational fatality

Our contribution to the SDGs

We contribute to the following SDGs and targets through our actions aligned to our material sustainability topics:

5 Gender equality

Achieve gender equality and empower all women and girls

5.1 End all forms of discrimination against all women and girls everywhere

5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life

8 Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

8.8 Protect labour rights and promote safe and secure working environments for all workers

Strategic objective | Capital | Stakeholder

Our People continued

Integrated human capital management and governance

In alignment with our Group Human Capital Strategy (refer to page 43), we tailor our human capital structures, strategies and policies to reflect local market dynamics and labour legislation. This year, we placed a strong focus on human capital business partnering, ensuring our services are strategically aligned with the goals of our commercial and manufacturing segments while being fit for purpose. This alignment has added value through initiatives designed to support overall business objectives.

The Group Human Capital Leadership Council, represented by the human capital leaders across the Group, aims to maintain consistency in human capital management and achieve alignment between Group and local human capital strategies.

Oversight of our Group Human Capital Strategy is provided by the Social & Ethics Committee which also monitors employee relations and compliance with labour rights, including adherence to the International Labour Organization's decent work standards. Additionally, the Committee tracks progress on our Employment Equity Plan and guides our transformation agenda. The Remuneration & Nomination Committee oversees our remuneration, rewards and performance strategies, and succession planning for key roles.

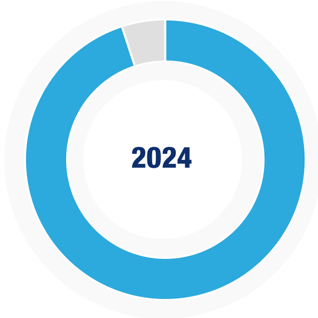
In FY2024, our employee turnover rate remained steady at 14% (2023: 14%). In total, 1 464 permanent and temporary employees were recruited to support business expansion requirements, replacing vacancies or to fill new roles while 62 employees retired due to ill health or having reached normal retirement age. We regretfully report one work-related fatality and a further 14 non-work-related employee deaths.

In response to ongoing business consolidation and realignment of priorities, we initiated several restructuring initiatives across our South African, Latin America, European and Chinese commercial businesses. These restructuring processes were carefully managed through detailed consultation plans with affected employees and relevant labour organisations, such as unions and works councils.

Providing technology-enabled human capital solutions to drive value creation

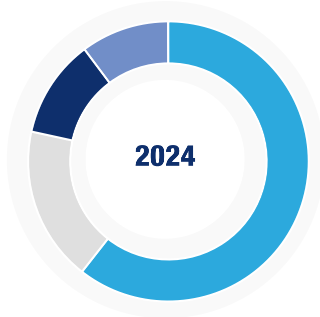
Delivering technology-driven human capital solutions is central to our value creation efforts. Our commitment to innovating and digitalising human capital processes is critical to creating a meaningful employee experience that enhances Aspen's performance and success. To this end, Group Digital Technology and Group Human Capital have jointly developed a Human Capital Technology Enablement Strategy. This strategy supports our broader Human Capital Strategy, covering every phase of the employee lifecycle from hire to retire.

Total employees (9 350 employees) (%)



Permanent employees	95
Temporary employees	5

Employee categories (9 350 employees) (%)



Factory employees	61
Support staff	18
Sales representatives	11
Commercial employees	10

Workforce development

Unlocking talent potential and driving sustainable performance excellence across our diverse, global teams are central to our development focus. Our Group People Development Strategy is designed to create a future-fit, resilient workforce equipped to navigate and shape the evolving demands of our business.

Our Group Talent Management Strategy sets out our approach to acquiring, developing, retaining and deploying our talent, while driving delivery of our strategic objectives. Through our Group succession planning framework, we have identified mission-critical and scarce-skill roles at senior levels as well as high-potential individuals. Our robust talent pipelines enable us to identify and mitigate talent risks in these critical areas, spanning our commercial, manufacturing, and enablement functions, which facilitate the movement of talent across the organisation. By offering employees diverse career paths and development opportunities, we enhance engagement and retention.

Our People continued

Recognising the talent potential offered by our broad geographic footprint, we leverage mobility as a key strategy for developing skills and sharing knowledge. Our Group Mobility framework facilitates the movement of talent across the Group, whether for stretched assignments, career-broadening or key strategic projects.

Over the past year, we have embedded our Leadership 2.0 competency model, which redefines the Aspen leader. This framework is designed to unlock the full potential of our people, empowering individuals to lead themselves, manage teams effectively, and gain an understanding of our business.

At Aspen, investing in learning and development is critical to enhancing employee retention, motivation, engagement, and productivity. Our commitment to continuous upskilling and reskilling remains at the forefront of our Group development programmes. We prioritise learner-focused, inclusive training programmes that develop functional, technical and leadership skills. Employees are provided with equal opportunities for development, advancement, and promotion based on merit, without prejudice.

In today's rapidly changing work environment, the ability to reskill at pace is essential to achieving our ambitious strategic objectives. This is reflected in the year-on-year increase in our overall training investment and average training spend per employee. In total, 7 556 (2023: 7 028) employees underwent training, with an average cost of R7 359 (2023: R6 959) per employee. Our total investment in training increased by 8% to R64,3 million (2023: R59,8 million).

Our training initiatives across the Group included short courses, internal training programmes, management and leadership development programmes as well as executive coaching programmes. Additionally, we are fostering a culture of self-directed learning by optimising digital platforms such as GO-1 and SuccessFactors Learning Management to deliver innovative e-learning solutions.

Skills development programmes in South Africa

Driving capability building is a key focus for our South African businesses. Over FY2024, we invested R29 million in upskilling and reskilling 2 044 employees. Of the total skills development spend, 88% was directed towards Employment Equity ("EE") candidates and 55% towards women.

Key initiatives implemented during the year include the following:

- The South African Operations Learning Academy offered pipeline initiatives, comprising learnerships and internships in skills and qualifications critical to the business, such as mechatronics and engineering.
- SA Commercial launched an accreditation programme for Health Products Sales Representatives.
- A cybersecurity programme was implemented for 20 IT delegates. This was delivered in partnership with GIBS, featuring two masterclasses led by subject matter experts and supported by self-directed learning on our e-learning platform.

In line with our commitment to contributing to a sustainable external pipeline of critical skills, we continue to invest in bursary and learnership programmes that benefit not only Aspen but South Africa as a whole. This year, 105 learners were provided with funding and 36 internships were offered. A total of 73 internships and learnerships continue to be provided to employed and unemployed individuals. Additionally, 78 Aspen employees received financial assistance in the form of bursaries, with a further 95 bursaries awarded to external students in South Africa. Our external bursary scheme, with a total spend of R2,89 million, is aimed at sustaining the supply of relevant qualifications and skills to the industry in the future, while also contributing towards the education of our youth.

To enhance knowledge transfer, our South African Operations implemented work integrated learning with pharmaceutical students from Nelson Mandela University. In addition, through our Group Legal function's partnership with the University of KwaZulu-Natal, several aspiring lawyers attended a four-day workshop at Aspen Holdings where they were provided with insights and much-needed practical exposure to law practiced in a multinational commercial environment.

Diversity, equity and inclusion ("DEI")

The Aspen Equity, Diversity, Inclusion and Belonging ("EDIB") Framework underscores our commitment to promoting and supporting DEI at every level of the organisation, which is essential to sustaining our high performance culture. We recognise that everyone has unique needs, experiences, opportunities as well as barriers to overcome. It is equally important that our diverse workforce feels valued, appreciated, and empowered to make a meaningful contribution to the organisation.

As of 30 June 2024, Aspen's global team represented over 50 nationalities spanning six continents. To harness the full potential of this diverse workforce, we strive to cultivate an inclusive culture where employees can bring their authentic selves to work and feel valued. Our EDIB Framework supports this goal, reflecting the principles outlined in our Group Code of Conduct and related policies like the Group Anti-Harassment, Anti-Discrimination and Anti-Bullying Policy. This Code ensures that every employee – regardless of race, gender, sexual orientation, ethnic origin, nationality, religious beliefs, disability, marital status, age, political beliefs, or socio-economic status – is consistently treated with respect, dignity, and fairness. These principles are integrated into our policies, processes, and practices to promote and support DEI at all levels of the organisation.

Over the past year, our key initiatives focused on raising awareness about gender-based violence, mental health, recognition and appreciation, anti-bullying, and human rights.

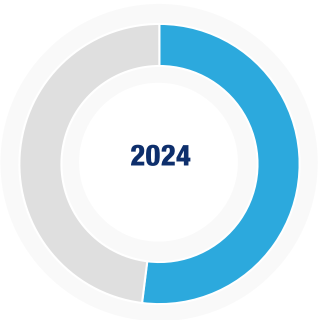
As a participant of the Women's Empowerment Principles ("WEP"), the attraction, retention and development of female talent remains a priority for the Group. Gender diversity is a KPI monitored by the Social & Ethics Committee. We recognise that the advancement of women within our organisational structures is an important element in addressing gender equity.

Currently, women constitute 31% (2023: 35%) of top management roles and 48% (2023: 48%) of our total workforce. Women accounted for 25% of all promotions into top management roles across the Group. Women's forums have been established in our respective South African businesses, offering platforms for engagement, connection and driving gender transformation.

Our People continued

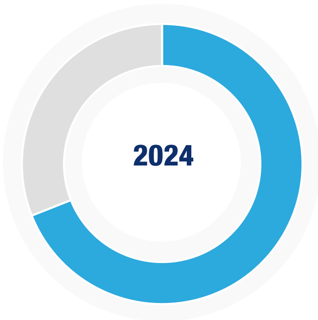
We also leverage our Group-wide recognition programme to highlight the achievements of women in Aspen. Our annual Women Achievement Award celebrates excellence while highlighting the exceptional contributions of women. Additionally, we value external perspectives on gender equity and have strengthened our partnership with the South African chapter of the 30% Club during the year, further solidifying our commitment to gender diversity and leadership.

Employee gender diversity in the Group (%)



Male	52
Female	48

Gender diversity in top management roles in the Group (%)



Male	69
Female	31

Empowering historically disadvantaged individuals in South Africa

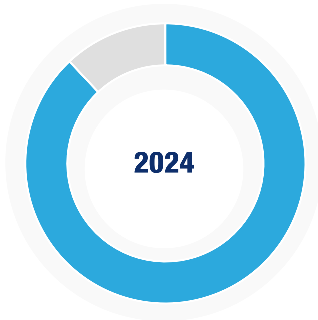
We are dedicated to creating a fair and equitable environment where all employees can learn, grow, and develop to their full potential. The Group Executive Transformation Forum, chaired by the Group Chief Executive, oversees our transformation objectives. The Forum includes senior executives and representatives from Group Risk, Sustainability & Compliance, Human Capital, the Women's Forum, and Employment Equity Committees.

This year, we closely monitored our five-year EE plan in accordance with the Employment Equity Act and the Department of Trade, Industry and Competition's B-BBEE Codes of Good Practice ("B-BBEE Codes"). Our targets consider factors such as staff turnover, growth objectives and transformation rates. We remain focused on attracting, developing, and advancing diverse talent, with particular attention on external talent attraction and the internal development and advancement of under-represented groups. A robust monitoring process supports each business unit in driving meaningful change in the demographics and the implementation of affirmative action measures. Each South African business unit has a transformation plan, backed by dedicated EE Committees.

Our performance against year two of the new EE plan was encouraging, with black representation across all occupational levels reaching 88% (2023: 87%), surpassing our target of 87%. Female representation in the South African workforce was maintained at 55%, meeting our target.

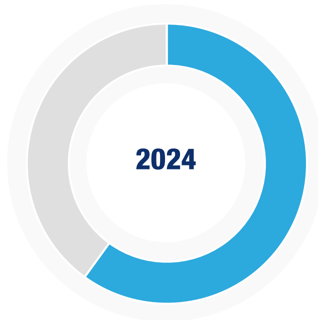
In line with our commitment to inclusivity, we have specific targets and plans to attract, develop and retain persons with disabilities ("PWDs") in our workforce. In 2024, we supported learnerships for 10 persons with disabilities. Currently, PWDs represent 1,2% of our South African workforce, against a target of 1,6%.

Employee race diversity in South Africa (%)



Black employees	88
Other employees	12

Black employees in top management roles in South Africa (%)



Other employees	60
Black employees	40

Labour Rights

As a participant of the UN Global Compact, we are dedicated to upholding its labour principles. Our Code of Conduct reinforces the rights of every employee to be treated with fairness, equality, and respect.

We strive to maintain a work environment free of prejudice, bias, harassment, and/or violation of any kind. Discrimination based on age, nationality, gender, race, physical health, sexual orientation, individual belief systems and/or any other prejudicial grounds is prohibited. Our policies also explicitly denounce the use of child labour and unfair labour practices, both within Aspen and across our supply chain. These principles are further embedded in our EDIB Framework, our Sexual Harassment Policy and our Anti-Harassment and Anti-Bullying Policy. Human capital, industrial relations and legal compliance frameworks ensure that employee rights are upheld, and we remain in compliance with labour legislation.

As an organisation, we have a responsibility to support any employee who is subjected to violence, harassment, and discrimination and to protect employees who may be subjected to gender-based harassment at work or in their communities. Given the high prevalence of gender-based violence in some of our operating geographies, we launched global campaigns such as the UN's 16 Days of Activism against Gender-Based Violence and International Women's Day #Inclusion Matters. The initiatives raised awareness of these critical issues while extending a call to action to understand and encourage inclusion in our workplace and communities.

Our People continued

Our commitment to fostering positive employee relations is reflected in our policies and procedures, which promote constructive working relationships with unions and works councils. Across the Group, employees are free to exercise their rights to belong to trade unions and collective bargaining councils. Local human capital managers proactively manage relationships with trade unions, which are seen as key stakeholders. Formal processes are in place to foster a culture of transparency and constructive engagement with trade union representatives in each territory. In 2024, 8% of the Group's employees belonged to a trade union, while 26% were represented by collective bargaining or works councils.

When material operational changes occur, we communicate with the employee trade unions, as necessary, within legislated periods. During periods of organisational restructuring and transition, safeguarding the rights and well-being of our employees is a top priority. We are committed to managing these processes with fairness, transparency, and respect. Our restructuring approach is rooted in the principles of fairness and equity. We ensure that all decisions are made objectively, with a focus on minimising disruption and maintaining a supportive work environment.

To address concerns, formal grievance procedures are in place and communicated across all business units. Employees can also raise concerns confidentially through the Tip-offs Anonymous Hotline. This independently operated reporting service provides employees with a channel to anonymously raise concerns with respect to matters related to unethical conduct, corruption, and fraudulent activities. Our Whistleblowing Policy, accessible online, along with our standard operating procedure provides guidance to prospective whistleblowers and details the protections available to them, including protection against occupational retaliation. All reported tip-offs are viewed by the Group Ethics Committee.

Fair compensation and performance

We are committed to ensuring that all employees receive fair and equitable compensation guided by the principles of transparency, fairness, and equity, ensuring that every employee is rewarded appropriately for their efforts. This commitment includes offering competitive salaries and benefits that align with industry standards in their jurisdiction of employment and reflect each employee's unique contribution.

Our compensation practices support our pay-for-performance philosophy, ensuring that remuneration is directly tied to individual, team, and organisational achievements. We are committed to non-discriminatory pay practices, ensuring compensation is free from bias related to gender, race, or any other characteristic. Employee wage rates across the Group comply with legislated rates in their respective jurisdictions and, where applicable, adhere to agreements with trade unions and/or collective bargaining councils. To remain competitive, we benchmark salaries against industry standards, ensuring we attract and retain top talent. More details on our remuneration philosophy can be found on page 110.

Performance management and recognition

To sustain a culture of performance excellence, we continue to enhance our Group performance management framework. This framework standardises performance management across the Group while respecting the local dynamics of managing high-performing teams. It emphasises pay-for-performance as a key element of our remuneration strategy, encouraging 360-degree feedback and continuous performance dialogues.

We also invest in upskilling our human capital and line managers to ensure robust performance management processes. Key areas of focus include performance coaching, setting breakthrough goals and providing powerful feedback. During the year, performance appraisals were completed for 95% of permanent employees across the Group through formal one-on-one meetings between employees and responsible managers. These appraisals form the basis for performance incentives and annual salary increases.

Our Group Employee Recognition Programme (INSPIRE) celebrates excellence and embodies our core values. Over the past nine years, this programme has complemented our culture of recognition and looks at rewarding behaviours that are the cornerstone of our success. Over the past nine years, we've recognised more than 431 employees in categories such as Community Involvement; Women Achievement; Innovation in Equity, Diversity, and Inclusion; Employee of the Year; Gus Attridge Leader of the Year; Executive of the Year; and Business Unit of the Year.

Employee well-being

We believe that belonging, equity and wellness are core to the employee experience. In line with this, we have broadened our duty of care to encompass all practices, processes and policies that ensure our employees work in safe, healthy environments.

Last year, we launched our Group Well-being Framework, which takes an integrated approach to well-being. Our development programmes equip our leaders with tools to foster empathy. Employee health, wellness, and fitness for work are vital to executing responsibilities effectively and delivering value to the organisation.

Our employee benefit arrangements include subsidisation of tailored healthcare insurance plans for employees and their direct dependants, where this is required. We support our employees with paid leave to accommodate mental health and family responsibility, where warranted.

To embed the Group Well-Being Framework, we introduced a pilot year-long programme for 20 senior leaders, focusing on physical, psychological, and emotional well-being, supported by a dedicated wellness coach. We also introduced a menopause awareness campaign in the Middle East to highlight its impact on female employees. In addition, we hosted live virtual well-being sessions in English, Spanish, and Dutch, led by subject matter experts, covering topics including healthy sleep and financial well-being. In selected sites, employees have access to on-site clinics, employee assistance programmes and wellness support programmes, including financial planning, stress management and mental wellness.

In South Africa, the HIV/AIDS management programme is administered by an independent health risk management company. HIV/AIDS-positive employees have access to disease management programmes through their healthcare insurance schemes, which subsidise the provision of anti-retrovirals as well as voluntary counselling and support programmes. Peer educators also deliver training on prevention and disease management for employees and their families.

Our People continued

Employee health and safety

Our employees are entitled to a safe and healthy working environment, and we are committed to ensuring the safety and security of all our employees and third parties visiting our facilities.

Our commitment to safety and security management

Our commitment to employee safety and conduct is outlined in the Aspen Code of Conduct supported by the Group Supplier Code of Conduct, which details the expectations and requirements of our service providers in terms of adhering to our safety standards both in their own workplace and when operating at one of our facilities. The Aspen Group Standard for Contractor Management further supports the identification, evaluation and control of risks associated with on-site contractor and subcontractor activities.

Safety, health, and environment ("SHE") compliance is continuously monitored and managed, with SHE KPIs integrated into site management reporting processes. The relevant Group functions develop and promote Aspen's SHE policies and standards and monitor the compliance and effectiveness of certified SHE management systems across the business units. Independent biennial legal SHE audits are conducted at all manufacturing facilities, with findings reviewed by the Group Compliance and Group Health and Safety functions to identify trends and the status of corrective actions. The Board monitors material SHE KPIs quarterly, and the Social & Ethics Committee ensures the effectiveness and compliance of SHE management systems.

Preventing work-related injuries, and prioritising incidents with serious injury and fatality potential ("SIFp") are key focuses, particularly in our high-risk manufacturing environments. Health and safety baseline and issue-based risk assessments are conducted to identify and evaluate the magnitude of our health and safety risks through a dynamic, formal, and structured process. Risk assessments are the foundation for the establishment, implementation and maintenance of our SHE management systems across the Group, and the selection and mitigation influence of required control measures is determined by the principle of the hierarchy of controls. Issue-based risk assessments are conducted for the management of changes and for any new projects prior to the design phase to ensure that all health and safety risks are considered and mitigated. New operations acquired are integrated into the Aspen Group SHE programme systematically.

Due to the nature of pharmaceutical and chemical products, we enforce compliance measures for safe handling and transport throughout the supply chain. SHE training needs are identified through applicable legal requirements and risk assessments, managed through internal and external training programmes and delivered by competent registered or approved training service providers.

SHE awareness and competency training are provided at no cost to employees, with effectiveness measured through formal assessments, job observations or the performance review process. Formal SHE representation and management structures are established at all manufacturing sites to create a platform of consultation and participation in the development of key system elements such as risk assessments, operational work instructions and incident investigations. These health and safety workforce forums also provide a mechanism for discussion and resolution of any SHE matters and sharing of pertinent health and safety information. Regional regulatory requirements dictate the operation of health and safety workplace forums in terms of frequency, membership, responsibilities and authority for decision-making. Practices that penalise participation in the reporting of incidents, hazards, risks and opportunities are discouraged by addressing identified obstacles and barriers, and employees who wish to remain anonymous are protected against reprisals through the Tip-Offs and Whistleblowing Policy.

Ensuring employee security

In the interest of employee safety and asset security, access controls and security systems are in place across all manufacturing and commercial sites to prevent unauthorised entry. Additional measures are implemented by local management teams to ensure employee safety in countries where the risk of social and/or political unrest is high.

Managing health and safety compliance

We align our health and safety management systems to global standards and 88% of our manufacturing facilities are ISO 45001 certified, covering 91% of employees within manufacturing operations. The Shelys (Tanzania) site achieved ISO 45001 certification in 2024. Due to the limited scale of their operations, the Sioux City and Ghana sites are not earmarked for certification. ISO 45001 system development is in progress at the Alphamed site in India. The ISO 45001 certificates and SHE policies for all internationally certified facilities are displayed across the manufacturing sites and are available online. Maintenance of an internationally recognised health and safety management system enables our sites to keep abreast of all applicable health and safety legal requirements, maintain a programme for evaluation of compliance and manage instances of non-conformance.

Aspen's Commercial SHE programme was developed and rolled out to our material commercial and support hubs in 2023, and gap assessments were conducted. The programme enables a formal approach to manage SHE risks and opportunities for continual improvement, to maintain legal compliance and prevent harm to employees and the environment, as aligned with our Group SHE policies. The next phase of the programme will be established in 2025.

Measuring SHE performance

In 2024, the biennial independent SHE compliance assessment across all manufacturing units highlighted a strong overall H&S performance. One exceptional finding regarding non-compliance to complete a two-yearly inspection of electrical equipment in a hazardous location at our East London (South Africa) site was recorded. Additionally, a minor administrative monetary fine was issued to our Biochem Oss (Netherlands) site this year. All legal findings are managed by each facility through a formal corrective and preventive action system.

Aligned with the GRI, TRIFR and High Consequence Incident Frequency Rate ("HCIFR") are used to measure health and safety performance. These KPIs provide a good reflection of our health and safety profile and approach to incident prevention including insights into causal factors and hotspots of emerging health and safety risks on minor medical cases. In 2024, we expanded our H&S sustainability reporting to include all commercial business units for a comprehensive view of our global operations.

Tolerance levels for health and safety KPIs are reviewed and approved by the Social & Ethics Committee every two years, as a minimum. While we saw a positive downward trend in both material H&S KPIs for 2024, we unfortunately experienced a fatal motor vehicle accident, caused by a third party, in our South African Commercial business. Our TRIFR tolerance was reviewed and reset at 1,50 in 2023 and a rate of 1,06 was achieved in 2024. The HCIFR tolerance of 0 by 2025 was also achieved ahead of schedule.

Our People continued

During the year, 105 (2023: 82) reportable incidents were recorded across the Group. It is pleasing to report that no high-consequence incidents or occupational fatalities related to our external contractors have occurred since 2013.

Formal systems are in place to ensure that incidents are recorded, investigated and analysed in a structured and timely manner to identify root causes and prevent their recurrence. To be more proactive (because the frequency of incidents does not proportionally reduce the severity thereof), we expanded our assessment of SIFp to include near-miss incidents and hazards. A total of sixty-five SIFp cases were recorded, with 55% identified through employees as a near-miss incident or hazard. Sixty-three percent (63%) of these cases resulted in the identification of design and engineering controls for the implementation of more rigorous and sustainable safety measures.

Slips, trips and falls remain the highest contributors to our total reportable case rates, with an increase noted due to incidents involving marketing and sales personnel largely occurring on customers' premises. Ergonomic cases, being struck against stationary objects and contact with hazardous energy sources also contributed to the 2024 incident rates.

Motor vehicle accidents ("MVAs") pose a significant inherent health and safety risk within our commercial operations and are now included in our TRIFR. In 2024, we recorded a total of 65 MVAs (2023: 80). One MVA case resulted in a fatality (South Africa) while a further six resulted in injury to drivers and a consequent 70 lost workdays. Five (71%) of these MVA injury cases were caused by third parties.

To enhance our SHE culture and reduce incidents, our manufacturing sites continue to conduct Gemba Walks, where leaders observe, listen and engage directly with the shop floor, to foster a culture of openness, collaboration and teamwork to identify improvement opportunities. Follow-up SHE Culture Surveys were conducted at four (27%) of our manufacturing sites in 2024 after initial assessments undertaken in 2022. The most notable improvement was at our largest site, Gqeberha (South Africa), which improved by 14 percentage points to a higher level of maturity level (Confident & Proactive) on our SHE culture ladder. The Group standings on the culture maturity ladder follows.

Our SHE culture maturity ladder

0 site	1 site	11 sites	3 sites
Vulnerable and reactive	**Engaged and mandated**	**Confident and proactive**	**Innovative and resilient**
(0% – 40%)	(41% – 70%)	(71% – 90%)	91% – 100%)

Ensuring commitment to continual improvement

We are committed to continuously enhancing health and safety management and performance through practical measures. We use audit results, survey outcomes, and incident statistics to identify opportunities for improvement. Continual improvement is demonstrated by the establishment of measurable health and safety objectives which are regularly monitored to ensure achievement thereof. The status of the various continual improvement programmes is also reviewed during employee health and safety meetings.

Society

Thriving communities

We are committed to operating an ethical and responsible business underpinned by our shared values and governance structures. We uphold the dignity, fundamental freedoms and human rights of our employees, contractors and the communities in which we live and work, and others affected by our activities.

Our long-term success depends on building and maintaining trust with society. Responsible corporate citizenship is grounded in a commitment to upholding the highest ethical standards in the conduct of our global business operations.

Additional information available online:

- Aspen Sustainability and ESG Data Supplement
- Aspen Code of Conduct
- Aspen Code of Conduct for Suppliers
- Ethics and Compliance Management
- Corporate Governance

Strategic objective

Capitals

Stakeholders

Our goals

- Procure responsibly and ensure ethical and responsible conduct in our supply chain
- Make a meaningful impact toward socio-economic value creation while contributing toward black economic empowerment in South Africa
- Contribute towards sustainable and healthy communities
- Maintain high governance and ethical standards

Our impact

- Adopted a stakeholder-inclusive governance approach and committed to transparency and effective communication
- Implemented responsible and ethical business practices aligned with the UN Global Compact principles
- Contributed to the social and economic upliftment in the communities in which we operate
- Generated economic value for our varied stakeholder groups

Strong corporate governance aligned with King IV principles

163 SED projects implemented across 22 countries

R5 492 million spent with empowered suppliers in South Africa

Constituent of **FTSE4Good Index** and Top 30 FTSE/JSE Responsible Investment Index

Our material sustainability topics

- Compliance
- Corporate governance
- Economic value generated and distributed
- Ethical business culture
- Fair taxation
- Human rights
- Information and data governance
- Responsible supply chain management
- SED and investment in communities
- Transformation, localisation and economic inclusion

Our contribution to the SDGs

We contribute to the following SDG and target through our actions aligned to our material sustainability topics:

17 Partnerships for the goals

Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development

17.17 Encourage and promote effective public, public-private and civil society partnerships

Society continued

Conducting business in a responsible manner

Our Responsible Corporate Citizenship Philosophy encapsulates our commitment to conducting business ethically, with integrity, and commercial wisdom. We strive to enhance the economic and social well-being of our patients, consumers, investors, employees, customers, and business partners.

Engaging stakeholders

We are committed to adopting a stakeholder-inclusive governance approach and sustaining strong relationships with our stakeholders through transparency and effective communication. The Board takes overall responsibility for ensuring a stakeholder-inclusive governance approach and ensuring that a Group stakeholder engagement policy is in place. During the year, we have had a wide range of structured and *ad hoc* engagements with our broad stakeholder base. Our approach to stakeholder engagement and a summary of the most material stakeholder engagements that we have undertaken are set out on pages 38 to 41 of this report.

Corporate governance

Led by an effective Board and long-serving, experienced executives, we operate on an established foundation of strong corporate governance. The King IV Report on Corporate Governance is implemented throughout the Group. More can be read about this in our approach to governance (refer to page 100) and our governance overview on www.aspenpharma.com/corporate-governance where we also report on our application of the King IV principles.

Legislative compliance

Respect for the rule of law underpins an ordered and effective society. We are committed to complying with applicable legal and regulatory requirements wherever we do business. The Group Executive: Risk, Sustainability & Compliance is responsible for the implementation of an effective legislative compliance framework and provides the Board with assurance in respect of the Group's compliance with applicable laws and regulations. She is supported by the Group Head: Ethics & Compliance in fulfilling this mandate.

There were no significant incidents of legislative infringements recorded during the year under review, reflecting the Group's effective compliance management and governance processes.

Ethics and compliance management

Approach

Aspen is committed to maintaining a culture of ethics and compliance throughout the Group. Our Code of Conduct sets the standards for how we conduct ourselves and our business across all the territories within which we operate. The Code of Conduct is supported by a framework of policies that give effect to our commitment to conducting business ethically and in compliance with material laws. To support this requirement, the Aspen Group Ethics and Compliance programmes include senior leadership communications promoting ethics and compliance, risk assessments, policies, procedures, training and monitoring. These are developed based on internal experience as well as guidance from advisers, relevant authorities and international organisations to ensure that we are aligned with leading international practices.

As a participant of the UN Global Compact, we promote and integrate the Compact's 10 principles into our business practices, as demonstrated in our Code of Conduct and supporting framework or policies.

In 2023, the Ethics Institute of South Arica conducted an ethical culture maturity assessment. The assessment was performed by conducting a Group-wide anonymous employee survey to understand how our employees perceive the ethical culture at Aspen. The outcome of the assessment indicated that Aspen has a "mature" ethical culture. The results of the assessment are being used to focus interventions on specific areas required to further enhance our ethics programme. The survey will be repeated in due course to assess the effectiveness of the relevant interventions. A key focus is for those in management positions to become more actively engaged in promoting ethics, compliance, and Aspen's values, thereby setting a positive tone through words and actions.

Aspen takes a breach of its Code of Conduct and related policies seriously, and those who are found to be in breach may face disciplinary action, including dismissal.

Board and senior management oversight

The Board and its Committees play a critical role in overseeing and assessing Aspen's culture of ethics and compliance, and ensuring policies and procedures align with the Code of Conduct and our core value of integrity. The Board oversees and approves the programmes focused on compliance with material laws governing our business, including our sanctions and export controls compliance programme. The Social & Ethics Committee oversees and approves the Ethical Business Conduct Programme, SHE compliance assurance programme, and other compliance programmes which are relevant to the legislative mandate of the Committee. The Committee also receives quarterly updates on any reported ethics breaches, including anonymous tip-offs received, and ongoing investigations in respect of these reports. Training is provided to the Board and its Committees, emphasising the role of members in ethics and compliance oversight.

The Group Executive Committee (comprising executive directors and prescribed officers) also supports the implementation of our Ethics and Compliance Programme. In this respect, the Group Executive Committee is supported by the Ethics Committee, which reviews transactions or relationships that could give rise to ethical, compliance or reputational concerns. The Ethics Committee is also responsible for ensuring that allegations of fraud or related material breaches are appropriately investigated and that disciplinary or other corrective actions are applied fairly and consistently across the Group.

Structure

The Ethics and Compliance function supports the implementation of our Ethics and Compliance Programme and is comprised of a full-time Group Ethics & Compliance function and Regional Ethics & Compliance Officers ("RECOs") who have ethics and compliance responsibilities in addition to their primary business roles. The Group functional team is responsible for designing, monitoring and continuously improving the Ethics and Compliance Programme. The heads of Aspen's business units are accountable for the implementation of the programme in their respective business units and geographical regions. Commencing in FY2025, each business unit will be required to constitute an Integrity Committee, chaired by the head, comprising relevant front-line operational heads (representing the first line of defence and risk owners) and support functions including the RECOs (representing the second line of defence). The purpose of the Integrity Committee is to enable proactive, cross-functional risk management, compliance, and governance aligned with the Aspen Code of Conduct and supporting policy framework.

Society continued

Ethical business conduct

Our Ethical Business Conduct Programme comprises the implementation of the following policies throughout the Group:

- **Code of Conduct:** Our Code of Conduct describes the standards of honest, ethical and lawful conduct expected of all employees, officers and directors of the Company, who are required to be familiar with the Code, comply with its provisions and follow Aspen's procedures to report any suspected violations. Employees and directors must sign a Code of Conduct Declaration upon commencement of their employment/appointment, and annually thereafter.
- **Supplier Code of Conduct:** As a member of the PSCI, our Supplier Code of Conduct (available online), demonstrates our commitment to an industry-wide effort to improve safety, environmental, and social outcomes within the global pharmaceutical and healthcare supply chain. It describes our expectations of our suppliers, ensuring that Aspen's standards of ethical business conduct extend throughout our supply chain, and are implemented, as applicable, by those who provide goods or perform services for or on behalf of Aspen.
- **Conflicts of Interest Policy:** Our Conflicts of Interest Policy prohibits all employees, officers and directors of Aspen from using their position within Aspen, or Aspen's relationship with its customers, suppliers, contractors and other business partners for private gain, or to obtain benefits for themselves or their family members. Employees and directors are required to sign a Conflicts of Interest Declaration upon commencement of their employment/appointment, and annually thereafter. Conflicting interests that are disclosed are reviewed by the Group Ethics Committee and are either disallowed or approved based on an agreed mitigation plan. Each business unit maintains a Conflicts of Interest Register, which is submitted annually to the Group Head: Ethics and Compliance.
- **Gifts and Hospitality Policy:** Our Gifts and Hospitality Policy requires that where employees, officers and directors exchange gifts and hospitality with suppliers, service providers or customers, they must ensure that it is not intended or might be seen to influence business decisions, that there is a legitimate business interest for giving or accepting the gift or hospitality and that it remains once-off or irregular in nature. In addition, any prior approvals based on value thresholds must be strictly adhered to. Each Aspen business maintains a Gifts and Hospitality Register which is submitted to the Group Head: Ethics and Compliance on an annual basis.
- **Ethical interactions with HCPs and other members of the healthcare community:** Our Product Promotion and Scientific Engagement Policy sets the standards for ethical interactions with HCPs and other members of the healthcare community, as part of our promotional and non-promotional activities. Aspen's relationships with HCPs are intended to benefit patients and to enhance the practice of medicine. Interactions are focused on informing HCPs about medicines, providing scientific and educational information, and supporting medical research and education.
- **Advocacy and Government Relations Policy:** This policy sets the standards for ethical engagement with stakeholders (government authorities, scientific societies, trade associations, experts, patient organisations and non-governmental organisations) on matters of public policy that affect patients, the pharmaceutical industry, and our business, in the countries in which we operate. The policy also addresses the subject of employing certain former government officials. It requires an assessment of, and where necessary, implementation of a cooling-off period to maintain transparency and avoid conflicts of interest.

Anti-bribery and Anti-corruption Compliance Programme

- **Policy:** Our Anti-bribery and Anti-corruption Policy prohibits the offering, providing, authorising, requesting or receiving of bribes. It also prohibits political donations or facilitation payments. Given the heightened risks associated with engaging third-party agents and intermediaries, the policy also addresses the requirement for conducting risk-based due diligence on these parties and monitoring their activities throughout the commercial relationship. We do engage in policy debate (lobbying) on subjects of legitimate concern to our business, however, all officers and employees must, in doing so, comply with all applicable laws and regulations, and our Advocacy and Government Relations Policy. Aligned with our SED Policy, we do not provide external funding and support (such as donations, community investments, grants or sponsorships) to disguise a bribe, or to gain an improper business advantage. We ensure that when we provide such support, we conduct risk-based due diligence on the recipient and monitor the use of the funds to ensure these are used for the purposes agreed upon. We do not employ individuals in exchange for obtaining or retaining business.
- **Communication:** Internal communications on the Anti-bribery and Anti-corruption Policy highlight relevant information on corruption, and practical considerations to mitigate against the risks. The principles are communicated to third-party suppliers and service providers via the Aspen Supplier Code of Conduct (available online), which addresses the principles of anti-bribery and anti-corruption. The Supplier Code of Conduct is incorporated into contract documentation when Aspen engages a third-party supplier or service provider (including agents and intermediaries).
- **Training:** Aspen Code of Conduct training, is performed annually by all employees, and covers key anti-bribery and anti-corruption principles. Our Anti-bribery and Anti-corruption training, which is performed by identified relevant staff, covers in more detail the principles addressed in the Aspen Anti-bribery and Anti-corruption Policy, and the application of the principles in practice, for example, working in high-risk countries with high-risk third parties.
- **Risk assessment:** The risk assessment considers areas that may create heightened risks of corruption, including activity risks such as being involved with major sales or purchases, gifts, hospitality and entertainment, commercial dealings with government, business operations in high-risk regions, lobbying activities, and making charitable donations. The assessment also looks at relationship risks associated with agents and intermediaries.
- **Risk-based procedures:** Our Anti-bribery and Anti-corruption Policy requires that we conduct risk-based due diligence on third parties who represent Aspen, with an escalation and corporate approval process for engaging third parties who perform high-risk services (agents/ intermediaries) in high-risk countries (with reference to the Transparency International Corruption Perceptions Index).

Society continued

Other compliance programmes:

- **Sanctions and export controls:** Our Sanctions and Export Controls Policy sets out our commitment to complying with applicable international sanctions and export controls. To manage our risk exposure and ensure compliance, we implement a range of controls and processes. These include screening our counterparties using a risk-based approach to determine whether they are a sanctions target or otherwise attract sanctions risk, and assessing whether our products are controlled for purposes of export to certain end users or destinations.
- **Competition law compliance:** Our Competition Law Compliance Policy sets out our commitment to complying with applicable competition laws. To manage our competition risk exposure and ensure compliance, we implement a range of controls and processes. These include measures to ensure that we compete fairly in our engagements with customers, competitors and in situations where we hold a dominant position in the market.
- **Data protection:** Our Data Protection Policy sets out our commitment to comply with all applicable privacy laws. To manage our risk exposure and ensure compliance, we implement a range of controls and processes. These include privacy notices for our data subjects, personal data breach procedures, and procedures to allow data subjects to exercise their rights. Aspen also has a procedure for including appropriate data processing terms in the contracts it concludes with its data processors.
- **Human rights:** As a participant of the UN Global Compact, we are committed to upholding the principles of respecting and protecting internationally proclaimed human rights, as well as ensuring that we are not complicit in human rights abuses. Our Human Rights Policy records our commitment to conducting our business in a way that respects the human rights of stakeholders across our value chain and the related procedures and governance structures in place to give effect to this commitment. Aligned with the requirements of the UK Modern Slavery Act, the Australian Modern Slavery Act and equivalent legislation in the jurisdictions in which we operate, we report annually on the procedures and initiatives we have implemented to embed human rights commitments within our business and supply chain.

Whistleblowing

We promote a culture of openness and transparency throughout the Group and, as such, employees and other stakeholders such as our suppliers and service providers are encouraged to speak up when they have a reasonable belief or suspicion of unethical or unlawful conduct concerning Aspen's business. We do not tolerate retaliation against anyone who reports ethical concerns in accordance with the Aspen Whistleblowing Policy (available online).

An independently monitored whistleblowing hotline, (Deloitte's Tip-Offs Anonymous Hotline), available online, is available to all our employees and other stakeholders to report suspected fraud, bribery or other activities in breach of our Code of Conduct. Our Whistleblowing Policy guides prospective whistleblowers and details the protections available to them, including protection against occupational detriment. Training and awareness sessions are conducted periodically to promote the use of this facility for its intended purpose. Key customers, service providers and suppliers are periodically informed of the availability of this line.

All reports from this hotline or other whistleblowing sources received during the year were logged and, investigated under the direction of the Group Ethics Committee. Disciplinary action was taken in instances where employees were found to have engaged in unethical or unlawful conduct, with corrective actions implemented where necessary to improve controls and to prevent recurrence of the incident. All instances of misconduct, which may also constitute criminal conduct, are reported to local prosecution authorities as may be appropriate. Reports detailing the tip-offs received, how these tip-offs have been investigated and the corrective measures taken (where allegations are substantiated), are submitted to the Audit & Risk Committee and Social & Ethics Committee quarterly.

The table below records the type and number of allegations received during FY2024, either via reports submitted to the Whistleblowing Tip-offs Anonymous Hotline, or reported to management or other designated officers within Aspen. All allegations were investigated. Certain allegations were substantiated and appropriate disciplinary or other corrective actions were implemented. Others were either unsubstantiated or considered inconclusive due to insufficient information. A limited number of the allegations are still under investigation.

Type of allegation	Allegation raised	Number
Ethics and Compliance Programme Violations	Fraud	13
	Conflict of interest	1
	Discrimination	5
	Bullying/moral harassment	8
	Sexual harassment	1
	Retaliation	1
	Breach of confidentiality	1
	Safety and security	1
	Non-compliance with standards	1
	Nepotism	2
Employment/HR Related Issues	Incapacity	1
	Poor performance	1
	Behaviour	2
	Non-compliance with procedures	1
	Unfair allocation of benefits	1
	Inconsistency relating to time-off concessions	1
	Unauthorised absence from workstation	1
	Victimisation	1
	Hostile work environment	5
Supplier/Service provider conduct	Supply chain inefficiencies	1
	Unsafe storage and transportation of products by a service provider	1
	Unfair labour practices	1

Political contributions

Our Code of Conduct precludes us from making payments or other contributions to political parties, organisations or their representatives or taking part in party politics.

Society continued

Responsible supply chain management

We work with a large number of suppliers and service providers, who provide goods and services that support us in delivering a reliable supply of high quality, safe products for our patients and consumers. We acknowledge that we have a responsibility to ensure that we work with suppliers and partners whose ethical, social and environmental standards are aligned to our own. Our service providers and suppliers are required to provide appropriate contractual commitments and adhere to the Aspen Supplier Code of Conduct.

As a member of the PSCI, we are committed to integrating the PSCI Principles into our supplier programmes. In line with this commitment, the Board has approved an updated Aspen Supplier Code of Conduct modelled on these principles.

In FY2023, we launched a Group-wide Responsible Supply Chain Programme aligned with the ethical, societal, and environmental principles of the UN Global Compact and industry-leading supply chain standards such as the PSCI. This programme is designed to regularly monitor sustainability performance through comprehensive assessments and actively engage our suppliers in continuous improvement of their sustainability practices. To support this initiative, we have partnered with EcoVadis for the Group-wide implementation of our Responsible Supply Chain Programme. This year, we have identified our top suppliers for assessment using the EcoVadis tool, establishing a foundation for enhanced sustainability performance throughout our supply chain.

Respecting human rights

As a participant of the UN Global Compact, we are committed to upholding the principles of respecting and protecting internationally proclaimed human rights, while ensuring that we are not complicit in human rights abuses. The Aspen Code of Conduct details our commitment to fundamental human rights, and the Social & Ethics Committee monitors the effectiveness of ethics management in the Group. Our Group Human Rights Policy was approved by the Social & Ethics Committee in August 2024 and the Board in September 2024. The policy records our commitment to conducting our business in a way that respects the human rights of stakeholders across our value chain and the related procedures and governance structures in place to give effect to this commitment. The Aspen Group Statement on Modern Slavery, available online, further supports our commitment to address the requirements of the UK Modern Slavery Act, the Australian Modern Slavery Act and equivalent legislation in the jurisdictions in which we operate. As a means of embedding human rights commitments into corporate practice, our suppliers and service providers are required to confirm acceptance of the standards contained in the Aspen Supplier Code of Conduct to provide assurance that human rights and good ethical standards are upheld within the supply chain.

Currently our Ethics and Compliance programme requires each business unit to complete a checklist to assess the business' risk exposure for violating human rights, engaging in unlawful child labour, or other related unlawful labour practices. No businesses in the Group identified heightened risks in this regard and no incidents of slave labour or compulsory labour were reported within the Group within the reporting period under review (FY2023: Nil). As part of our commitment to good corporate citizenship, we support the United Nations Declaration on the Rights of Indigenous Peoples as adopted on 13 September 2007 and respect the rights of indigenous people in the countries and territories in which we operate. There were no reported incidents where the rights of indigenous people were violated during the reporting period under review (FY2023: Nil). These aspects are monitored in respect of all business units.

During FY2025, activities required in terms of the Group Human Rights Policy will commence, including Aspen business units performing human rights risk assessments. These will be followed by consultation on appropriate actions to avoid, prevent and mitigate human rights issues.

Aspen maintains a confidential hotline service operated by an independent third party. The tip-offs hotline provides a mechanism for all internal and external stakeholders who are impacted by Aspen's business activities to report their grievances. Any impacted stakeholders may report their grievance via the tip-offs anonymous hotline, the Group Ethics Committee would oversee that appropriate consultation takes place with the relevant stakeholders, and that appropriate remediation occurs.

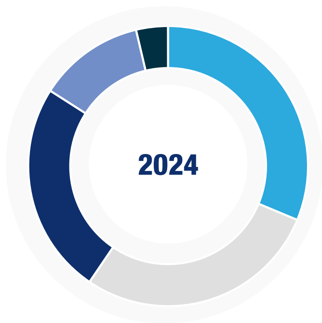
The Social & Ethics Committee oversees the Group's human rights performance.

SED and investment in communities

Our SED programmes are implemented at a local level through the business units, thereby channelling contributions to areas of greatest impact in the particular local context. Our Group SED Policy is aimed at aligning our SED contributions with our SED strategy and ensuring compliance with the Aspen Code of Conduct. The Group SED Committee monitors and reviews the implementation of this policy and approves SED investments in excess of certain thresholds.

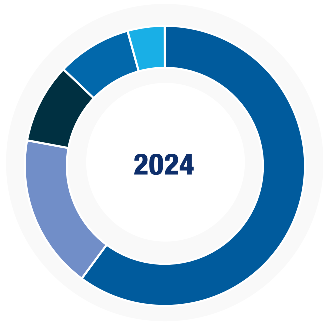
During the year, we supported a total of 163 SED projects in 22 countries, valued at R14,4 million.

SED projects by type across the Group (163 projects) (number)



Education and training	51
Community upliftment	46
Mandela Day	40
Healthcare	20
Clinics	6

SED projects supported per region, valued at R14,4 million (number)



Africa Middle East	98
Europe CIS	29
Americas	15
Asia	14
Australasia	7

Society continued

Our SED purpose and key focus areas

Our SED purpose is to have a transformative and sustainable impact through our work, partnerships and actions. We are committed to delivering a lasting, positive contribution to the communities we operate in. This starts with understanding and timeously and effectively responding to the needs of these communities.

We recognise that being a responsible corporate citizen is linked to our sustainable growth, our relationships with our key stakeholders and our contribution to society in the broader context. Our SED priority areas are therefore consistent and fully aligned to the businesses core values and include:
- social and community development;
- health infrastructure support;
- promoting healthy lifestyles;
- humanitarian relief; and
- human capital and skills development.

A force for good in healthcare

Our SED focus has been geared towards:
- The Public Health Enhancement Fund ("PHEF") – an ongoing public-private partnership that has produced 100 medical graduates, most of whom reside in resource-constrained communities and without this assistance would probably not have had the opportunity to acquire a tertiary education. In addition, 75 medical, pharmaceutical and healthcare PhD and master's students have benefitted, over 80% who are black females.
- Providing humanitarian relief in South Africa and beyond, both in conflict zones as well as areas affected by disasters. This includes significant donations of life-saving medicines and critical care equipment.
- Education, skills, and entrepreneurship development, which are key priorities. In addition to funding various studies, we have partnered with Wits University on the INVEST programme, which bridges the gap between the pharmacy curriculum and workplace needs. This year marked the second year of the partnership between Aspen and GIBS in the Route-to-Market programme, aimed at stimulating entrepreneurship – a crucial driver of economic growth in our country.
- Sport and the promotion of healthy lifestyles are key to managing a disproportionate disease burden in our country. We have provided sporting and related facilities and equipment to resource-constrained and underprivileged communities.
- Youth development, women empowerment and reversing the scourge of alcohol and substance abuse in South Africa is also an SED priority. Our initiatives such as period poverty campaigns, youth development and healthy lifestyle programmes are aimed at keeping our youth off the streets.

SED spend on projects in South Africa

	R'million	%
Basic health and HIV/AIDS (including spend on clinics, HIV/AIDS and healthcare)	**1,1**	11
Education and training	**5,5**	53
Sport and the promotion of healthy lifestyles	**1,7**	17
Other (including Mandela Day and community upliftment)	**2,0**	19
Total	**10,3**	100

Our Group Mandela Day campaign

We first took part in Mandela Day in 2011 by supporting an orphanage in Johannesburg for 30 disabled children. Since then, our dedication to this programme has resulted in our Mandela Day campaign becoming our Group's flagship SED initiative. This is a testament to our employees, who have driven participation with unwavering passion over the past 14 years. Over this period, we have reached in excess of 910 000 beneficiaries through more than 990 initiatives in 40 countries and regions.

Our Mandela Day campaign, accessible online, brings hope to orphaned, abandoned, neglected, or mistreated babies, children, and women. We show compassion and care for the aged, hungry, marginalised, unwell, homeless, and people dealing with mental health issues. We also work to provide educational opportunities for students, and we reach out to the disabled and those communities who have seen unprecedented injustice.

We are humbled to be able to make an ongoing difference by addressing poverty, combating climate change, and contributing to the reduction of inequality at a time when it is more critical than ever.

Transformation and economic inclusion in South Africa

As a proudly South African-based organisation, we are committed to supporting the nation's transformation objectives aimed at empowering historically disadvantaged groups. We firmly believe that the legislated economic empowerment initiatives will not only address past injustices, but also enhance the economic contributions of all South Africans through inclusive and unrestricted participation.

We have established transformation objectives and programmes as well as aligned our employee management policies in South Africa to the EE Act and the B-BBEE Codes of Good Practice to promote the advancement of historically disadvantaged individuals and women. Our Social & Ethics Committee closely monitors our progress against the EE Plan, while our transformation KPIs are reported to the Board.

Based on our most recent verification, the Group has maintained its Level 4 rating. This rating allows our customers to recognise 100% of their procurement spend with Aspen in terms of the revised Generic Codes.

We have established preferential procurement objectives and targets to support South African-owned businesses. By providing market access to these local enterprises, we aim to contribute meaningfully to job creation and the sustainable development of employment opportunities within South Africa. The Group spent R5 492 million (FY2023: R4 496 million) with B-BBEE-recognised suppliers. Our procurement from black women-owned businesses decreased marginally from 22,6% to 21,8% of total procurement spend. B-BBEE-recognised spend with black owned businesses increased slightly to R1 514 million (FY2023: R1 464 million). Through continued efforts to onboard designated group suppliers, we achieved an increase in the percentage of measured spend from these suppliers (from 0,9% in FY2023 to 1,7% this year).

As part of our Enterprise Development programme, we provided new interest-free loans to two black-owned entities, reinforcing our commitment to fostering economic empowerment and sustainable growth. One of these businesses will operate a bakery in the Eastern Cape, while the other specialises in the crucial digitisation of medical data. By supporting these ventures with financial resources, we aim to enhance their sustainability and viability, ultimately contributing to job creation and economic development within their communities. We look forward to witnessing their growth and the positive impact they will have in their respective regions.

A summary review of the performance against the full B-BBEE Codes of Good Practice scorecard is provided in the Sustainability and ESG Data Supplement. The 2024 certificate is available online.

Society continued

Adding economic value to stakeholders

As a global pharmaceutical company, we play an important role in contributing to the health and well-being of people while creating economic value for our key stakeholders. While the provision of high quality, affordable medicines and products benefit patients and consumers directly, a focus on building a profitable and sustainable business model generates economic value for our varied stakeholder groups. The Group Chief Financial Officer's Review, set out on pages 21 to 26, provides an overview of our financial performance for the year.

Our activities this year have created R20 456 million in wealth. This is calculated after taking into account R26 852 million spent on purchasing materials and services, which contributed to the sustainability of our suppliers in the various economies in which we operate. Our employees receive the largest share of the total value distribution (50%) while a significant portion (21%) is reinvested in the Group to fund growth and expansion. Our gross economic contribution in the form of direct tax, paid to central and local governments in the countries in which we operate, amounted to R2 060 million. The Group value added statement is published in the Sustainability and ESG Data Supplement online.

Financial value we create

Revenue
R44 706 million

−

Purchased materials and services
R26 852 million

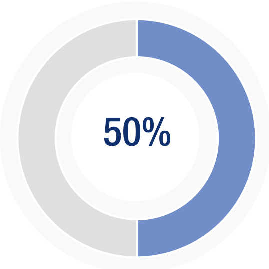
+

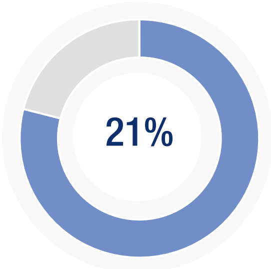
Investment and other operating income
R2 602 million

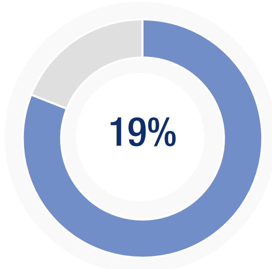
=

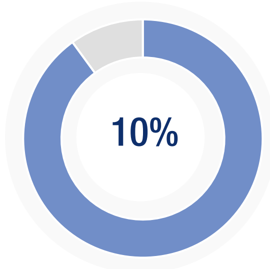
Wealth created and value distributed
R20 456 million

Financial value distributed

Employees
R10 281 million


Reinvested
R4 247 million


Providers of capital
R3 868 million


Governments
R2 060 million


Society continued

Fair taxation and enhanced transparency

As a Group that has a substantial presence in many countries, we understand our responsibility to pay an appropriate amount of tax. We comply with tax laws in the countries in which we operate and seek to maintain open and positive relationships with tax authorities. The taxes we pay make a positive contribution to the societies in which we operate.

Approach to taxation

We have subsidiaries, branches, permanent establishments and joint venture arrangements in over 50 countries and territories around the world, predominantly in emerging markets. These entities are subject to the tax legislation of the countries in which they are domiciled. In addition, the countries in which the Group operates have all committed to implementing the Organisation for Economic Cooperation and Development's ("OECD") Base Erosion and Profit Shifting ("BEPS") recommendations, as they have all become members of the OECD's Inclusive Framework for BEPS. These recommendations include certain indirect taxes, international tax, domestic anti-avoidance provisions, transfer pricing and Pillar II. Domestic tax laws, including those dealing with international taxation, transfer pricing laws and enhanced transfer pricing documentation standards, have been amended to incorporate the outcome of the BEPS project. In addition, Aspen has seen an increase in value added tax ("VAT") reporting obligations as more countries implement real-time reporting of transactions that are subject to VAT (collectively, "Domestic Law").

Our tax team is required to:
- proactively monitor changes in Domestic Law and regulations published to interpret that law;
- ensure that the Group operates within these Domestic Law provisions and regulations;
- provide proactive advice to management and ensure that risks are identified in advance; and
- issue the new transfer pricing documentation reflecting both the OECD and the domestic tax law requirements, with the support of management of each entity.

The tax team undertakes this work under the guidance of the Group Executive: Tax, who reports those activities to the Group Tax Committee, which comprises the Group Chief Advisor, the Group Chief Financial Officer, the Group Chief Corporate Officer, the Group Strategic Development Officer, the Group Finance Executive: International Regions, the Group Executive: Treasury, the Chief Financial Officer for Aspen Global and at least one representative of Aspen's chosen tax adviser.

The Group Executive: Tax is also charged with the responsibility of designing, implementing and maintaining a tax risk management framework for the Group which is aligned to Aspen's overall strategy and risk appetite. The tax risk management framework is based on the philosophy that the Group applies a risk-based approach to tax matters and that all its tax affairs are proactively managed.

The Group Executive: Tax is a standing attendee at the Audit & Risk Committee meetings and reports on the Group's affairs to that Committee. In addition, reports are issued to the Board as decided upon by the Tax Committee or as requested by the Board.

Our tax strategy

Our strategic approach to taxes is to:
- implement systems and policies that provide for sustainable tax positions for each Group entity and that are compliant with the tax laws of the country in which each Group entity operates;
- engage with tax authorities with honesty and integrity in the spirit of cooperative compliance;
- identify and manage tax risks, ensuring that appropriate provisions are raised in relation to identified risks;
- ensure that the business objectives are met in a tax compliant manner;
- remain up to date with taxation laws, regulations and trends to ensure that the Group's business objectives remain tax-compliant;
- act responsibly with regard to tax positions taken, ensuring that the Group's reputation is not negatively impacted by those positions; and
- apply a collaborative approach to tax risk management by implementing systems and controls and monitoring the effectiveness thereof to support tax compliance.

Our tax risk appetite

Decisions on where our businesses are to be located are based on the Group's strategy and the commercial viability of doing so, taking into consideration the Group's need to support our customer base, the location of our investments in specialised manufacturing facilities and the availability of appropriately skilled people who contribute to the overall value chain. Although certain of the Group's entities are located in low-tax jurisdictions (as defined by the OECD), these principles are applied consistently and without consideration of the potential tax benefit that may accrue to the Group. When we enter into transactions, the tax laws that affect that transaction are strictly applied within the context of the commercial requirements.

We are particularly risk aware in relation to our transfer pricing strategy. Our strategy is aligned to the OECD Transfer Pricing Guidelines and follows the arm's length principle unless another principle has precedence under Domestic Law.

We are conservative in determining transfer prices by applying margins that are aligned to those expected by tax authorities in relation to both parties to the transaction. In addition, we do not hold any IP in companies that do not actively participate in the value chain. Transfer pricing principles are implemented in a consistent manner by all Group companies.

Our tax compliance

We strive to submit all tax returns and other relevant forms and documents as they fall due, fully disclosing all necessary information that would be required by a tax authority to make an informed decision in relation to the tax positions that are taken in the tax return.

Society continued

The Group is regularly subject to review by tax authorities and we are fully cooperative with the tax authorities conducting such reviews. These reviews are generally concluded without further taxes becoming payable under the law. Where the reviews do result in additional taxes becoming payable under the law, we determine whether or not we should defend the positions that were reflected in the returns and the information submitted to the tax authority. If a decision is made to defend the positions taken, the appropriate legislative processes are followed.

In addition to assessing whether or not the positions should be defended, we consider the likelihood of success and raise provisions based on this assessment. In addition, we consider how material the assessment is (including extrapolating that assessment to future years) and determine whether or not additional disclosures are required. Those provisions are reviewed by our external auditors.

Commitment to transparency in reporting

We appreciate that our stakeholders expect us to report on a broad range of ESG aspects in a consistent and transparent way. We perform a review of material sustainability topics to understand the expectations of our stakeholders (refer to page 73). Since the implementation of the FTSE/JSE Responsible Investment Index in 2015, we have worked at improving our overall score. In 2024, we maintained our inclusion in the Top 30 FTSE/JSE Responsible Investment Index Series and in the FTSE4Good Index Series which recognises companies with strong ESG practices measured against global standards. This year, FTSE has advised that they will not complete our rating for the 2024 cycle (usually performed in the first quarter of the calendar year based on the prior year's Integrated Report) until our CDP rating (for the same financial period) is available. As a result of the above, we do not have an updated FTSE/JSE Responsible Investment Index score to report for FY2024 and our score remains reported at 3,6 (FY2023: 3,6)

In order to further enhance our transparency in reporting, we have provided an initial mapping of our disclosures to the GRI standards and SASB standards as well as the JSE Sustainability Disclosure Guidance. We have also commenced aligning our disclosures with those recommended by the TCFD. These indexes can be found in our Sustainability and ESG Data Supplement online.

Environment

Restored planet

We are committed to practising responsible environmental stewardship seeking to minimise any negative impact our operations have on the environment in compliance with applicable laws, regulations and other environmental management requirements.

Access to a clean, healthy and sustainable environment has been declared a universal human right. To enable a healthier world, we must take steps to reduce the impact we have on the environment as we convert and use natural resources in the manufacture and distribution of our quality medicines and APIs.

Additional information available online:

- Aspen Sustainability and ESG Data Supplement
- Aspen Code of Conduct

Our goals

- Reduce our carbon emissions in alignment with the goals of the Paris Agreement
- Responsibly manage our site discharges
- Exercise responsible water stewardship and pursue water neutrality in operations located in high water stress areas
- Apply a lifecycle approach to resource use and waste management

Our impact

- Ensured a sustainable supply of energy and water, critical to our ability to operate
- Implemented various initiatives to reduce our consumption of natural resources and carbon emissions
- Responsible management and disposal of hazardous and non-hazardous waste and effluent
- Committed to transparency through CDP and TCFD-aligned disclosures
- Set measurable targets to reduce our Scope 1 and Scope 2 carbon emissions

28% reduction on Scope 1 and Scope 2 emissions over the past five years

22% reduction in water withdrawn over the past five years

93% waste recycled

1% of waste to landfill

CDP-CC and **CDP-WS** performance both rated as "B Management Level"

Our material sustainability topics

- Climate change and GHG emissions
- Energy efficiency
- Resource use and waste
- Water and effluent

Our contribution to the SDGs

We contribute to the following SDGs and targets through our actions aligned to our material sustainability topics:

6 Clean water and sanitation – Ensure availability and sustainable management of water and sanitation for all

6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally

6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity

7 Affordable and clean energy – Ensure access to affordable, reliable, sustainable and modern energy for all

7.3 By 2030, double the global rate of improvement in energy efficiency

12 Responsible consumption and production – Ensure sustainable consumption and production patterns

12.2 Achieve the sustainable management and efficient use of natural resources

12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their lifecycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment

13 Climate action – Take urgent action to combat climate change and its impacts

13.2 Integrate climate change measures into national policies, strategies and planning

Strategic objective | **Capitals** | **Stakeholders**

Environment continued

Approach to environmental stewardship

We are committed to practising responsible environmental stewardship, striving to minimise any negative impact our operations may have on the environment and to comply with applicable laws, regulations and other environmental management requirements.

We promote the efficient use of resources – such as energy, water, packaging, and production materials – mindful of their scarcity and environmental implications. As participants in the UN Global Compact, we support global initiatives for environmental protection and natural resource conservation. Our corporate membership in the National Business Initiative (NBI) and the World Wide Fund for Nature (WWF) Inc. enhances our ability to engage in collaborative thought leadership and collective action on climate-related issues. Additionally, we benchmark our sustainability performance against leading global frameworks to ensure our strategies and actions meet the highest international standards for environmental stewardship.

Governance and oversight

Our Board monitors the status of environmental risks through the review of material environmental management performance indicators at scheduled intervals. In addition, any significant environmental risks are escalated through the Group risk management process. The Social & Ethics Committee assists in monitoring compliance with relevant environmental legislation and the adequacy of our environmental management systems. Under the leadership of the Group Chief Corporate Officer, the Group Risk, Sustainability & Compliance function develops and promotes our environmental management principles and standards, while the Group SHE Operations function monitors the alignment of business units' environmental management systems with the Group's standards.

The Executive Sustainability Forum, chaired by the Chief Operations Officer, oversees the development of the Group's sustainability strategy ensuring integration and alignment with business priorities and includes members from the Group executive and senior management. This forum also has executive oversight of the Group sustainability performance.

The implementation of our Group Environmental Policy (incorporating the Group's environmental management principles) and compliance with all applicable legislation are the responsibility of designated business unit executives.

Our environmental management systems are aligned with global standards. Environmental certification covers 88% of our manufacturing sites with all our fully commercialised primary finished dose form manufacturing sites and all, but one, of our API manufacturing sites currently complying with ISO 14001:2015. The Shelys (Tanzania) site achieved ISO 14001 certification in 2024. The Sioux City and Ghana sites have been excluded from certification due to their limited operational scale.

This year, we conducted various environmental training sessions across our manufacturing sites to ensure consistent application of environmental principles and compliance with legislation. Awareness campaigns for World Water Day and World Environment Day further promote our commitment to sustainability. Our Manufacturing Sustainability CoE facilitates knowledge sharing on best practices related to environmental topics.

Sustainability is integrated into our performance metrics, using KPIs to track progress and recognise business unit contributions, thereby linking business unit efforts to our sustainability goals and drive performance across the Group.

The Aspen Code of Conduct for Suppliers and Service Providers requires our vendors to conduct their business in an environmentally conscious manner and to ensure compliance with the applicable environmental legislation.

Climate change and GHG emissions

TCFD

We acknowledge the increasing expectations for greater transparency in reporting around the impacts, risks and opportunities of climate change. We are progressively reviewing and aligning our management and reporting approach with the recommendations of the Financial Stability Board's TCFD. The majority of requirements are addressed in our 2023 and 2024 annual CDP Corporate submissions, available online. A table summarising our current reporting in terms of the TCFD's recommendations is included in our Sustainability and ESG Data Supplement available online.

We actively participate in the CDP Climate Change programme and achieved a "B Management Level" rating in 2023, reflecting our structured approach to managing climate-related issues and their impacts. We are committed to improving this rating further by establishing company-wide carbon emission reduction targets and conducting comprehensive climate change risk assessments, including a climate scenario analysis.

Managing emissions

We acknowledge the potential environmental, social, political and economic implications of climate change as a significant issue. Our environmental management principles promote the climate resilience and reduction of our carbon footprint across our operations and the broader supply chain in a technically and economically feasible manner.

We continue to take steps to further develop and enhance our Climate Strategy, which includes the development and implementation of company-wide Paris-aligned climate reduction targets and roadmaps, with abatement scenarios and opportunities. These initiatives involve cross-functional teams and will produce a comprehensive position paper outlining strategies to achieve our targets. This year, the Board approved our 16 sustainability goals, along with measurable targets and metrics. Among these is a climate goal to reduce absolute combined Scope 1 and 2 carbon emissions by 50% from the FY2020 baseline and to achieve net-zero carbon emissions in our operations by 2050. These goals and targets further reinforce our commitment to addressing climate change.

Climate change poses both risks and opportunities for our business. Many of our operations have already experienced direct and indirect impacts linked to increased temperatures, water stress and extreme weather events. In response to the uncertainties associated with climate change and the transition to a low-carbon economy, we conducted a climate change scenario analysis. While scenario analyses does not predict future conditions, it enables us to assess the potential impacts of climate change on our operations. For more details, refer to page 43 of the Sustainability and ESG Data Supplement available online.

Scope 2 emissions, primarily from purchased steam and electricity, constitute our largest source of emissions. Our Scope 1 emissions mainly arise from fugitive refrigerants and the consumption of fuel and natural gas in stationary combustion equipment, such as boilers and standby generators, as well as in the operation of our owned vehicles.

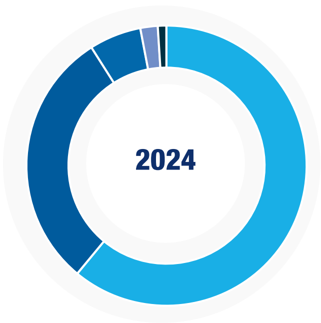
Environment continued

Climate change and GHG emissions continued

Managing emissions continued

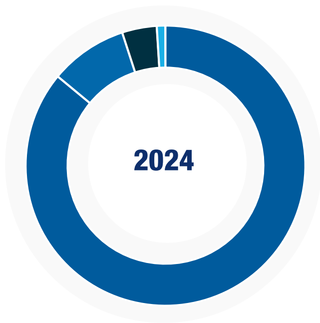
We recognise that our value chain emissions are a significant contributor to our overall carbon footprint. While still in the early stages, we have initiated internal and partnership programmes to understand these emissions more fully and aim to collaborate with our supply chain partners to identify carbon reduction opportunities (see page 89 for more information on our Responsible Supply Chain Programme).

Scope 1 emissions (32 468tCo$_2$e) (%)



- Europe CIS 61
- Africa Middle East 30
- Australasia 6
- Americas 2
- Asia 1

Scope 2 emissions (108 515tCo$_2$e) (%)



- Africa Middle East 86
- Australasia 9
- Asia 4
- Europe CIS 1

A notable reduction in emissions for Scope 1 (13%) and a marginal decrease for Scope 2 (3%) was achieved for the year. Reductions in Scope 1 emissions are mainly attributed to a decrease in natural gas consumption recorded for the De Geer and Moleneind sites as well as decreased use of fuel for generators at our South African sites due to reduced load shedding. The decrease in Scope 2 emissions was driven mainly by an increased use of renewable energy recorded at the East London site and successful implementation of energy efficiency projects in Australia.

Over the past five years, a decrease of 28% (56 166tCO$_2$e) in combined Scope 1 and Scope 2 emissions for the Group has been realised. The operations in South Africa contribute 70% to our carbon footprint, followed by the Oss site (9%). Although the divestment of the Nutritionals business at the end of 2019 and Mexico Vallejo at the end of 2021 resulted in a significant reduction in emissions for the Group, the use of renewable energy combined with lower energy consumption from the closure of several plants at Oss, including a solvent recovery unit, contributed largely to the reduction in Scope 1 and Scope 2 emissions.

In FY2024, Aspen Oss and BioChem Oss purchased 100% renewable, green energy for their sites in Oss and Boxtel. This move successfully reduced their Scope 2 emissions to zero. In addition to this achievement, both sites implemented energy-saving initiatives, resulting in notable reductions in energy consumption. Biochem Oss achieved a 17,5% energy saving and Aspen Oss reduced their energy consumption by 4,5%. These energy savings were achieved by optimising utilities such as heating, pumps, and heating, ventilation and air conditioning ("HVAC") systems, as well as aligning them with the production schedules of clean rooms and other areas.

This year, we conducted a Scope 3 baseline assessment to quantify the carbon emissions of our supply chain. Understanding our Scope 3 emissions is crucial, as it provides a comprehensive view of our overall carbon footprint and highlights areas for improvement beyond our direct operations. This assessment will empower the Group to set Science-Based Targets as we navigate our alignment with the Paris Climate Agreement. This will also drive our future collaborations with suppliers and other value chain stakeholders.

In accordance with GMP regulations, we have technically advanced air handling systems and exhaust filtration systems at all relevant facilities to maintain the correct environmental conditions and minimise the risk of the release of harmful substances into the atmosphere. Through the implementation of periodic stack emission tests, we have established that the systems implemented have minimised harmful air emissions to immaterial levels.

Energy efficiency

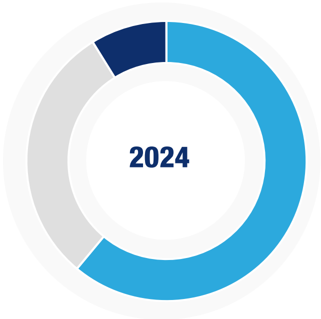
Electricity is a critical resource utilised in our manufacturing processes and is becoming an increasingly expensive commodity. In South Africa, there continues to be a risk of supply interruptions at times of excessive load on the national electricity grid and load shedding is still implemented intermittently by Eskom, the public power utility. The Gqeberha site is launching a waste-to-energy project that will convert selected plastics and paper from packaging waste, into power using an Organic Rankine Cycle Turbogenerator ("ORC"). This initiative will provide green baseload power for the entire site, reducing the site's carbon emissions, lessening dependence on the national grid, and lowering energy costs. By processing 10 to 13 tonnes of non-recyclable waste per hour, this project will also create jobs for informal waste collectors, positively impacting the community.

The Group's annual electricity usage for 2024 has increased marginally by 4% (22 022 gigajoules) in comparison to the prior year. This increase is driven mainly by an increased production output recorded at our Gqeberha site. At the end of 2024, renewable electrical energy accounted for 18% of total electricity usage for the Group which is a seven percentage point increase from FY2023. Aspen's sites across the Group have employed the use of fuel, natural gas, solar, liquid petroleum gas, purchased steam, as well as compressed air as additional energy sources. These additional energy sources contribute to a more diversified energy portfolio therefore reducing our usage of carbon-intensive sources of energy.

Environment continued

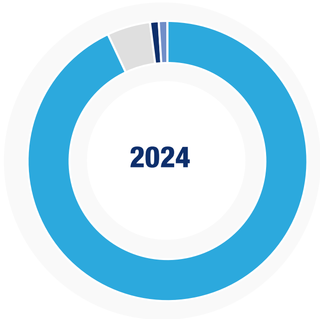
Energy continued

Energy usage by source type (1 048 533GJ) (%)



Electricity	61
Natural gas	30
Fuel	9

Waste generated by disposal method (79 626 tonnes) (%)



Recycled	93
Incineration	5
Landfill	1
Treatment Plant	1

Resource use and waste

As part of the pharmaceutical and chemical industries, a fair portion (15%) of our waste is classified as hazardous. Specific systems and processes are in place to manage both our hazardous and non-hazardous waste in compliance with the waste management legislation applicable in each territory. We use specialised licensed waste management service providers to manage the transportation, treatment and disposal of waste in accordance with contracted terms and relevant legislation.

The volume of waste generated by the Group increased by 12% in 2024. The increase in waste generated is mainly attributed to an increase in production output recorded for Sioux City as well as changes in composition of animal raw material used for Heparin production. The increase in animal waste however did have a positive impact on the percentage of waste recycled by the Group. The total waste recycled for the Group for FY2024 is 93% (FY2023: 86%), while only 1% (FY2023: 2%) of total waste generated is landfilled.

In January 2024, packaging material from an Aspen product alongside waste from 28 other companies was found in the Nairobi River. Although Aspen did not directly dispose of the waste, Aspen recognised the need to enhance waste management practices across the value chain and ensure that products are disposed of responsibly even beyond its premises. Our Kenyan facility has since joined hands with an extended producer responsibility organisation to ensure the responsible disposal of our products. No direct fines were given and Aspen, together with the other affected companies, conducted a thorough clean-up of the affected area.

Spills and soil contamination/ground pollution

No material spillages were noted for FY2024.

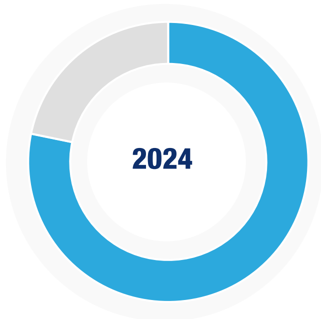
Water and effluent

Water

We use water extensively in our manufacturing processes, in the cleaning of our equipment and facilities, for employee hygiene, in steam generation and to maintain the required manufacturing environmental conditions. Municipal water is the primary source of water across the Group. Various water-saving initiatives are seen across the Group. For example, our facility in Cape Town will begin operations for an on-site Hazardous Aqueous Waste ("HAW") treatment plant which will allow the site to recover water from HAW for reuse purposes. The HAW system is expected to generate between 5 and 10Kl of recovered water per week.

Water scarcity and water supply are global risks that are increasing in impact and probability. In addition to climate change-related risks, sustainable water supply is further exacerbated by increased urbanisation and the ageing municipal infrastructure in certain areas.

Water withdrawal (942 megalitres) (%)



Municipal water	78
Ground water	22

As a scarce resource, we recognise that initiatives aimed at conserving and harvesting water will contribute to more sustainable water availability. We are committed to ensuring responsible water management at all our manufacturing sites as per our Group Environmental Policy. We conduct an annual review of our water risk and water stress for all manufacturing sites using a web-based tool in order to better understand our exposure to these risks and inform our future sustainable water management and water stewardship initiatives.

Environment continued

For the assessment and quantification of water stress, we use the World Resource Institute's Aqueduct Water Risk Atlas, which indicates water risk trends of what can be reasonably expected based on historical data. The assessment tool allows us to understand current water risks and anticipate future risk based on the measured ratio of total water withdrawals to available renewable surface and groundwater supplies in the respective water basins. This year, we also conducted a maturity assessment and peer benchmarking to navigate critical regulatory frameworks, risks, and opportunities related to water management. This process allowed us to identify the sites with the highest water risk exposure and initiate action plans to mitigate these risks and capitalise on opportunities.

Our sites in Cape Town and Hyderabad are situated in extremely high water-stressed areas. The Aqueduct Water Risk Atlas does not currently classify Gqeberha as a high-water stress location. However, considering surface water availability in the region, we have included this site in the top water risk category. The water withdrawn from these sites (20% of the total number of manufacturing sites in the Group), represents 36% of total water withdrawn for the Group. Our water assessment revealed that water stress and water depletion are the source of the highest water risk for Aspen across these water-stressed sites, and 2024 projections show that this water stress remains extremely high and high at the South African and India sites, respectively.

Our manufacturing sites in East London, Dar es Salaam, Accra, Sioux City, Vitoria and Notre Dame de Bondeville are considered to be situated in low water-stressed locations. Future projections show that our manufacturing sites in Gqeberha, East London, Cape Town, Hyderabad as well as Dandenong will be extremely water stressed in the next five to 10 years.

		Extremely high water stressed	High to medium-high water stressed	Medium-low to low water stressed	Total
Water withdrawn	Mℓ	338	323	281	942
Water discharged	Mℓ	258	276	237	771
Water consumed	Mℓ	80	47	44	171
Water withdrawn	%	36	34	30	100
Water discharged	%	33	36	31	100
Water consumed	%	47	27	26	100

Water withdrawn has decreased by 11% (119 megalitres) for the year. Optimisation of the water purification plant and successful efficiency projects implemented at the De Geer and Moleneind sites respectively were the main drivers in the reduction of water withdrawn. A notable reduction in water withdrawal was also realised at the Notre Dame de Bondeville site.

Over the past five years, water withdrawal has reduced significantly by 22% (262 megalitres) within the Group. The Oss and Gqeberha sites contribute to more than 50% of the volume of water consumed by our manufacturing operations. Although the divestment of the Nutritionals business at the end of 2019 and Mexico Vallejo at the end of 2021 resulted in a notable water reduction for the Group, the Oss site played the most significant role in realising the positive downward trend, with a water reduction of 242 megalitres from 2018 to 2024. This was attributed largely to the decommissioning of a water purification plant in De Geer, cooling towers and a chemical plant at Moleneind, the disposal of the operation at Corellistraat, and the use of efficient closed water-based cooling systems all based in the Netherlands.

The Group participates in a number of industry platforms in order to keep abreast of initiatives and technological developments focused on the efficient use of scarce natural resources. The Gqeberha site continued to support the Business Chamber's Adopt a Leak initiative during FY2024. The team provided technical support and revitalised the Metro's water and sanitation systems. Through this initiative the Metro's water systems increased their operational capacity from 27% to 95%. Furthermore, the team embarked on site visits to the nine schools adopted by the initiative to maintain and restore their water and sanitation facilities, reinforcing Aspen's dedication to sustainability within the community.

We participated in the annual Water Security Disclosure Project in 2023 and received a performance score of "B Management Level". Our B rating is within the "Management" band, which recognises companies that are assessed as taking actions associated with good water management.

Effluent

The quality of effluent discharge is monitored and controlled across all sites, in accordance with local municipal by-laws. Water treatment plants are in operation where required to ensure legal compliance. In the event that there is a deviation from the required standards, a thorough root cause analysis is conducted and corrective action plans are implemented.

Biodiversity

A biodiversity assessment (using the TNFD LEAP approach) was conducted for the Group. The assessment included a maturity assessment where benchmarking against peers as well as voluntary and regulatory frameworks was conducted. In FY2025, a screening analysis will be conducted to identify priority locations with high-risk exposure to inform future actions. Ultimately, an action plan with recommendations to reduce risk and realise opportunities to progress will be presented to management for approval and implementation.

Governance

In this section:

Investing in the next generation of pharmacists

Nearly a decade ago Aspen established the Work Integrated Learning Programme. This initiative exposes some 80 pharmacy students to an industrial pharmaceutical environment annually, with the aim of bridging the gap between theory and practice.

As part of our ongoing investment in South Africa's next generation of pharmacists, earlier this year we hosted 79 fourth-year pharmacy students from the Nelson Mandela University on the programme.

View this case study online.

Our approach to governance

A culture of good governance is entrenched and significant efforts are made to apply it throughout the Group to enhance fair and transparent decision-making within an ethical framework that promotes the responsible consideration of material stakeholders, while also holding decision-makers appropriately accountable so that long-term value is created and sustained. A clear understanding of roles and responsibilities allows for effective governance to be embedded in the Group extending to spheres beyond mere legislative and regulatory compliance. Risk management, corporate strategy, environmental awareness, compensation, and ethical behaviour are all components that make up corporate governance.

Board governance

The Board applies the principles of King IV by providing ethical leadership and enabling effective governance in all aspects of the organisation. The Board is responsible for setting the strategic direction, overseeing risk management and ensuring that the Group acts responsibly toward all stakeholders, including shareholders, employees, and the broader community. The Board monitors compliance with all relevant laws and regulations, integrates sustainability into decision-making, , and promotes transparency through clear reporting and disclosure. By adhering to these principles, the Board fosters accountability, ethical behaviour and long term value creation for the organisation.

Board Committees

To support it in its broader oversight and governance role, the Board has three standing committees, each with their own terms of reference, which supports the Board's decision-making processes and through which it executes some of its duties, namely the Audit & Risk Committee, the Social & Ethics Committee and the Remuneration & Nomination Committee.

The Board is of the opinion that the outcomes of each of the 16 principles outlined in King IV have been achieved. We focus on maturing and improving our practices in this regard, with specific emphasis on integrity, sustainability, governance, combined assurance and stakeholder relationships.

Decisions by the Board, its Committees and other governance structures and frameworks throughout the Group are made in good faith to promote the success of the Group for the benefit of our stakeholders.

In doing so, the Board considers, among other matters:
- medium- and long-term consequences of decisions on profit, people and the planet;
- the need to foster the Group's relationships with stakeholders including employees, regulators, suppliers, customers and governments;
- the impact of the Group's operations on communities and the environment; and
- maintaining the Group's reputation for high standards of business conduct and ethical behaviour and the need to act fairly in respect of shareholders and other stakeholders.

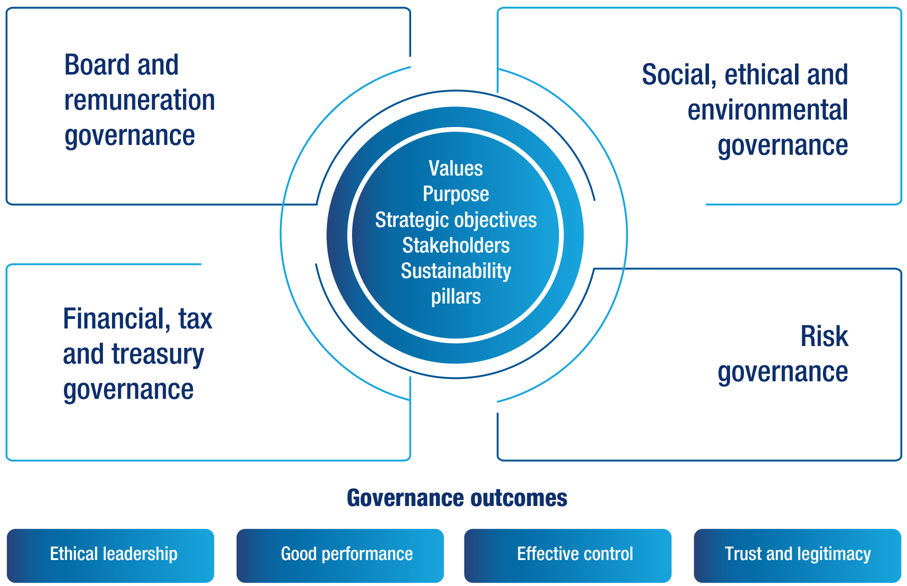
In line with the philosophy that good corporate governance is an evolving discipline, governance structures, practices and processes are actively monitored and revised from time to time to reflect best practice and keep abreast of any industry changes.

Key focus areas

The following were key focus areas and outcomes resulting from the Board's deliberations since our previous Integrated Report:
- Progressing the Group's achievement of its five strategic objectives which provide the foundation for us to deliver on our overall strategy of creating long-term value for our stakeholders;
- Significant investment in the acquisition of a portfolio of products in Latin America from Viatris;
- Material business acquisition transactions, including the acquisition of Sandoz (China) and the disposal of the commercial rights and related intellectual property for four anaesthetic products in the European Economic Area;
- Contract manufacturing agreement concluded with Novo Nordisk for the technical transfer and commercial manufacture of Human Insulin;
- Dividend payments to shareholders with the declaration of a dividend of 359 cents per ordinary share in September 2024;
- Aligned to Aspen's purpose of improving the health and quality of life of patients, the establishment of a Global Pricing Committee and the Global Marketing Practices Committee;
- Material business acquisition and disposal transactions, including the agreement concluded with Amgen, in terms of which Aspen will exclusively market, distribute, use and sell Amgen's products in South Africa;
- Greater focus on building diverse talent and creating a culture of inclusion supported by equitable practices and policies; and
- Concerted succession planning activities cascading to all levels of management within the organisation.

Further reading

- Aspen governance overview, including an explanation of the Board's mandate, its composition and other material governance practices, as well as a detailed King IV application register available online.
- Pages 102 to 104 of this report where we report on the key governance focus areas and outcomes for each of the Board's Committees during the year under review.



Our approach to governance continued

Board composition

Diversity of expertise

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

The following areas of expertise are relevant to Aspen:

Leadership	100%
Pharmaceuticals	27%
Information and technology governance	36%
Governance and compliance	73%
Sales and marketing	45%
Accounting, finance and tax	55%
Risk and opportunity management	64%
Environment, health and safety	36%
Human resources	45%
Manufacturing	27%

Board size

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

Independence

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

Independence (%)

Non-executive (of whom 55% are independent)	73
Executive	27

Succession and diversity of tenure

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

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

Succession and diversity of tenure (%)

0 – 3 years	25,0
4 – 6 years	38,0
7 – 9 years	13,0
>10 years	25,0

Gender and racial diversity

Policy: The Group's Gender Diversity Policy promotes a voluntary target of 40% female representation on the Board over a three-year period, while the Racial Diversity Policy promotes a voluntary target of 50% black representation on the Board over the same period.

Race (%)

White	55
Black	45

Race (%)

White	67
Black	33

Gender (%)

Male	73
Female	27

Gender (%)

Male	78
Female	22

Diversity of age

Policy: Executive directors retire from their positions and from the Board at the age of 65. The Company's Retirement Policy does, however, make provision to extend the relationship beyond the normal retirement age. Non-executive directors, who are 70 years and older, retire at each annual general meeting and are proposed for re-election if recommended by the Board.

58 years

Attendance – FY2024 Board meetings

Board	5 July 2023+	29 August 2023	28 November 2023	7 December 2023	27 February 2024	27 June 2024
Kuseni Dlamini∞¤	✓	✓	✓	✓	✓	✓
Ben Kruger#¤	✓	✓	✓	✓	✓	✓
Sean Capazorio	✓	✓	✓	✓	✓	✓
Linda de Beer#∞	✓	✓	✓	✓	✓	✓
Neo Dongwana#*	N/A	N/A	N/A	N/A	N/A	✓
Reginald Haman¤*	N/A	N/A	N/A	N/A	N/A	✓
Themba Mkhwanazi∞	Apology	✓	✓	✓	✓	✓
Chris Mortimer	✓	✓	✓	✓	✓	Apology
Yvonne Muthien#¤	✓	✓	✓	✓	✓	✓
David Redfern	✓	✓	✓	✓	Apology	✓
Stephen Saad	✓	✓	✓	✓	✓	✓

Membership of the Audit & Risk Committee.
∞ Membership of the Remuneration & Nomination Committee.
¤ Membership of the Social & Ethics Committee.
* Joined with effect from 7 March 2024.
+ FY2023 meeting was postponed to FY2024 due to schedule constraints.

The average **overall attendance** rate of the **Board meetings** for the 2024 financial year was

93,4%

Governance supporting our strategy

Audit & Risk Committee

Focus areas and outcomes for the year

Focus Areas

- Enhanced focus on Aspen's business operations in China, Brazil and LATAM
- Review the Group's Tax and Treasury governance and operational efficiencies
- Monitoring of the Group's digital roadmap to ensure alignment to Aspen's strategic objectives
- Oversight of Aspen's newly established technology enabled shared services business based in the United Arab Emirates

Statutory and Governance Responsibilities

- Reviewed annual financial statements, interim reports, summarised integrated information and other intended release of price sensitive information and prospectuses and other similar documents
- Impairment valuations conducted to ensure the correct valuation of assets
- Matters concerning the Company and the Group's accounting policies, financial controls, record material financial transactions and reporting be recommended to the Board
- Performed oversight of the financial, IT and cybersecurity measures and internal controls
- Monitoring the Group's internal audit practices and internal reports to ensure adequacy and effectiveness of internal processes, systems and controls and improve the effectiveness of risk management control
- Effectiveness, competency, capacity and independence of the Group's Internal Audit function, as well as the expertise and experience of the Chief Audit Executive confirmed
- Ensured that the combined assurance received is appropriate to address all the significant risks facing the Group
- Reviewed reports on tip-offs received during the year and how these have been investigated and had been dealt with
- Oversight of the Group's insurance programme and effective utilisation of the newly established cell captive
- Mitigation of infrastructure technology risks and oversight of the mitigation plans introduced to address the risk of material operational and disruptive incidents

Members

Ben Kruger (Chair)
Linda de Beer
Neo Dongwana*
Yvonne Muthien

Relevant stakeholders considered

Capitals

Further reading

- Committee mandate, role and responsibilities
- Audit & Risk Committee Report

Available online

	21 August 2023	25 August 2023	3 October 2023	19 October 2023	5 December 2023	9 February 2024	27 February 2024	26 June 2024
Ben Kruger (Chair)	✓	✓	✓	✓	✓	✓	✓	✓
Linda de Beer	✓	✓	✓	✓	✓	✓	✓	✓
Neo Dongwana*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓
Yvonne Muthien	✓	✓	✓	✓	✓	✓	✓	✓

* *Neo Dongwana was appointed as a member of the Committee with effect from 7 March 2024.*

The overall average attendance for the **Audit & Risk Committee** meetings for the 2024 financial year was

100%

Governance supporting our strategy continued

Remuneration & Nomination Committee

Focus areas and outcomes for the year

- Engaging with investors on Aspen's remuneration philosophy, policy and implementation, obtaining deeper insights into expectations and adjusting disclosures to reduce complexity and enhance clarity of communication
- Review of the Group's remuneration philosophy, policies and practices to align remuneration and incentive practices, in particular measurements, with the Group's strategic objectives
- Implementation of the changes made to the variable pay component of the remuneration policy approved in FY2023
- Assessing the fairness, equity and competitiveness of our remuneration framework and business context
- Succession and capacity of the Group Executive Committee and next layer of management
- Strengthening the Board diversity and skills by appointing Neo Dongwana as Independent Non-Executive Director and Reginald Haman, the Group Chief Corporate Officer, as Executive Director
- Filling the position of Company Secretary with the appointment of Raeesa Khan to this position
- Working on finding a suitably skilled and experienced international pharmaceutical independent non-executive director

Members

Linda de Beer (Chair)
Kuseni Dlamini
Themba Mkhwanazi

Relevant stakeholders considered

Capitals

Further reading

- Committee mandate, role and responsibilities available online

Remuneration review as published on pages 110 to 129 of this report

	11 July 2023	29 August 2023	7 December 2023	27 February 2024	2 July 2024
Linda de Beer (Chair)	✓	✓	✓	✓	✓
Kuseni Dlamini	✓	✓	✓	✓	✓
Themba Mkhwanazi	✓	✓	✓	✓	Apology

The overall average attendance for the **Remuneration & Nomination Committee** meetings for the 2024 financial year was

93,3%

Governance supporting our strategy continued

Social & Ethics Committee

Focus areas and outcomes for the year

- Reviewed aspects relating to ESG, sustainability and corporate citizenship to ensure that the matters falling within the Committee's area of responsibility were appropriately and accurately reported upon and that the appropriate internal or external assurance over these matters was obtained where necessary
- Reviewed the Group's ESG goals and targets for recommendation to the Board
- Considered our obligations under various pieces of legislation, particularly the EU Corporate Sustainability Reporting Directive and IFRS sustainability standards
- Monitored the development and application of policies, guidelines and practices in line with our social and ethics policies, King IV, employment equity legislation and related regulations, the Carbon Disclosure Project and the FTSE/JSE Responsible Investment Index
- Reviewed and approved the policies, strategies and structures to manage our social and ethics issues, including the application of our Code of Conduct
- Aligned with regulatory developments as well as practice in the fields of sustainability and social and ethics management
- Reviewed reports on tip-offs received during the year and how these have been investigated and had been dealt with
- Considered whether management had allocated adequate resources to comply with social and ethics policies, codes of best practice and regulatory requirements
- Monitored health and safety of Aspen products globally, as well as reports and trends in relation to responsibilities to patients and customers and keeping abreast of market expectations
- Recommended such measures and/or activities which, in the Committee's opinion, may serve to enhance our overall social and ethics objectives
- Track reporting of engagements with internal and external stakeholders with respect to social and ethical issues
- Evaluated and monitored our performance in respect of SED and monitored progress against B-BBEE targets, the employment equity and skills development plans for our South African businesses, and considered the external verification of our transformation activities
- Approved the launch of a strengthened Ethics and Compliance Framework across the Group

Members

Yvonne Muthien (Chair)
Kuseni Dlamini
Reginald Haman
Ben Kruger

Relevant stakeholders considered

Capitals

Further reading

- Committee mandate, role and responsibilities
- Social & Ethics Committee Report

Available online

	17 August 2023	16 November 2023	19 February 2024	5 June 2024
Yvonne Muthien (Chair)	✓	✓	✓	✓
Kuseni Dlamini	✓	✓	✓	✓
Reginald Haman	✓	✓	✓	✓
Ben Kruger	✓	✓	✓	✓

The overall average attendance for the **Social & Ethics Committee** meetings for the 2024 financial year was

100%

Board of Directors

Executive directors

Stephen Saad (60)

Qualifications

CA(SA), PhD (Commerce) *Honoris Causa*

Appointed

January 1999

Classification

Executive director

Sean Capazorio (59)

Qualifications

CA(SA), Advanced Taxation Certificate (UNISA)

Appointed

January 2022

Classification

Executive director

Reginald Haman (50)

Qualifications

MBA, PGDBA, ND, NHD, Graduate Diploma in Company Direction

Appointed

March 2024

Classification

Executive director

Non-executive directors

Kuseni Dlamini (56)

Qualifications

MPhil (Oxon), BSocSci (Hons) (Natal), Global Leadership for the 21st Century Programme (Harvard), Foundations for Leadership in the 21st Century (Yale)

Appointed

April 2012

Classification

Independent non-executive, Board Chair

Ben Kruger (65)

Qualifications

BCom (Hons), CA(SA), Advanced Programme in Management (Harvard Business School)

Appointed

April 2019

Classification

Lead independent non-executive

Audit & Risk Committee Chair

Linda de Beer (55)

Qualifications

CA(SA), MCom (Tax), CD(SA)

Appointed

July 2018

Classification

Independent non-executive

Remuneration & Nomination Committee Chair

Committee Key

Audit & Risk Committee

Remuneration & Nomination Committee

Social & Ethics Committee

Full CVs available online

Board of Directors continued

Non-executive directors

Neo Dongwana (52)

Qualifications
CA(SA), BCom (Hons), MCom
Appointed
March 2024
Classification
Independent non-executive

Yvonne Muthien (68)

Qualifications
D.Phil (Oxon), MA, BA (Hons)
Appointed
December 2021
Classification
Independent non-executive
Social & Ethics Committee Chair

Themba Mkhwanazi (54)

Qualifications
B.Eng (Hons)
Appointed
April 2019
Classification
Independent non-executive

David Redfern (58)*

Qualifications
BSc (Hons), CA
Appointed
February 2015
Classification
Non-executive

** British*

Chris Mortimer (63)

Qualifications
BA, LLB
Appointed
January 1999
Classification
Non-executive

Group Company Secretary

Raeesa Khan (33)

Qualifications
LLB
Appointed
January 2024
Classification
Group Company Secretary
(Chief of Staff: Group Corporate Services)

Aspen's Board of Directors is committed to ensuring that the Group adheres to high standards of corporate governance in the conduct of its business.

Committee Key

Audit & Risk Committee | Remuneration & Nomination Committee | Social & Ethics Committee

Full CVs available online

Group Executive Committee

Executive directors

Stephen Saad (60)

Group Chief Executive

Qualifications
CA(SA), PhD (Commerce) *Honoris Causa*

Appointed
January 1999

Responsibilities
Stephen is a founding shareholder of the Aspen Group, and his responsibilities include strategic positioning and global transactions, geographic expansion and product diversification of Aspen in developed and emerging markets as a leading multinational pharmaceutical company.

Sean Capazorio (59)

Group Chief Financial Officer

Qualifications
CA(SA), Advanced Taxation Certificate (UNISA)

Appointed
April 2021

Responsibilities
Sean is responsible for the strategic and financial well-being of the Group and for all the Group's finance functions across Aspen's businesses.

Reginald Haman (50)

Group Chief Corporate Officer

Qualifications
MBA, PGDBA, ND, NHD, Graduate Diploma in Company Direction

Appointed
April 2021

Responsibilities
Reginald leads Aspen's Group enablement, shared services, and governance functions, including technology, people, and strategic business processes.

He joined the Social & Ethics Committee in September 2020 and was appointed as Executive director in March 2024.

Prescribed officers

Gus Attridge (63)

Group Chief Advisor

Qualifications
CA(SA)

Appointed
January 1999

Responsibilities
Gus is a founding shareholder of Aspen and is responsible for providing insight and advice on strategic matters.

Lorraine Hill (61)

Group Chief Operations Officer

Qualifications
BPharm

Appointed
April 2021

Responsibilities
Lorraine is responsible for multiple operational areas of the business, including strategic manufacturing, pharmaceutical affairs, new product development and strategic procurement.

Zizipho Mmango (39)

Group Chief Strategic Development Officer

Qualifications
CA(SA), CFA, LLB

Appointed
April 2021

Responsibilities
Zizipho is responsible for focusing primarily on Group commercial pharmaceutical deal origination.

Full CVs available online.

Group Executive Committee continued

International members

Samer Kassem (49)

Chief Executive Officer, Aspen Global Incorporated

Qualifications
CMA, CFM, CBM, MBA

Appointed April 2021

Responsibilities
Samer leads and directs international operations; oversees, implements and executes all global Commercial Pharmaceuticals transactions.

Pauline Macdonald (48)

Group Executive: Supply Chain

Qualifications
BSc (Hons) Forensic & Analytical Chemistry

Appointed April 2024

Responsibilities
Pauline oversees international supply, quality and regulatory functions and drives Group Supply Chain standardisation, automation.

Trevor Ziman (53)

Regional Chief Executive Officer, Asia Pacific

Qualifications
CA(SA)

Appointed April 2021

Responsibilities
Trevor implements strategy, performance delivery and trade across the Asia Pacific Commercial Pharmaceutical businesses and leads transactional activity in the region.

Aspen's Group Executive Committee ensures that the Group stays on course to meet its strategic goals and that the Group's operations align with Aspen's overall purpose and values.

Full CVs available online.

Local members

Chris Botha (46)

Group Executive: Finance (Manufacturing and Commercial Pharma)

Qualifications
CA(SA), ACMA, CGMA, Adv.Dip (Tax)

Appointed April 2024

Responsibilities
Chris is responsible for the overall financial management and oversight of Aspen's commercial and manufacturing businesses and the Group's Holdings business unit.

Raeesa Khan (33)

Group Company Secretary

Qualifications
LLB

Appointed April 2024

Responsibilities
Raeesa oversees governance for the Group Executive Committee and serves as the key liaison between the Group Executive Committee and the Board.

Stavros Nicolaou (59)

Group Senior Executive Strategic Trade

Qualifications
B.Pharm, FPS (SA), PhD (Medicine) *Honoris Causa*

Appointed April 2021

Responsibilities
Stavros initiates business development opportunities and is also key to the building and maintenance of strategic relations within industry and with all of Aspen's stakeholders.

Carnie van der Linde (55)

Senior Group Executive: Commercial (International Regions)

Qualifications
Bachelor of Dental Science (BDS)

Appointed October 2022

Responsibilities
Carnie develops and implements the Commercial Pharmaceuticals strategy and performance delivery across the Group's international regions.

Remuneration review

Increased focus on women's health and menopausal treatment

Aspen has long recognised the importance of investing in medicines to optimise women's health and support well-being throughout all stages of life.

Over the past year, Aspen's Women's Health Brand Team has launched several initiatives centred around menopause and its treatment.

Menopause is a natural part of ageing that all women experience, marked by a decline in ovarian hormones, particularly oestrogen, post-menopause.

View this case study online.

Remuneration review

Overview

Our remuneration policy is designed to support the achievement of the Group strategy, aimed at creating sustainable stakeholder value over the short, medium and long term. Our FY2024 Remuneration review summarises the key focus areas of the Remuneration & Nomination Committee in further enhancing our remuneration practices and sets out our remuneration policy for FY2025. The implementation report explores the factors that influenced the pay and vesting outcomes for FY2024 for executive directors and prescribed officers.

Progress with continuing to align our remuneration practices with shareholder expectations and market best practice

●●○	Aligning executive incentives with longer-term sustainable value creation
●●●	Executive incentives clear, transparent and aligned with strategic objectives, actions and business performance measurements
●●●	Amendments to remuneration philosophy and policy
●●●	Amendments to how we measure and disclose
●●●	Improved communication regarding governance processes
●●○	Review current remuneration mix of executives to ensure competitive and aligned with latest trends in benchmarks
●●●	Aligning executives with Group strategy through a greater portion of committed mandatory shareholding in Aspen
●●●	Addressing with shareholders the matter of it not always being in the best interests of the Company and its shareholders to disclose price-sensitive information in a highly regulated and competitive market

Legend:

Achieved ●●● Good progress made ●●○ Work in progress ●○○

Introduction

We strive to ensure that remuneration is fair and transparent, promoting positive outcomes aligned with the sustainable value creation objectives of the Group's strategy. We continue to engage constructively with our shareholders to understand their perspectives better and to ensure our remuneration practices balance their legitimate expectations with the business' remuneration philosophy.

Following extensive engagement with investors over the last few years, a revised remuneration policy was put to the vote at the annual general meeting on 7 December 2023. As detailed in last year's Remuneration review, this revised remuneration policy restructured our scheme to better align with our strategic intent by introducing a new medium-term incentive, based on the performance of the current year, but with deferred vesting.

We were pleased to note the level of support of the remuneration policy at 91,03%. We also enhanced our disclosures in the Remuneration review, and the shareholder vote of 91,49% on the implementation report indicates we achieved our objective of enhancing our communication.

As we work to continuously improve the alignment of our remuneration practices with shareholder expectations and market best practice, we continue to track our progress on the initiatives we started in 2021 (as set out alongside). We wish to thank our stakeholders and key shareholders for the level of ongoing constructive dialogue and look forward to further feedback on the enhancements made.

Shareholder voting on remuneration matters

We remained dedicated to ongoing engagement with investors and value the constructive insights received, which help us to enhance our remuneration philosophy and policy, and improve the transparency and clarity in our remuneration implementation disclosures.

Our remuneration policy and implementation report are subject to two separate non-binding advisory votes by shareholders at Aspen's annual general meeting, while a special resolution to approve the non-executive directors' fees is also tabled at the annual general meeting.

The results of the voting in respect of the non-binding advisory votes were as follows:

Remuneration policy	For	Against	Abstain	Total
2023	91,03%	8,97%	0,05%	100,00%
2022	92,43%	7,57%	0,05%	100,00%

Remuneration implementation report	For	Against	Abstain	Total
2023	91,49%	8,51%	0,05%	100,00%
2022	68,88%	31,12%	0,05%	100,00%

The current remuneration policy and 2024 implementation report will be tabled for separate non-binding advisory votes at the Company's 2024 annual general meeting, scheduled for 5 December 2024. We encourage proactive engagement ahead of the 2024 annual general meeting to discuss our remuneration policy and its implementation in FY2025.

Any material shareholder concerns about either of these two documents, specifically in instances where these are voted against by 25% or more of the voting rights exercised, will be considered and addressed by means of constructive engagement with the relevant shareholders. The nature and outcomes of these engagements will be reported on in our Integrated Report of the following financial year.

Remuneration review continued

Key achievements in FY2024

- Further enhancements to remuneration structures achieving a greater variable incentive portion for executives aligned with market benchmarks
- The implementation of a global grading system to achieve consistency in remuneration structures
- The performance of remuneration benchmarking across our most material operations
- Formalisation of minimal shareholding requirements for executive directors and prescribed officers
- Further incorporating shareholder feedback in setting performance targets

Focus on executive remuneration, succession and Board strength

During the year under review, the Remuneration & Nomination Committee remained focused on:
- Engaging with investors on Aspen's remuneration philosophy, policy and implementation, obtaining deeper insights into expectations and adjusting disclosures to reduce complexity and enhance clarity of communication.
- Ongoing evolution of the Group's remuneration philosophy, policies and practices to align remuneration and incentive practices, in particular measurements, with the Group's strategic objectives.
- Implementation of the enhancements made to the variable pay component of remuneration policy approved in FY2023.
- Assessing the fairness, equity and competitiveness of our remuneration framework in the context of the war for talent and scarce and critical skills, and the increasing cost of living.
- Succession and capacity of the Group Executive Committee and next layer of management.
- Strengthening the Board diversity and skills through following a robust director nomination process, resulting in the appointments of Neo Dongwana as independent non-executive director and Reginald Haman, the Group Chief Corporate Officer, as executive director.
- Filling the position of Group Company Secretary with the appointment of Raeesa Khan to this position.
- Working on finding a suitably skilled and experienced international pharmaceutical independent non-executive director.

Fair remuneration

Aspen is committed to fair and equitable remuneration for its employees. Our remuneration framework is designed to support the attraction and retention of top talent and the critical skills needed to execute the Group's strategy. The Remuneration & Nomination Committee provided input and exercised oversight of the work performed by the Remuneration team relating to the remuneration and reward policy and practices for the broader workforce, focusing on the following key elements:
- evolving fair and responsible pay;
- considering the impact of global inflation rates and cost-of-living pressures on employees;
- further standardisation of Group-wide grading models;
- reviewing and addressing pay differentials;
- developing methodologies to enhance future disclosures of pay differentials; and
- market benchmarking.

We are pleased to note the progress made on the wider employee policies and practices, with specific consideration of the cost of living implications. Increases across the Group are aligned with local market and inflation requirements.

Evolving regulatory requirements and disclosure expectations

We continue to monitor the evolving regulatory landscape, both in South Africa and in the other territories where we have a presence, requiring enhanced disclosures of remuneration differentials and pay equity. Specific consideration of the requirements set out in the recently promulgated amendments to the Companies Act were considered, and the actions required to meet the enhanced disclosures have been identified. The Remuneration & Nomination Committee will oversee the progress made by management in addressing gaps identified.

Group performance overview

Performance is the lens through which the remuneration outcomes are assessed. The Remuneration & Nomination Committee considered the overall operating environment and financial results in determining the FY2024 remuneration outcomes of short-term, medium-term and long-term incentives against preset targets.

The operating environment going into the financial year remained uncertain, resulting in a challenging context within which to set the targeted performance for FY2024. The complex socio-political and economic backdrop, volatility in exchange and interest rates, and the extent of the VBP exposure in China were all significant unknowns in framing performance expectations.

As outlined earlier in this report, the Group has performed well in navigating this environment, having successfully delivered on several of its important strategic objectives. This included considerable progress in advancing the Commercial Pharmaceuticals business through a focus on organic growth and the successful conclusion of several regional acquisitions. This has served to de-risk this business segment, offsetting the negative VBP impact in China, and positioning it to deliver on our organic growth objectives going forward.

The advances in our manufacturing capacity fill strategy, coupled with the new operating model for the Heparin business, were positive outcomes providing a strong foundation for this business segment to further increase its contribution to the Group's EBITDA and operating cash flows. The Group has also made positive strides in reframing its Sustainability Strategy and developing related goals, measures and targets. Defined milestones relating to access to medicines were successfully delivered. While the Group's overall performance was strong, the performance outcomes against certain of the targets set out in the Group KPIs has not been achieved.

The performance outcomes of the Group are set out more fully on pages 55 to 60 of this report, while the performance outcomes against the predetermined KPIs for incentive purposes are detailed on page 120.

Consistent with our remuneration policy, the Remuneration & Nomination Committee also considers factors beyond financial performance in measuring remuneration outcomes. In limited and exceptional instances, adjustments for such matters are made at business unit and/or Group level to ensure fair and responsible outcomes aligned with overall performance. The rationale, nature and extent of any such adjustments will always be fully disclosed.

While the challenging trading environment for FY2024 was noted, the Remuneration & Nomination Committee did not find circumstances that would require any material adjustment to performance outcomes for this year.

Remuneration review continued

The Remuneration & Nomination Committee's role in the setting of short-term incentives ("STIs"), medium-term incentives ("MTIs") and long-term incentives ("LTIs")

In setting the incentive schemes, the Committee:

- considers the strategy, as well as input from the Group Executive Committee, investors and other stakeholders when identifying appropriate key themes and KPIs for approval;
- reviews and approves Group and executive directors' performance measures;
- reviews and approves the business units' performance achievements against predetermined performance measures;
- assesses the performance of executives and makes incentives awards in line with performance against predetermined approved measures;
- exercises its discretion regarding increased or decreased adjustments to incentive awards and payments to mitigate unintended consequences due to circumstances and factors outside of management's control (as disclosed in this review);
- considers the appropriate pay mixture between variable and fixed pay;
- approves the separate *ad hoc* senior executive deferred retention components, which allow for additional share-settled awards over three-, five- and ten-year periods, subject to the performance conditions set by this Committee; and
- approves the Remuneration Policy and the rules in respect of STIs, MTIs and LTIs and any changes in respect of these.

Conclusion

Aligned with principle 14 of King IV, the Remuneration & Nomination Committee has fulfilled its mandate of ensuring that the Group's remuneration philosophy and policy are fit for purpose and well aligned to support the Group's strategy. The Committee is of the view that the remuneration policy meets its stated objectives of achieving an appropriate balance of stakeholder interests and ensuring pay schemes are competitive, enabling the attraction and retention of the right talent and skills to support the Group's strategy. The Remuneration & Nomination Committee is of the view that the Group's remuneration outcomes are reflective of the Group's performance in FY2024.

Our focus areas for FY2025

- implementing further adjustments to achieve our objective of a greater variable incentive portion at all executive levels and to maintain alignment with the market;
- a Group-wide executive succession and talent pipeline with increased focus on technical resources;
- ongoing monitoring of remuneration trends and best practices, positioning the Group to attract and retain talent;
- further enhancing our KPIs, policy and disclosure in response to market practice and shareholder expectations by maintaining an ongoing dialogue with our investors to promote alignment with stakeholder requirements;
- further embedding ESG priorities into executive and business unit scorecard metrics;
- ongoing monitoring and oversight to ensure remuneration outcomes that are fair and responsible;
- consideration of the Board composition to achieve diversity objectives, with specific reference to pharmaceutical industry skills; and
- updating our disclosures in line with the amended Companies Act requirements and evolving legislation in the territories in which we operate.

Remuneration review continued

Remuneration governance structures

Board

Responsible for ensuring the company remunerates fairly, responsibly and transparently

Audit & Risk Committee

Oversight of Group financial performance and disclosure (including audit of remuneration)

Remuneration & Nomination Committee

Oversees and approves the Remuneration Policy and the reward arrangements aligned with remuneration governance principles, Group strategy and shareholder expectations

Social & Ethics Committee

Oversight of sustainability and ESG performance, including ethical culture and work practices

Remuneration

Group Chief Corporate Officer

Proposes reward arrangements to the Remuneration & Nomination Committee. Recommends executive performance and incentives.

Group Rewards

Reporting to the Group Chief Corporate Officer, develops reward and performance management strategy and supporting policies and programmes aligned with the Group Human Capital Strategy. Ensures consistency and robust implementation of policies across the Group, including consistent, fair and transparent evaluation of individual performance.

Performance

Group Adjudication Committee

Comprised of Group Executive Committee members, provides oversight to ensure fair, consistent and transparent evaluation of Group and business unit performance.

In line with the recommended practices of the King IV Code, the Remuneration & Nomination Committee is a committee of the Board from which it derives its authority and to which it regularly reports. The Remuneration & Nomination Committee assists the Board in ensuring that the Group remunerates fairly, responsibly and transparently. Furthermore, it oversees the implementation of the remuneration policy and makes recommendations to the Board regarding the remuneration structure and base fees for non-executive directors for approval by shareholders.

Further information on the Remuneration & Nomination Committee is set out in the Governance section on page 103.

Our remuneration philosophy

Our remuneration philosophy underpins our strategy, supports our organisational culture and is premised on our commitment for fair and responsible remuneration. Aligned to our Human Capital Strategy, it directs our employees' efforts in delivering our strategy to create sustainable long-term value for our stakeholders fairly and responsibly.

Aspen's philosophy regarding remuneration is structured around:

- the need to retain our competitive advantage in the local and global pharmaceutical industry by attracting, motivating and retaining high calibre individuals with the required technical qualifications and experience and the ethical and behavioural traits that fit our entrepreneurial and dynamic culture;
- individuals, regardless of race or gender, performing the same or similar job and at similar performance levels receive the same or similar levels of remuneration;
- incentivising a performance culture in the Group;
- aligning remuneration and incentives with our strategic objectives, actions, business performance measurements, best practice and stakeholder feedback;
- promoting an ethical culture and responsible corporate citizenship;
- incorporating appropriate ESG KPIs into personal, business unit and Group KPIs;
- the combined agreed actions from our annual strategy conference forming the basis of our strategic targets;
- measuring short- and medium-term incentives mainly in terms of annual goals; and
- measuring long-term incentives in respect of measures that support the achievement of the longer-term focus areas of our strategy.

The reward objectives guiding our remuneration policy

Establishing an appropriate balance between fair, responsible and competitive remuneration and reward, which makes it possible to attract and retain employees of the highest quality, while at the same time addressing affordability

+

Driving a high performance culture through remuneration packages directly linked to individual and business performance, and predetermined targets set for each performance measure

=

Employee rewards aligned with the value delivered to the Group and its shareholders

Remuneration review continued

Remuneration structure and design

Fair and responsible remuneration

We make every effort to set out remuneration packages at levels which are fair to all our employees, competitive and market related. To achieve this, we refer to independent surveys, benchmarks, publicly available economic data and local and international marketplace intelligence.

Employee wage rates across the Group comply with legislated wage rates in the jurisdictions in which we operate and, where applicable, our employees are paid in accordance with rates agreed upon with trade unions and/or collective bargaining councils.

We continue to adopt guidelines, both in respect of the determination of base pay and our universal incentive structure, that ensure general alignment across the Aspen businesses, including the achievement of an overall Group performance objective.

During the year under review Aspen engaged the services of Mercer to perform benchmark reviews of the remuneration practices and levels of pay and incentives for all our key businesses.

Our approach to performance management

Our approach to performance management is an integral part of our short-term planning and strategy execution process. By aligning business priorities, business unit, and individual objectives, we strive for every employee to understand how their daily work contributes to business success.

During the year under review continued emphasis was placed on embedding our enhanced Group performance management framework which is aimed at providing a standardised approach to performance management, while respecting the local dynamics of managing high-performance teams. The framework encourages 360-degree feedback, alignment of Group, business unit and individual objectives and continuous performance dialogues. This process has been further enhanced through the implementation of a performance management system, which is being systematically rolled out across the Group.

Individual performance is a critical input into short-term incentive decisions. Employees are typically ineligible to receive short-term incentive awards, where individual performance falls below expectations.

Retaining a competitive advantage

The remuneration of our employees is inextricably linked to our ability to attract, develop and retain talent in an environment where there is increased competition for critical skills.

Annual salary increases

When awarding annual salary increases, primary consideration is given to achieving an inflation-linked increase moderated by the employee's performance and achievement of his or her predetermined individual KPAs, with some consideration also being given to aspects such as:
- Predetermined performance measures adopted in respect of the Aspen business unit where the employee is employed.
- Predetermined universal global performance measures for Group performance.

Out-of-cycle salary adjustments are performed twice a year to take into account internal parity and other external factors, such as skills scarcity and other market dynamics.

Clawback and malus provisions

Our clawback and malus policy allows for recovery of partial or entire incentive awards from employees found guilty of dishonesty, misconduct, incompetence, negligence or causing harm to Aspen's reputation.

Termination of employment

Short-term incentives that have not been paid at the time of termination of employment or during notice period are forfeited. Unvested awards are forfeited on resignation or involuntary terminations.

Where termination of employment is due to a no-fault dismissal, death or medical incapacity that triggers the earlier vesting of awards that are subject to scheme conditions, the Remuneration and Nomination Committee can exercise its discretion in determining the performance award with due consideration of the period that has lapsed and the actual performance levels achieved during that period.

Executive director contract terms and remuneration

Our executive directors are contracted as full-time, permanent employees and receive no additional remuneration as directors of the Company. Restraint of trade provisions are included in our service agreements with the Group Chief Executive, and notice periods of six months' written notice apply to all executive directors. Shorter notice periods may apply in the event of termination due to disciplinary procedures being instituted.

Bonus payments and the vesting of long-term incentives that are in place at the time of an individual's termination of service are subject to the rules of the relevant scheme and include malus and clawback provisions.

The principles by which the remuneration packages of the executive directors are determined are the same as those applicable to the Group's management. The financial and non-financial performance measures in respect of the executive directors' incentive bonuses are considered and approved by the Remuneration & Nomination Committee annually.

Minimal shareholding requirements ("MSR") are intended to achieve alignment between management and shareholders through the personal investment of key executives in the Group. A MSR policy has been adopted in 2024 for executive directors and prescribed officers, and is being phased in over a period of five years, as follows:
- Group Chief Executive – 300% of TGP.
- Group Executive Directors – 165% of TGP.
- Group Executive Committee – 150% of TGP.

Non-executive director's remuneration

Non-executive director fees are reviewed annually and reflect the expertise, responsibilities and contribution of the non-executive directors throughout the year, not only during meetings. Hence a combination of a retainer and meeting attendance fee is paid.

We consider the following when setting the proposed fees for our non-executive directors:
- Market-related fees.
- Level of general increase provided to our employees.
- Overall inflation.

The fee proposals, endorsed by the Board, are tabled at the AGM for shareholder approval by special resolution, prior to payment for the following financial year. The proposed fee adjustment for the period from 1 July 2024 to 30 June 2025 is 5,5%. An additional 10% on the base board fee is proposed for the lead independent director, for the additional role and responsibilities that he is expected to fulfil.

Remuneration review continued

Elements of total remuneration

The following remuneration elements are included in the composition of our total remuneration package:

Guaranteed remuneration	**Total Guaranteed Remuneration (TGP)** The basis for a competitive remuneration package. Reflects the market rate for the content of the role and the individual's skills and competence.
Variable remuneration	**Short-term incentives (STIs)** Rewards sustainable performance based on the Group, business unit/functional team and individual performance, payable annually in cash.
Variable remuneration (conditional and deferred)	**Medium-term incentives (MTIs)** Rewards sustainable performance based on the Group, business unit/functional team and individual performance. Settlement in shares after a three-year vesting period serves as a retention incentive.
Variable remuneration (conditional and forfeitable)	**Long-term incentives (LTIs)** Align shareholder and executive interests over the medium to long term, with reference to the sustained achievement of Group performance targets, measured over a three-year period. Settlement in shares after a three-year vesting period, with 25% of shares release for trade in year four and 25% in year five to create a medium-term focus aligned with shareholder interests.

LTI share schemes

The Group has two LTI schemes:
- The South African Management Deferred Incentive Bonus Scheme ("SAMDIBS") for senior managers and executives (including executive directors), which is share settled.
- The International Phantom Share Scheme ("IPSS") for senior managers and executives not based in South Africa, which is settled in cash on a phantom share basis.

Except for the difference in settlement methods, the terms and conditions of the schemes are similar in all material respects, with both schemes being designed to acknowledge and reward individual performance and the performance of the employee's business unit.

Our practice in acquiring shares to settle vesting deferred and long-term incentive awards has been to purchase these in the market, to avoid shareholder dilution.

Other share schemes

The Group operates two additional share schemes to address attraction and retention objectives:

South African Phantom Share Scheme

In 2020, a South African Phantom Share Scheme was introduced with the intention (under exceptional circumstances) to compensate employees for medium- or long-term incentives held at previous employers, forfeited when the employee accepted a position at Aspen. This was an important mechanism required to attract the right calibre of senior skills and experience in a key competitive talent market.

Operating as phantom shares, the value of the award is referenced to the Aspen share price. Settlement can be by means of a cash payment or a purchase of shares following an agreed vesting period.

Long-term retention share scheme

The SAMDIBS and IPSS have separate senior executive deferred retention components, which allow for additional share-settled awards over periods of three, five and seven years (legacy scheme also included 10-year vesting but is no longer applied). These awards are made to a limited number of key South African and offshore employees on an *ad hoc* basis at the discretion of the Group Chief Executive, in consultation with the Remuneration & Nomination Committee.

Remuneration review continued

Elements of remuneration structure in more detail

Total Guaranteed Remuneration (TGP)

Philosophy
Designed to attract and retain high calibre employees with the requisite technical skills and experience, ethics, and behavioural traits that fit our entrepreneurial and dynamic culture. The total guaranteed package is cash settled, reflecting the market value of each role.

Structure
Basic salary and benefits with annual increase based on:
- performance against predetermined individual KPAs;
- enterprise or business unit performance measures on a balanced scorecard (selected grades);
- inflationary considerations;
- collective bargaining agreements (where applicable); and
- industry and regional benchmarking.

Middle and senior levels are remunerated on a total cost-to-company basis, while lower grades are remunerated on a basic pay plus benefits basis.

Lower grades are awarded an annual bonus equal to a month's salary.

Settlement
Cash settled monthly.

Eligibility
Permanent employees.

Short-term incentives (STIs)

Philosophy
The short-term incentive is an annual cash-settled awards bonus aimed at creating a high performance culture for sustained achievement against predetermined performance measures, aligned with the grade and specific role of each participant.

Structure
Annual incentive bonus based on:
- performance against predetermined individual KPAs;
- enterprise or business unit performance measures on a balanced scorecard (except for the Group Chief Executive's performance measurements which do not include business unit measures); and
- Group targets as measured against a balanced scorecard.

Activities and projects not included in overall Group KPIs can be included in personal KPAs.

Performance on focused projects is measured against Board-approved project milestones.

Performance levels defined at two levels: on-target and stretch (two stretch levels).

Business unit stretch performance measures are based on the primary financial measure only for Commercial business units. In respect of Operations business units/functional teams, the most appropriate measure(s), which allow for objective outperformance are considered and approved by the Group Adjudication Committee.

Settlement
Cash settled annually.

Eligibility
Permanent employees from middle to senior and executive management, including executive directors.

Employees must achieve a minimum score of 75% on their individual KPAs and a 95% score for business unit KPIs to be eligible for an incentive.

A score of 100% individual KPA is required to qualify for a stretch incentive.

Remuneration review continued

Medium-term incentives (MTIs)

Philosophy

The medium-term incentives seek to reward sustained performance against predetermined Group KPIs on a deferred bonus basis based on STI achievements, and further serve as a retention mechanism for employees in the medium term.

Structure

Deferred incentive bonus calculated on the same performance measures as the STIs, and is not forfeitable, however, is conditional on being in employ on the day of vesting.

The total performance measure is determined by calculating the weighted average of the percentage performance outcome assigned to each KPI, which is then converted to an MTI score based on an agreed MTI scoring table.

Caps and stretches in place, which vary according to the level of seniority.

Settlement

Share settled after three-year vesting period.

Eligibility

Permanent employees from senior and executive management, including executive directors.

Long-term incentives (LTIs)

Philosophy

The long-term incentives support the achievement of longer-term sustainable value creation based on a selection of suitable long-term KPIs and carry a sizeable weighting in each executive's performance measurement.

The long-term incentives seek to reward sustained performance against predetermined Group KPIs, incentivise stretch performance, align executive performance though unvested shareholding as well as serve as a retention incentive.

Structure

Forfeitable deferred incentive bonus conditional upon sustained three-year performance against predetermined Group KPIs designed to support the achievement of longer-term strategic objectives.

Performance levels defined at two levels: on-target and stretch (two stretch levels).

Stretch targets introduce an additional layer of forfeitable stretch awards, conditional on sustained three-year outperformance against the predetermined Group KPIs. This is measured at year one and year three, with the award adjusted upwards or downwards for actual performance achieved over the three-year period.

Every KPI is separately measured and the award for every KPI is independent of the performance achieved in the other two KPIs.

Settlement

Share settled after three-year vesting period, with 25% released for trade in year four and 25% in year five.

Eligibility

Permanent employees from senior and executive management, including executive directors.

Remuneration review continued

Variable pay performance measures

The following variable pay performance measures are applicable for FY2025.

STI and MTI Group KPIs

Key performance indicator	Weighting
Targeted organic growth achieved in normalised EBITDA from continuing operations – measured in CER	70%
Targeted measured free cash flow (FCF)	30%

A minimum of 95% must be achieved for the EBITDA KPI for the Group incentive to be paid and 100% for the stretch to apply for the Group component of the STI.

Conditional and forfeitable LTI Group KPIs – on-target

Key performance indicator	On-target weighting
ROIC (refer to schedule of formulas) relative to weighted actual cost of capital ("WACC"), where WACC is within the independent range determined by the auditors for impairment testing; target = WACC +1%	30%
Three-year CAGR in CER NHEPS from continuing operations; target = 5%	50%
ESG project: Achieve the milestones as per the approved Group sustainability strategy goals; target = identified milestones	20%

Conditional and forfeitable LTI stretch Group KPIs – stretch

Key performance indicator	Weighting
ROIC (refer to schedule of formulas) relative to WACC, where WACC is within the independent range determined by the auditors for impairment testing	When stretch performance is achieved for both ROIC and CAGR and ESG milestones are met, the weighting applied is 40% ROIC and 60% CAGR. If no stretch is achieved for either ROIC or CAGR, the weightings are adjusted as per the target and ESG weighting is calculated by the balance out of 100%.
Stretch target 1 = WACC + 2% – <3%	
Stretch target 2 = WACC + 3% or greater	
Three-year CAGR in CER NHEPS from continuing operations; Stretch target 1 = 7,5% – <10% Stretch target 2 = 10% or greater	
ESG project: Achieve the milestones as per the approved Group sustainability strategy goals; target = identified milestones	

Every KPI is separately measured and the award for every KPI is independent of the performance achieved in the other two KPIs with overall performance capped at 110%.

Remuneration review continued

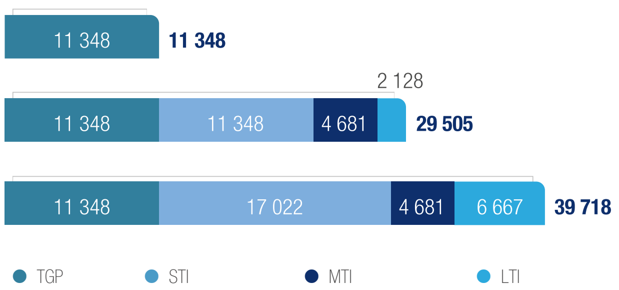
Illustration of remuneration scenarios

Remuneration of the executive directors is structured to take cognisance of the short- and long-term objectives of the Group and is designed to support alignment with the Group's overall business strategy and financial performance. The mix is aimed at ensuring an optimal balance of remuneration between guaranteed pay and variable pay.

The graphs below set out the potential remuneration outcomes for each executive director at the following performance levels: minimum remuneration (TGP); on-target remuneration and maximum remuneration, for FY2024 and proposed for FY2025, respectively.

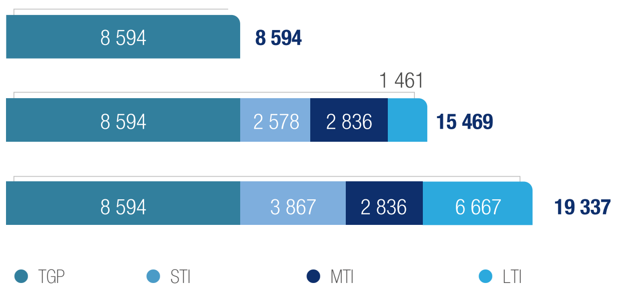
Group Chief Executive

FY2024 (R'000)



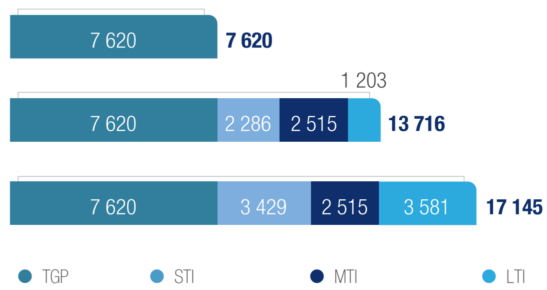
Group Chief Financial Officer

FY2024 (R'000)



Group Chief Corporate Officer

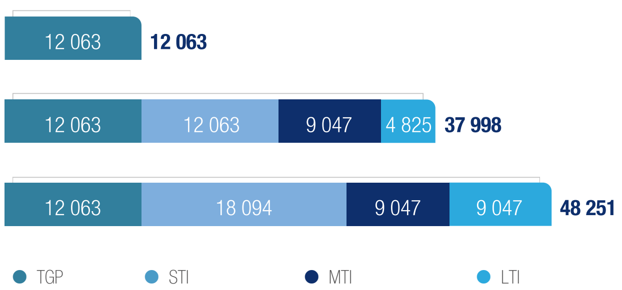
FY2024* (R'000)



**TGP level as at 30 June 2024.*

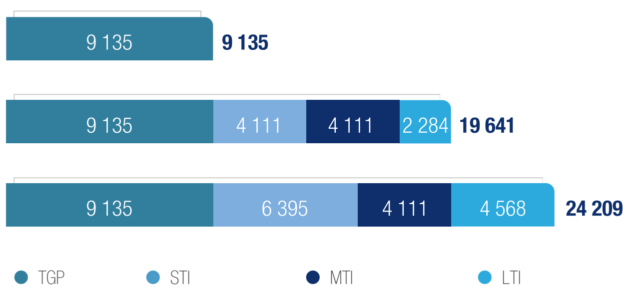
Proposed

FY2025 (R'000)



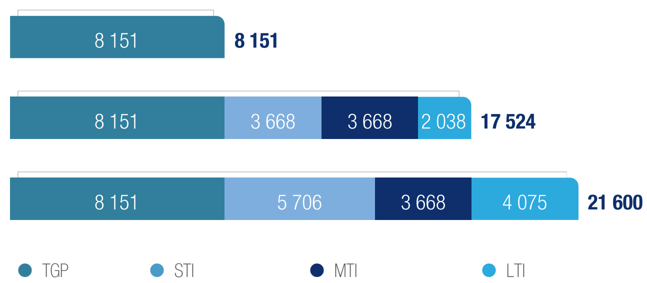
Proposed

FY2025 (R'000)



Proposed

FY2025 (R'000)



Remuneration review continued

Implementation report

Our implementation report sets out our remuneration outcomes for FY2024.

Fixed remuneration increases

We award salary increases taking into account CPI and individual performance achievement, while some employees are awarded increases in line with collective bargaining agreements. The average increase awarded for South African employees for FY2024 was 5,5%.

Variable pay performance measures and performance for FY2024

The table below sets out the variable pay performance measures for FY2024 and the Group's performance against these. These performance outcomes are applied in implementation of the STI, MTI and LTI awards for the Group Chief Executive, Group Chief Financial Officer and Group Chief Corporate Officer set out on pages 121, 123 and 125, respectively.

Key performance indicator	Weighting	Target FY2024	Achievement FY2024	Deemed achievement FY2024	Weighted achievement STI and MTI FY2024
STI and MTI					
Organic growth in normalised EBITDA from continuing operations – measured in CER	70%	R11 461 million	98,2%	90,0%	63,0
Targeted measured free cash flow (FCF)	30%	R1 572 million	152,4%	110,0%	33,0
Total	100%				
Score					96,0

Key performance indicator	Weighting	Target FY2024	Target for stretch 1 FY2024	Target for stretch 2 FY2024	Performance FY2024	Achievement LTI target FY2024	Achievement LTI stretch FY2024
LTI							
ROIC relative to WACC, where WACC is within the independent range determined by the auditors for impairment testing	30% (on-target) 40% (if stretch achieved)	+1%	+2% to <3%	+3% or greater	ROIC of 6,3% vs WACC of 10,2% = -3,9%	Not achieved	Not achieved
Three-year CAGR in CER NHEPS from continuing operations	50% (on-target) 60% (if stretch achieved)	5%	7,5% to <10%	10% or greater	Three-year CAGR in NHEPS of 2,1%	Not achieved	Not achieved
ESG project: Achieve the milestones as per the approved strategic position paper on improving access to medicines	20% (on-target) Balance applied on stretch	Identified milestones	N/A	N/A	Achieved	Achieved	N/A
Total	100%						

Remuneration review continued

Remuneration outcomes for the Group Chief Executive

Personal KPA achievement for FY2024

Strategy

Presentation and approval by the Board at the Strategic Board meeting of an updated strategy for the Group for the next four years with measurable milestones. Evidence of satisfactory progress on implementation of the growth strategy by financial year-end.

Succession

A report documenting emergency and long-term succession plans for the Group Chief Executive and each direct report, as approved by the Remuneration & Nomination Committee.

Ethics/culture

The assessment of the Chair of the Social and Ethics Committee of activities undertaken to promote sound business ethics and a positive culture balancing Aspen's values while promoting diversity and inclusion considering all feedback received at the Social and Ethics Committee.

ESG

Achievement of milestones set out in Aspen's initiatives to improve access to medicines.

Leadership

Evidence of Aspen's positioning as a meaningful contributor to sterile pharmaceutical manufacturing capacity on the African continent.

Achievement	25%
	out of a possible 25%

Guaranteed pay* FY2024

R11 347 912

Guaranteed pay FY2025

R12 062 830

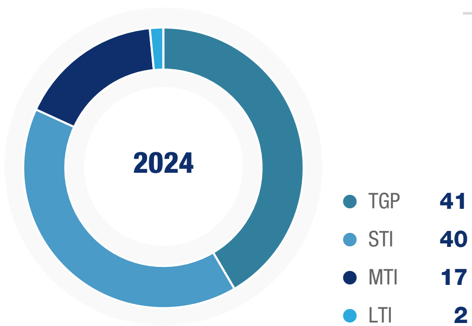
Total Guaranteed Pay

Approved adjustment

6,3%

* Excluding long-service award paid during FY2024.

Remuneration composition (%)



STI achievement for FY2024

Element	Achievement	Weighting	Outcome
Individual KPI	100%	25%	25,0%
Business unit KPI	N/A	N/A	N/A
Group KPI	96%	75%	72,0%
Total STI			97,0%
			out of a possible 150%

MTI achievement for FY2024

Element	Achievement	Weighting	Outcome
Individual KPI	100%	25%	25,0%
Business unit KPI	N/A	N/A	N/A
Group KPI	96%	75%	72,0%
MTI for band			41,25%
Total MTI			40,0%
			out of a possible 41,25%

LTI achievement for FY2024

Element	Weighting	Participation level	Outcome
Measure 1 – ROIC	0% (not achieved)	0%	0%
Measure 2 – CER NHEPS	0% (not achieved)	0%	0%
Measure 3 – ESG	20% (achieved)	18,75%	3,8%
Total LTI			3,8%
			out of a possible 58,75%

Remuneration review continued

Remuneration outcomes for the Group Chief Executive continued

Earned remuneration

Remuneration earned by the Group Chief Executive during the year was as follows:

Year	Base pay R	Retirement and medical aid benefits R	Total remuneration (TGP)[4] R	Performance bonus (STI)[1] R	Share-based award[2] (MTI and LTI) R	Total earned remuneration[3] R
2024	**9 621 123**	**1 731 789**	**11 352 912**	**11 007 475**	**4 966 130**	**27 326 517**
2023	9 171 660	1 533 917	10 705 577	8 334 915	4 562 238	23 602 730

Notes:
[1] *STI at actual 97% for FY2024 paid in September 2024.*
[2] *Comprises the following, all valued at date of award:*
- *MTI award of 23 248 shares vesting in 2027; and*
- *LTI award of 2 179 shares vesting in 2027 (with 25% released for trading in each of years 2028 and 2029 respectively). Value of LTI award is subject to adjustment according to performance levels achieved over the three-year period and is forfeitable.*

[3] *Excludes IFRS adjustments as reflected in note 22 of the Annual Financial Statements.*
[4] *Includes long-service award paid during FY2024.*

Cash remuneration

Remuneration paid to Group Chief Executive during the year was as follows:

Year	Base pay R	Retirement and medical aid benefits R	Total remuneration (TGP)[3] R	Performance bonus (STI)[1] R	Share-based payment[2] (LTI) R	Total cash remuneration R
2024	**9 621 123**	**1 731 789**	**11 352 912**	**11 007 475**	**5 881 727**	**28 242 114**
2023	9 171 660	1 533 917	10 705 577	8 334 915	1 741 929	20 782 421

Notes:
[1] *STI at actual 97% for FY2024 paid in September 2024.*
[2] *Comprises 35 862 shares vested during the financial period.*
[3] *Includes long-service award paid during FY2024.*

Interests in Aspen shares

Shares allocated in terms of the SAMDIBS as at the beginning of the year and those offered to and accepted by the Group Chief Executive during the year were as follows:

Grant price (ZAR)	Vesting date	Shares outstanding on 30 June 2023	Awarded during the year	Dividends reinvested as shares	Released during the year	Shares outstanding on 30 June 2024
108,98	Oct 2023	35 173	**–**	**689**	**35 862**	**–**
194,44	Sep 2024	20 798	**–**	**–**	**–**	**20 798**
142,78	Sep 2025*	50 310	**–**	**–**	**–**	**50 310**
186,78	Sep 2026**	–	**24 426**	**–**	**–**	**24 426**
		106 281	**24 426**	**689**	**35 862**	**95 534**

* *Vesting in 2025, but released proportionally in 2025, 2026 and 2027.*
** *Vesting in 2026, but released proportionally in 2026, 2027 and 2028.*

Vesting of long-term incentives during 2024

Awards made to the Group Chief Executive, in terms of the SAMDIBS, vested as follows during the year:

Year	Date of award	Number of shares awarded	Value at date of award R	Distri-butions/ dividends received R	Dividends reinvested as shares (number of shares)	Total value of award at vesting R
2024	**October 2020**	**35 173**	**3 833 176**	**–**	**689**	**5 881 727**
2023	October 2019	11 461	1 204 711	–	266	1 741 929

Remuneration review continued

Remuneration outcomes for the Group Chief Financial Officer

Personal KPA achievement for FY2024

Financial reporting and business performance:
Directing of monthly, quarterly reporting as well as forecast and budget preparation and presentation/analysis of outcomes in a clear, accurate and timely fashion. Identification and proposal of steps to enhance business performance, ensure the strategic direction of the business remains on track and targeted value drivers are delivered.

Capital allocation:
Propose an updated capital allocation model which is aligned to the future business strategy. Ensure effective adherence to the approved capital allocation model for FY2024.

Sterile manufacturing capacity fill strategy:
Implement metrics/measures to monitor the progress on filling the Group's Sterile manufacturing capacity and facilitating the achievement of the contributions as guided to investors.

Working capital investment:
Reduction in working capital investment with a strong emphasis on the reduction in the Heparin stock-holding.

Board and committee participation:
To fulfil the role of Group Chief Financial Officer to the satisfaction of the Board and the Audit & Risk Committee, providing appropriate information as expected, and contributing expertise and insights to Board and Audit & Risk Committee discussions.

Stakeholder relationships:
Build an expanded network of key stakeholder relationships appropriate for the Group Chief Financial Officer, particularly with the banking community, investors, analysts and Board members such that these key stakeholders have trust and confidence in the Group Chief Financial Officer.

Leadership of finance function:
To ensure the strength of the existing finance structures are maintained and continuously improved, as evidenced in the quality of reporting, internal audit reports, external auditor feedback and the assessment of the Audit & Risk Committee.

Achievement	25%
	out of a possible 25%

Guaranteed pay FY2024

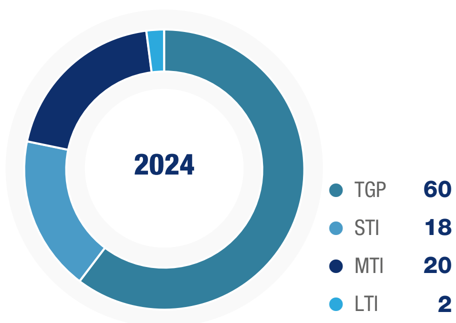
R8 594 040

Guaranteed pay FY2025

R9 135 465

Total Guaranteed Pay
Approved adjustment
6,3%

Remuneration composition (%)



STI achievement for FY2024

Element	Achievement	Maximum applied	Participation	Weighting	Outcome
Base STI					
Individual KPI	100%	100%		25%	25,0%
Business unit KPI	100%	100%		50%	50,0%
Group KPI	96%	96%		25%	24,0%
Sub-total					99,0%
Stretch STI					
Individual KPI	100%	100%	Pre-minimum achieved		
Business unit KPI	100%	100%	0	66,7%	0%
Group KPI	96%	96%	0	33,3%	0%
Sub-total					0%
Base + Stretch					99,0%
STI for band					30,0%
Total STI award					29,7%
					out of a possible 45%

MTI achievement for FY2024

Element	Achievement	Weighting	Outcome
Individual KPI	100%	25%	25,0%
Business unit KPI	100%	50%	50,0%
Group KPI	96%	25%	24,0%
Sub-total			99,0%
MTI for band			33,0%
Total MTI			32,7%
			out of a possible 33%

LTI achievement for FY2024

Element	Weighting	Participation level	Outcome
Measure 1 – ROIC	0% (not achieved)	0%	0%
Measure 2 – CER NHEPS	0% (not achieved)	0%	0%
Measure 3 – ESG	20% (achieved)	17%	3,4%
Total LTI award			3,4%
			out of a possible 47,0%

Remuneration review continued

Remuneration outcomes for the Group Chief Financial Officer continued

Earned remuneration

Remuneration earned during the year was as follows:

Year	Base pay R	Retirement and medical aid benefits R	Total remuneration (TGP) R	Performance bonus (STI)[1] R	Share-based award[2] (MTI and LTI) R	Total earned remuneration[3] R
2024	**7 297 581**	**1 296 459**	**8 594 040**	**2 552 430**	**3 099 870**	**14 246 340**
2023	6 965 565	1 142 020	8 107 585	2 252 740	2 903 662	13 263 987

Notes:

[1] *STI at actual 29,7% for FY2024 paid in September 2024.*

[2] *Comprises the following, all valued at date of award:*
- *MTI award of 14 376 shares vesting in 2027; and*
- *LTI award of 1 496 shares vesting in 2027 (with 25% released for trading in each of years 2028 and 2029 respectively). Value of LTI award is subject to adjustment according to performance levels achieved over the three-year period and is forfeitable.*

[3] *Excludes IFRS adjustments as reflected in note 22 of the Annual Financial Statements.*

Interests in Aspen shares

Shares allocated in terms of the SAMDIBS as at the beginning of the year, and those offered to and accepted during the year, were as follows:

Grant price R	Vesting date	Shares outstanding on 30 June 2023	Awarded during the year	Dividends reinvested as shares	Released during the year	Shares outstanding on 30 June 2024
108,98	Oct 2023	17 170	**—**	**337**	**17 507**	**—**
194,44	Sep 2024	9 836	**—**	**—**	**—**	**9 836**
142,78	Sep 2025*	22 851	**—**	**—**	**—**	**22 851**
186,78	Sep 2026**	—	**15 546**	**—**	**—**	**15 546**
		49 857	**15 546**	**337**	**17 507**	**48 233**

* *Vesting in 2025, but released proportionally in 2025, 2026 and 2027.*

** *Vesting in 2026, but released proportionally in 2026, 2027 and 2028.*

Cash remuneration

Remuneration paid during the year was as follows:

Year	Base pay R	Retirement and medical aid benefits R	Total remuneration (TGP) R	Performance bonus (STI)[1] R	Share-based payment[2] (LTI & LTR) R	Total cash remuneration R
2024	**7 297 581**	**1 296 459**	**8 594 040**	**2 552 430**	**10 764 667**	**21 911 137**
2023	6 965 565	1 142 020	8 107 585	2 252 740	1 102 315	11 462 640

Notes:

[1] *STI at actual 29,7% for FY2024 paid in September 2024*

[2] *Comprises 17 507 LTI shares and 34 126 long-term retention ("LTR") shares vested during the financial period.*

Vesting of long-term incentives during 2024

Awards made in terms of the SAMDIBS, vested as follows during the year.

Year	Date of award	Number of shares awarded	Value at date of award R	Distri-butions/ dividends received R	Dividends reinvested as shares (number of shares)	Total value of award at vesting R
2024	**October 2020**	**17 170**	**1 871 232**	**—**	**337**	**2 871 323**
2023	October 2019	7 253	762 372	—	168	1 102 315

Interests in Aspen shares in terms of the senior executive retention component of the SAMDIBS

Shares allocated in terms of the senior executive retention component of the SAMDIBS (incentive awards vesting in five, seven or ten years) as offered to and accepted were as follows:

Grant price R	Vesting date	Shares outstanding on 30 June 2023	Awarded during the year	Dividends reinvested as shares	Released during the year	Shares outstanding on 30 June 2024
326,70	May 2026*	47 649	**—**	**—**	**—**	**47 649**
106,74	May 2024**	33 470	**—**	**656**	**34 126**	**—**
106,74	May 2026***	33 470	**—**	**—**	**—**	**33 470**
		114 589	**—**	**656**	**34 126**	**81 119**

* *Awarded in May 2016 (10-year vesting date).*

** *Awarded in May 2019 (five-year vesting date).*

*** *Awarded in May 2019 (seven-year vesting date).*

Remuneration review continued

Remuneration outcomes for the Group Chief Corporate Officer

Personal KPA achievement for FY2024

Group Digital Technology Strategy renewal, leadership and formulation:
Development of a five-year technology strategy plan to align with Aspen's Business Strategy. Lead the implementation of the SAP and Kinaxis roadmaps.

Group Human Capital Strategy and frameworks:
Lead the development of a Group Talent Management and Succession Planning Strategy and Framework 2.0. Global implementation of the approved Performance Management Framework. Implementation of the Group Organisational Design elements at all material business units (Job Architecture, Job Grading, Naming Conventions).

Governance, risk and sustainability realignment:
Reposition the Group Governance function (including the Company Secretariat), strengthen the adherence to governance principles across the Group. Develop Group ESG targets and goals. Establish a Compliance and Ethics Framework.

Technology Enabled Shared Services ("TESS") launch and implementation:
Initiate and establish a TESS function for the Group. TESS strategy, operating model and organisational design. Secure buy-in from business units of TESS concept.

Corporate Services Leadership:
Establish and successfully lead a formal Group Corporate Services operating model and framework to ensure effective and efficient delivery of the various corporate services functional areas.

Achievement	25%
	out of a possible 25%

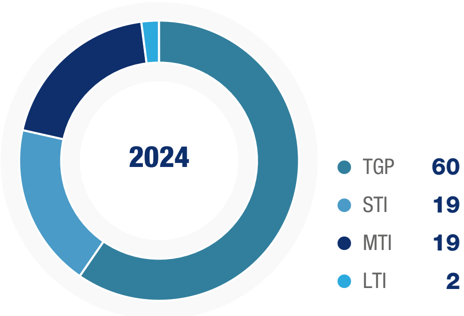
Guaranteed pay* FY2024
R7 620 000

Guaranteed pay FY2025
R8 150 860

TGP level as at 30 June 2024.

Total Guaranteed Pay
Approved adjustment
7,0%

Remuneration composition (%)



STI achievement for FY2024

Element	Achievement	Maximum applied	Participation	Weighting	Outcome
Base STI					
Individual KPI	100%	100%		25%	25,0%
Business unit KPI	102,2%	100%		50%	50,0%
Group KPI	96%	96%		25%	24,0%
Sub-total					99,0%
Stretch STI					
Individual KPI	100%	100%	Pre-minimum achieved		
Business unit KPI	102,2%	102,2%	10%	66,7%	6,7%
Group KPI	96%	96%	0	33,3%	0%
Sub-total					6,7%
Base + Stretch					105,7%
STI for band					30,0%
Total STI award					31,7%
					out of a possible 45%

MTI achievement for FY2024

Element	Achievement	Weighting	Outcome
Individual KPI	100%	25%	25,0%
Business unit KPI	102,2%	50%	50,0%
Group KPI	96%	25%	24,0%
Sub-total			99,0%
MTI for band			33,0%
Total MTI			32,7%
			out of a possible 33%

LTI achievement for FY2024

Element	Weighting	Participation level	Outcome
Measure 1 – ROIC	0% (not achieved)	0%	0%
Measure 2 – CER NHEPS	0% (not achieved)	0%	0%
Measure 3 – ESG	20% (achieved)	17%	3,4%
Total LTI award			3,4%
			out of a possible 47,0%

Remuneration review continued

Remuneration outcomes for the Group Chief Corporate Officer continued

Earned remuneration

Remuneration earned during the year was as follows:

Year	Base pay R	Retirement and medical aid benefits R	Total remuneration (TGP) R	Performance bonus (STI)[1] R	Share-based award[2] (MTI and LTI) R	Total earned remuneration[3] R
2024	**6 135 351**	**940 649**	**7 076 000**	**2 243 092**	**2 552 313**	**11 871 405**
2023	5 355 503	760 747	6 116 250	1 699 436	3 200 000	11 015 686

Notes:

[1] *STI at actual 31,7% for FY2024 paid in September 2024.*

[2] *Comprises the following, all valued at date of award:*

- *MTI award of 11 836 shares vesting in 2027; and*
- *LTI award of 1 232 shares vesting in 2027 (with 25% released for trading in each of years 2028 and 2029, respectively). Value of LTI award is subject to adjustment according to performance levels achieved over the three-year period and is forfeitable.*

[3] *Excludes IFRS adjustments as reflected in note 22 of the Annual Financial Statements.*

Interests in Aspen shares

Shares allocated in terms of the SAMDIBS as at the beginning of the year and those offered to and accepted during the year, were as follows:

Grant price R	Vesting date	Shares outstanding on 30 June 2023	Awarded during the year	Dividends reinvested as shares	Released during the year	Shares outstanding on 30 June 2024
108,98	Oct 2023	15 145	**—**	**297**	**15 442**	**—**
194,44	Sep 2024	8 098	**—**	**—**	**—**	**8 098**
142,78	Sep 2025*	17 498	**—**	**—**	**—**	**17 498**
186,78	Sep 2026**	—	**11 728**		**—**	**11 728**
		40 741	**11 728**	**297**	**15 442**	**37 324**

* *Vesting in 2025, but released proportionally in 2025, 2026 and 2027.*

** *Vesting in 2026, but released proportionally in 2026, 2027 and 2028.*

Cash remuneration

Remuneration paid during the year was as follows:

Year	Base pay R	Retirement and medical aid benefits R	Total remuneration (TGP) R	Performance bonus (STI)[1] R	Share-based payment[2] (LTI) R	Total cash remuneration R
2024	**6 135 351**	**940 649**	**7 076 000**	**2 243 092**	**2 532 642**	**11 851 734**
2023	5 355 503	760 747	6 116 250	1 699 436	3 068 473	10 884 159

Notes:

[1] *STI at actual 31,7% for FY2024 paid in September 2024.*

[2] *Comprises 15 442 shares vested during the financial period.*

Vesting of long-term incentives during 2024

Awards made in terms of the SAMDIBS, vested as follows during the year.

Year	Date of award	Number of shares awarded	Value at date of award R	Distri-butions/ dividends received R	Dividends reinvested as shares (number of shares)	Total value of award at vesting R
2024	**October 2020**	**15 145**	**1 650 528**	**—**	**297**	**2 532 642**
2023	May 2020	19 527	2 200 000	114 819	—	3 068 473

Interests in Aspen shares in terms of the senior executive retention component of the SAMDIBS

Shares allocated in terms of the senior executive retention component of the SAMDIBS (incentive awards vesting in five, seven or ten years) as offered to and accepted were as follows:

Grant price R	Vesting date	Shares outstanding on 30 June 2023	Awarded during the year	Dividends reinvested as shares	Released during the year	Shares outstanding on 30 June 2024
142,78	Aug 2025*	24 000	**—**	**—**	**—**	**24 000**
142,78	Aug 2027**	32 000	**—**	**—**	**—**	**32 000**
142,78	Aug 2029***	44 000	**—**	**—**	**—**	**44 000**
		100 000	**—**	**—**	**—**	**100 000**

* *Awarded in August 2022 (three-year vesting date).*

** *Awarded in August 2022 (five-year vesting date).*

*** *Awarded in August 2022 (seven-year vesting date).*

Remuneration review continued

Total remuneration packages paid to executive directors and prescribed officers

The table below provides an overview of the total remuneration packages paid to executive directors and prescribed officers in the 2024 financial year and the various components of these remuneration packages:

2024	Base pay R	Retirement and medical aid benefits R	Performance bonus (STI) Paid Sept 2024 R	Shares vesting - LTI (Value) Issued in FY2020/FY2021* R	Shares vesting - LTR (Value) Issued in FY2019 R	Total remuneration[1] R
Executive Directors						
Stephen Saad	9 621 123	1 731 789	11 007 475	5 881 727	–	28 242 114
Sean Capazorio	7 297 581	1 296 459	2 552 430	2 871 323	7 893 344	21 911 137
Reginald Haman^	6 135 351	940 649	2 243 092	2 532 642	–	11 851 734
	23 054 055	3 968 897	15 802 997	11 285 692	7 893 344	62 004 985
Prescribed Officers						
Gus Attridge	5 225 744	779 256	1 782 000	4 862 404	–	12 649 404
Lorraine Hill	8 471 707	1 162 136	2 138 713	4 123 375	7 893 344	23 789 275
Zizipho Mmango	5 636 063	834 309	1 933 281	439 711	–	8 843 364
	19 333 514	2 775 701	5 853 994	9 425 490	7 893 344	45 282 043

2023	Base pay R	Retirement and medical aid benefits R	Performance bonus (STI) Paid Sept 2023 R	Shares vesting - LTI (Value) Issued in FY2020/FY2021* R	Shares vesting – LTR (Value) R	Total remuneration[1] R
Executive Directors						
Stephen Saad	9 171 660	1 533 917	8 334 915	1 741 929	—	20 782 421
Sean Capazorio	6 965 565	1 142 020	2 252 740	1 102 315	—	11 462 640
	16 137 225	2 675 937	10 587 655	2 844 244	—	32 245 061
Prescribed Officers						
Gus Attridge	5 697 712	909 452	1 792 690	1 440 095	—	9 839 949
Lorraine Hill	8 062 317	1 026 215	2 077 694	1 583 139	—	12 749 365
Reginald Haman*	5 355 503	760 747	1 699 436	3 068 473	—	10 884 159
Zizipho Mmango*	5 409 823	706 427	1 699 436	2 504 969	—	10 320 655
	18 827 643	2 493 389	5 476 566	7 156 581	—	33 954 179

^ *Appointed as an Executive Director effective 7 March 2024.*

* *LTI vesting was phantom shares issued in FY2020 upon joining.*

1 *Excludes IFRS adjustments as reflected in note 22 of the Annual Financial Statements.*

Remuneration review continued

Prescribed officers – interests in shares and vesting of shares

Vesting of long-term incentives during 2024

Awards made to prescribed officers, in terms of the SAMDIBS and South African Phantom Share Scheme, vested as follows during the year:

		Date of award	Number of shares awarded	Value at date of award R	Distri-butions/ dividends received R	Dividends reinvested as shares (number of shares)	Total value of award at vesting R
Gus Attridge	2024	**October 2020**	**29 077**	**3 168 812**	**—**	**570**	**4 862 404**
	2023	October 2019	9 475	995 912	—	220	1 440 095
Lorraine Hill	2024	**October 2020**	**24 658**	**2 687 221**	**—**	**483**	**4 123 375**
	2023	October 2019	10 416	1 094 818	—	242	1 583 139
Zizipho Mmango	2024	**October 2020**	**2 629**	**286 550**	**—**	**52**	**439 711**
	2023	May 2020	15 941	2 088 282	93 733	—	2 504 969

Interests in Aspen shares in terms of the SAMDIBS

Shares allocated in terms of the SAMDIBS as at the beginning of the year and those offered to and accepted by prescribed officers during the year were as follows:

	Grant price (ZAR)	Vesting date	Shares outstanding on 30 June 2023	Awarded during the year	Dividends reinvested as shares	Released during the year	Shares outstanding on 30 June 2024
Gus Attridge	108,98	Oct 2023	29 077	**—**	**570**	**29 647**	**—**
	194,44	Sep 2024	17 193	**—**	**—**	**—**	**17 193**
	142,78	Sep 2025*	41 590	**—**	**—**	**—**	**41 590**
	186,78	Sep 2026**	—	**10 558**	**—**	**—**	**10 558**
			87 860	**10 558**	**570**	**29 647**	**69 341**
Lorraine Hill	108,98	Oct 2023	24 658	**—**	**483**	**25 141**	**—**
	194,44	Sep 2024	14 125	**—**	**—**	**—**	**14 125**
	142,78	Sep 2025*	18 215	**—**	**—**	**—**	**18 215**
	186,78	Sep 2026**	—	**12 236**	**—**	**—**	**12 236**
			56 998	**12 236**	**483**	**25 141**	**44 576**
Zizipho Mmango	108,98	Oct 2023	2 629	**—**	**52**	**2 681**	**—**
	194,44	Sep 2024	8 709				**8 709**
	142,78	Sep 2025*	17 498	**—**	**—**	**—**	**17 498**
	186,78	Sep 2026**	—	**11 728**	**—**	**—**	**11 728**
			28 836	**11 728**	**52**	**2 681**	**37 935**
			173 694	**34 522**	**1 105**	**57 469**	**151 852**

* *Vesting in 2025, but released proportionally in 2025, 2026 and 2027.*
** *Vesting in 2026, but released proportionally in 2026, 2027 and 2028.*

Interests in Aspen shares in terms of the senior executive retention component of the SAMDIBS

Shares allocated in terms of the senior executive retention component of the SAMDIBS (incentive awards vesting in three, five, seven or ten years) as offered to and accepted by prescribed officers were as follows:

	Grant price (ZAR)	Vesting date	Shares outstanding on 30 June 2023	Awarded during the year	Dividends reinvested as shares	Released during the year	Shares outstanding on 30 June 2024
Lorraine Hill	326,70	May 2026*	47 649	**—**	**—**	**—**	**47 649**
	106,74	May 2024**	33 470	**—**	**656**	**34 126**	**—**
	106,74	May 2026***	33 470	**—**	**—**	**—**	**33 470**
			114 589	**—**	**656**	**34 126**	**81 119**
Zizipho Mmango	142,78	Aug 2025#	24 000	**—**	**—**	**—**	**24 000**
	142,78	Aug 2027##	32 000	**—**	**—**	**—**	**32 000**
	142,78	Aug 2029###	44 000	**—**	**—**	**—**	**44 000**
			100 000	**—**	**—**	**—**	**100 000**
			214 589	**—**	**656**	**34 126**	**181 119**

* *Awarded in May 2016 (10-year vesting date).*
** *Awarded in May 2019 (5-year vesting date).*
*** *Awarded in May 2019 (7-year vesting date).*
\# *Awarded in August 2022 (3-year vesting date).*
\#\# *Awarded in August 2022 (5-year vesting date).*
\#\#\# *Awarded in August 2022 (7-year vesting date).*

Remuneration review continued

Directors' interests in Aspen shares

The direct and indirect beneficial interests of the directors and their associates in the shares of the Company:

	Direct		Indirect	
	2024	2023	**2024**	2023
Kuseni Dlamini	**—**	—	**—**	—
Sean Capazorio	**90 868**	63 243	**—**	—
Linda de Beer	**—**	—	**—**	—
Neo Dongwana*	**—**	—	**—**	—
Reginald Haman**	**8 262**	—	**—**	—
Ben Kruger	**13 500**	13 500	**—**	—
Themba Mkhwanazi	**—**	—	**—**	—
Chris Mortimer	**193 068**	193 068	**—**	—
Yvonne Muthien	**1 800**	1 800	**—**	—
Babalwa Ngonyama***	**—**	—	**—**	—
David Redfern	**—**	—	**4 750**	4 750
Stephen Saad	**4 753 489**	4 717 627	**52 468 261**	52 468 261
	5 060 987	4 989 238	**52 473 011**	52 473 011

* Neo Dongwana was appointed to the Board with effect from 7 March 2024.
** Reginald Haman was appointed as Executive Director with effect from 7 March 2024.
*** Babalwa Ngonyama resigned effective 29 May 2023.

None of the directors held any non-beneficial shares in the Company at 30 June 2024. As disclosed on pages 122, 124 and 126 of this report, the executive directors' long-term incentive shares that were awarded in August 2021, vested in September 2024. In addition to this, the Group Chief Financial Officer sold 15 000 shares during September 2024 with the approval of the Chair. There were no changes to the non-executive directors' interests between the end of the financial year and date of approval.

Non-executive directors' remuneration

In line with the requirements of the Companies Act, the fees payable to the non-executive directors for the financial year were approved by a special resolution of Aspen's shareholders at the Company's annual general meeting held on 7 December 2023. The following fees were paid to non-executive directors, either by the holding company or another company in the Group:

Non-executive director	2024* R	2023* R
Kuseni Dlamini	**1 493 040**	1 408 528
Linda de Beer**^	**1 143 930**	958 067
Neo Dongwana***	**182 901**	—
Ben Kruger	**1 268 544**	932 284
Themba Mkhwanazi	**469 036**	448 406
Chris Mortimer**	**550 969**	464 563
Yvonne Muthien	**1 081 313**	547 916
Babalwa Ngonyama****	**—**	911 070
David Redfern	**426 593**	364 171
	6 616 326	6 035 005

* Fees exclude VAT.
** Linda de Beer and Chris Mortimer also receive directors' fees in their capacity as non-executive directors of Aspen Finance (Pty) Limited.
*** Neo Dongwana was appointed to the Board with effect from 7 March 2024.
**** Babalwa Ngonyama resigned effective 29 May 2023. She received an attendance fee for attendance at meetings of Aspen Finance (Pty) Limited in her capacity as Chair of the Audit & Risk Committee of Aspen Pharmacare Holdings Limited.
^ Does not include additional directors' fees received as Chair of the Aspen Treasury Ireland Limited Board.

Linda de Beer
Remuneration & Nomination Committee Chair

Supplementary information

In this section:

Fostering confidence and self-awareness among Aspen's women

Carry Yourself with Confidence ("Carrie Project") was launched in 2017 by the Aspen Women's Forum Development Committee at our Gqeberha and East London sites in South Africa.

This transformative training programme was designed to empower women by fostering confidence and self-awareness. It is hosted by a blend of external and internal facilitators, and the programme aims to cultivate well-rounded women to thrive professionally and personally.

View this case study online.

Salient financial information

	Year ended 30 June 2024 R'million	Year ended 30 June 2023 R'million
Group statement of financial position		
Assets		
Non-current assets		
Intangible assets	**66 352**	63 104
Property, plant and equipment	**19 946**	18 495
Goodwill	**5 462**	5 596
Right-of-use assets	**563**	402
Deferred tax assets	**1 794**	1 579
Contingent environmental indemnification assets	**298**	343
Other non-current receivables	**654**	265
Total non-current assets	**95 069**	89 784
Current assets		
Inventories	**18 002**	19 606
Receivables and other current assets	**12 664**	13 053
Current tax assets	**1 083**	929
Cash and cash equivalents	**12 337**	10 912
Total current assets	**44 086**	44 500
Total assets	**139 155**	134 284

	Year ended 30 June 2024 R'million	Year ended 30 June 2023 R'million
Equity and liabilities		
Total shareholders' equity	**84 861**	86 236
Non-current liabilities		
Borrowings	**25 141**	21 375
Other non-current financial liabilities	**2 055**	497
Unfavourable and onerous contracts	**137**	—
Contingent environmental indemnification liabilities	**298**	343
Deferred tax liabilities	**1 582**	1 995
Retirement and other employee benefit obligations	**701**	690
Total non-current liabilities	**29 914**	24 900
Current liabilities		
Borrowings	**11 314**	7 907
Trade and other payables	**10 347**	10 180
Other current financial liabilities	**1 817**	4 057
Current tax liabilities	**791**	900
Unfavourable and onerous contracts	**111**	104
Total current liabilities	**24 380**	23 148
Total liabilities	**54 294**	48 048
Total equity and liabilities	**139 155**	134 284

The salient financial information is extracted from audited information but itself is not audited. The annual financial statements have been audited by EY and their unmodified audit report, including key audit matters, is available for inspection at the Company's office. The Audited Annual Financial Statements were approved on 2 October 2024 and are available online.

Salient financial information continued

	Year ended 30 June 2024 R'million	Year ended 30 June 2023 R'million
Group income statement		
Revenue	**44 706**	40 709
Gross profit	**19 454**	18 934
Normalised EBITDA*	**11 255**	11 100
Total amortisation, depreciation and non-trading adjustments	**(4 257)**	(3 278)
Operating profit	**6 998**	7 822
Net financing costs	**(1 284)**	(1 267)
Profit before tax	**5 714**	6 555
Group statement of cash flows		
Cash operating profit	**9 967**	11 300
Working capital movements	**(242)**	(3 358)
Cash generated from operations	**9 725**	7 942
Net financing costs paid	**(1 351)**	(808)
Tax paid	**(2 149)**	(1 614)
Cash generated from operating activities	**6 225**	5 520
Cash utilised in investing activities	**(9 468)**	(3 421)
Cash generated from/(utilised in) financing activities	**3 623**	(420)
Translation effects on cash and cash equivalents of foreign operations	**(653)**	843
Movement in cash and cash equivalents	**(273)**	2 522
Cash and cash equivalents at the beginning of the year	**7 493**	4 971
Cash and cash equivalents at the end of the year	**7 220**	7 493

		Year ended 30 June 2024 R'million	Year ended 30 June 2023 R'million
Share performance			
Earnings per share (cents) (basic and diluted)	cents	**991,4**	1 176,9
Headline earnings per share (cents) (basic and diluted)	cents	**1 356,6**	1 405,4
Normalised headline earnings per share (cents) (basic and diluted)	cents	**1 492,1**	1 498,5
Capital distribution/dividend per share	cents	**359,0**	342,0
Net asset value per share	cents	**19 102,8**	19 412,1
Operating cash flow per share	cents	**1 401,4**	1 242,6
Cash conversion rate	%	**103,3**	88,4
Free cash flow	million	**2 395**	2 338
Share information			
Number of shares in issue – at the end of the year	million	**446,3**	446,3
Number of shares in issue (net of treasury shares) – at the end of the year	million	**444,2**	444,2
Weighted number of shares in issue	million	**444,2**	444,2
Diluted weighted number of shares in issue	million	**444,2**	444,2
Market capitalisation at year-end	R'billion	**104,5**	82,3

* *EBITDA represents operating profit from continuing operations before amortisation and depreciation adjusted for specific non-trading items as set out in the segmental analysis contained in the audited Annual Financial Statements.*

Salient financial information continued

		Year ended 30 June 2024	Year ended 30 June 2023
Business performance			
Profitability – measures financial performance of the Group			
Return on ordinary shareholders' equity	%	**5,1**	6,8
Return on invested capital	%	**6,3**	8,1
Revenue growth	%	**10**	5
Gross profit	%	**43,5**	46,5
Normalised EBITDA margin	%	**25,2**	27,3
Effective tax rate	%	**22,9**	20,2
Liquidity – measures the Group's ability to meet its maturing obligations and unexpected cash needs in the short term			
Current ratio	times	**1,8**	1,9
Quick ratio	times	**1,1**	1,1
Cash ratio	times	**0,6**	0,6
Working capital as % of revenue	%	**45**	55
Debt indicators – measures the Group's ability to meet capital and interest payments over the long term			
Net borrowings	R'million	**24 118**	18 370
Leverage ratio	times	**2,28**	1,89
Net interest cover	times	**8,04**	11,9
Gearing ratio	%	**22**	18

		Year ended 30 June 2024	Year ended 30 June 2023
JSE statistics			
Number of shares traded	million	**254,8**	281,0
Number of shares traded as % of weighted average number of shares	%	**57,1**	58,7
Market price per share			
year-end	cents	**23 331**	18 362
highest	cents	**25 199**	18 843
lowest	cents	**16 096**	13 110
Key market performance ratios			
Earnings yield	%	**6,4**	8,2
Price:earnings ratio	times	**15,6**	12,3

Definitions and formulas

Capital expenditure

Capital expenditure – property, plant and equipment + capital expenditure – intangible assets

Cash conversion rate (%)

$$\frac{\text{Operating cash flow per share}}{\text{Headline earnings per share}}$$

Cash ratio

$$\frac{\text{Cash and cash equivalents}}{\text{Current liabilities (excluding liabilities associated with assets held-for-sale) – bank overdrafts}}$$

Current ratio

$$\frac{\text{Current assets (excluding assets classified as held-for-sale)}}{\text{Current liabilities (excluding liabilities associated with assets held-for-sale)}}$$

Earnings yield (%)

$$\frac{\text{Normalised headline earnings per share}}{\text{Market price per share at year-end}}$$

Earnings yield (%)

$$\frac{\text{Normalised headline earnings per share}}{\text{Market price per share at year-end}}$$

Effective tax rate (%)

$$\frac{\text{Tax}}{\text{Profit before tax}}$$

Free cash flow

Cash generated from operating activities – capital expenditure ^

^appropriately adjusted for disposals and acquisitions approved by the Board.

Gearing ratio (%)

$$\frac{\text{Net borrowings}}{\text{Total shareholders' equity – non-controlling interests + net borrowings}}$$

Gross profit (%)

$$\frac{\text{Gross profit}}{\text{Revenue}}$$

Leverage ratio

$$\frac{\text{Net debt}}{\text{Normalised EBITDA}}$$

Net borrowings

Non-current borrowings + current borrowings – cash and cash equivalents

Net interest cover (times)

$$\frac{\text{Operating profit before amortisation}}{\text{Interest paid – interest received (excluding capital raising fees)}}$$

Normalised EBITDA

Operating profit before depreciation and amortisation adjusted for specific non-trading items as defined in the accounting policies of the Group's Annual Financial Statements.

Normalised EBITDA growth (%)

$$\frac{\text{Normalised EBITDA (current year) – Normalised EBITDA (prior year)}}{\text{Normalised EBITDA (prior year)}}$$

Normalised EBITDA margin (%)

$$\frac{\text{EBITDA}}{\text{Revenue}}$$

Normalised headline earnings

Normalised headline earnings are headline earnings adjusted for specific non-trading items, being transaction costs and other acquisition, and disposal-related gains or losses (including any gains or losses arising from the remeasurement of the fair value of liabilities for future contingent and/or milestone payments relating to intangible asset acquisitions accounted for under the cost accumulation method), restructuring costs, settlement of product-related litigation costs, net monetary adjustments and currency devaluations relating to hyperinflationary economies and significant once-off tax provision charges or credits arising from the resolution of prior year tax matters

Market capitalisation

Year-end market price per share multiplied by number of shares in issue at year-end

Operating cash flow per share (cents)

$$\frac{\text{Cash generated from operating activities}}{\text{Weighted number of shares in issue}}$$

Definitions and formulas continued

Price:earnings ratio

$$\frac{\text{Market price per share at year-end}}{\text{Normalised headline earnings per share}}$$

Quick ratio

$$\frac{\text{Current assets (excluding assets classified as held-for-sale) – inventories}}{\text{Current liabilities (excluding liabilities associated with assets held-for-sale)}}$$

Return on invested capital (%)

$$\frac{\text{Operating profit* (1- effective tax rate)}}{\text{Weighted average (Total shareholders' equity + net borrowings + deferred acquisition liabilities – deferred acquisition receivables – accumulated currency translation gain/losses)}}$$

Return on net assets (%)

$$\frac{\text{Profit before tax}}{\text{Total weighted average assets – total weighted average liabilities}}$$

Return on ordinary shareholders' equity (%)

$$\frac{\text{Profit attributable to equity holders of the parent}}{\text{Weighted average ordinary shareholders' equity}}$$

Revenue growth (%)

$$\frac{\text{Revenue (current year) – revenue (prior year)}}{\text{Revenue (prior year)}}$$

Total weighted average assets

Average assets is total assets (excluding cash and cash equivalents and assets classified held-for-sale) weighted monthly

Working capital as % of revenue

$$\frac{\text{Inventories + trade and other receivables – trade and other payables}}{\text{Annualised net revenue}}$$

Shareholders' diary

Financial year-end	30 June 2024
Annual general meeting	5 December 2024

Reports and Group results announcements for the 2025 financial year

Interim results for the six months ended 31 December 2024	March 2025
Condensed Group financial results for the year ended 30 June 2025	September 2025
Integrated Report and Annual Financial Statements	October 2025

Unaudited share statistics

Analysis of shareholders at 30 June 2024

	Number of shareholders	% of shareholders	Number of shares	% of total shareholding
Ordinary shares				
Size of holding				
1 – 2 500	38 928	93,3	10 261 308	2,3
2 501 – 12 500	1 647	4,0	8 720 037	2,0
12 501 – 25 000	352	0,8	6 302 332	1,4
25 001 – 50 000	257	0,6	9 364 060	2,1
50 001 and over	547	1,3	411 604 595	92,2
	41 731	100,0	446 252 332	100,0

Shareholders' spread

As required by paragraph 8.63 and in terms of paragraph of 4.25 of the JSE Listings Requirements, the spread of the ordinary shareholding at close of business 30 June 2024 was as follows:

	Number of shareholders	Number of shares	% of total shareholding
Non-public shareholders	11	143 570 042	32,2
Directors of the Company and directors of material subsidiaries	9	57 533 998	12,9
Government Employees Pension Fund	1	84 016 997	18,8
Employee share trusts – treasury shares	1	2 019 047	0,5
Public shareholders	41 720	302 682 290	67,8
Total shareholding	41 731	446 252 332	100,0
Public shareholders (including the GEPF)	41 721	386 699 287	86,6

Major shareholders

Top 10 institutional shareholders

According to the register of shareholders at 30 June 2024, the following are the top 10 registered institutional shareholders:

	Number of shares	% of total shareholding
Institutional shareholder		
Public Investment Corporation	64 349 999	14,4
Coronation Asset Management (Pty) Ltd	29 901 754	6,7
Sanlam Investment Management	18 521 505	4,2
BlackRock Inc	18 063 872	4,1
Old Mutual Ltd	15 785 028	3,5
The Vanguard Group Inc	15 564 156	3,5
Schroders Plc	15 272 638	3,4
Ninety One Plc	12 631 586	2,8
Capital Group Companies Inc	11 341 611	2,5
Foord Asset Management	8 420 966	1,9
	209 853 115	47,0

Top 10 beneficial shareholders

According to the register of shareholders at 30 June 2024, the following are the top 10 registered beneficial shareholders. The shareholdings of all directors are disclosed in the Remuneration Policy and Implementation Report, refer to page 129.

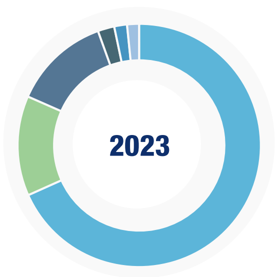
	Number of shares	% of total shareholding
Shareholder		
Government Employees Pension Fund	80 651 123	18,1
Saad, SB	57 221 750	12,8
Attridge, MG	19 063 476	4,3
Old Mutual Life Assurance Co Ltd	10 262 771	2,3
Ceppwawu Investments (Pty) Ltd	10 053 368	2,3
New World Fund Inc	9 272 183	2,1
Alexander Forbes Investment	7 238 372	1,6
Vanguard Total International Stock Index	5 735 420	1,3
Coronation Balanced Plus Fund	5 605 691	1,3
SAFE Investment Company Ltd	5 176 681	1,2
	210 280 835	47,3

Unaudited share statistics continued

Beneficial shareholders by country (%)

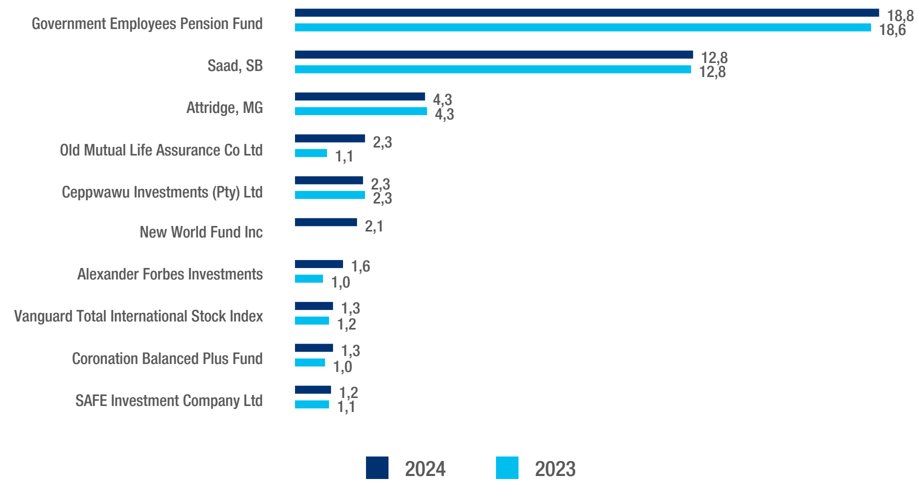
South Africa	**67,0**
United States of America	**15,4**
Various other	**11,5**
United Kingdom	**3,2**
Luxembourg	**1,6**
Ireland	**1,3**

Beneficial shareholders by country (%)

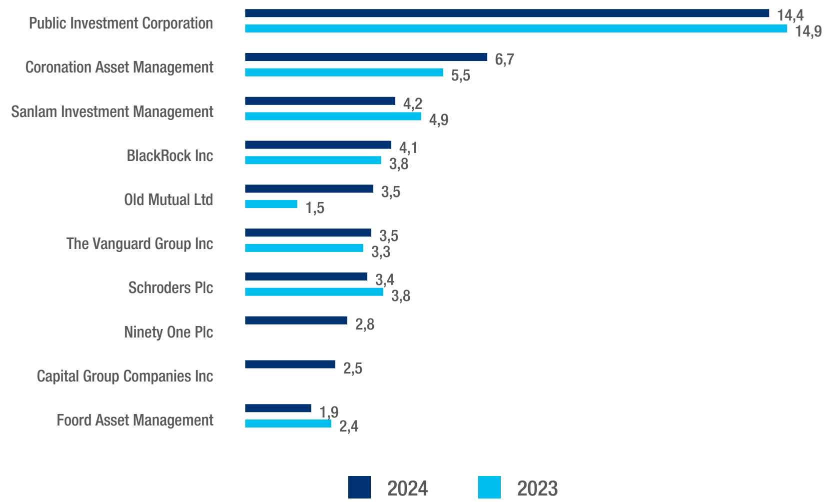


South Africa	**68,3**
Various other	**13,3**
United States of America	**12,9**
Luxembourg	**2,2**
Ireland	**1,7**
United Kingdom	**1,6**

Top 10 beneficial shareholders (%)



Top 10 institutional shareholders (%)



Percentages for top 10 beneficial shareholders and top 10 institutional shareholders reflected above are as a percentage of the total issued share capital of the Company.

Abbreviations

Abbreviation	Full name
AGI	Aspen Global Incorporated, a subsidiary incorporated in Mauritius
AI	Artificial intelligence
Alphamed	Alphamed Formulations Private Limited
Amgen	Applied Molecular Genetics Inc
Annual Financial Statements	The Group and Company Annual Financial Statements for the year ended 30 June 2024
APIs	Active pharmaceutical ingredients
ARVs	Anti-retrovirals
Aspen and/or Group	Aspen Pharmacare Holdings Limited and/or its subsidiaries as set out in the Company financial statements, as the context demands
Aspen API	Aspen API Incorporated, a wholly owned subsidiary of Aspen Oss B.V.
Aspen Australia	Aspen Australia comprises Aspen Asia Pacific (Pty) Limited (a wholly owned subsidiary of AGI) and its subsidiaries, including Aspen Pharmacare Australia (Pty) Limited, Aspen Pharma (Pty) Limited, Orphan Holdings (Pty) Limited, Orphan Australia (Pty) Limited, Aspen Lennon (Pty) Limited and Aspen Products (Pty) Limited
Aspen Bad Oldesloe	Aspen Bad Oldesloe GmbH, a wholly owned subsidiary incorporated in Germany
Aspen Brazil	Aspen Pharma – Ind˙stria FarmacÍutica Limitada, a wholly owned subsidiary of PharmaLatina Holdings incorporated in Brazil
Aspen Finance	Aspen Finance (Pty) Limited
Aspen Holdings or the Company	Aspen Pharmacare Holdings Limited
Aspen Oss	Aspen Oss B.V., a subsidiary incorporated in the Netherlands
AstraZeneca	AstraZeneca AB & AstraZeneca UK
AUD	Australian Dollar
B-BBEE	Broad-Based Black Economic Empowerment
B-BBEE Codes	The Department of Trade, Industry and Competition's B-BBEE Codes of Good Practice
BEPS	Base Erosion and Profit Shifting
BFS	Blow-fill seal
BioChem Oss	BioChem Oss B.V., a subsidiary incorporated in the Netherlands
CAGR	Compound annual growth rate
CDP-CC	CDP for Climate Change

Abbreviation	Full name
CDP-WS	CDP for Water Security
CEPI	Coalition for Epidemic Preparedness Innovations
CER	Constant exchange rate
CIS	The Commonwealth of Independent States, comprising Russia and the former Soviet Republics
CNY	Chinese yuan
CODM	Chief Operating Decision Maker
CoE	Centre of Excellence
COVID	Coronavirus disease
COVID vaccine	Janssen Pharmaceuticals Inc. and Janssen Pharmaceuticals NV, two of the Janssen Pharmaceutical Companies of Johnson & Johnson's COVID vaccine.
CSRD	EU Corporate Sustainability Reporting Directive
CY	Calendar year
DEI	Diversity, equity and inclusion
DFIs	Development Finance Institutions
Normalised EBITDA	Normalised EBITDA comprises operating profit before depreciation and amortisation adjusted for specific non-trading items defined in accounting policies of the Group's Annual Financial Statements
EDIB	Group Equity, Diversity, Inclusion and Belonging Framework
EE	Employment Equity
ERP	Enterprise resource planning
ESG	Environmental, Social and Corporate Governance
EUR	Euro
EY	Ernst & Young Inc
FCC	Fine Chemicals Corporation (Pty) Ltd, a wholly owned subsidiary of Aspen Oss B.V.
FDF	Finished dose form
FMCG	Fast moving consumer goods
FY	Financial year
GEPF	Government Employees Pension Fund
GHG	Greenhouse gas
GLP-1	Glucagon-like peptide-1
GMP	Good manufacturing practice

Abbreviations continued

Abbreviation	Full name
GRI	Global Reporting Initiative
HAW	Hazardous aqueous waste
HCIFR	High consequence incident frequency rate
HCP	Healthcare professional
HEPS	Headline earnings per share
HVAC	Heating, ventilation and air conditioning
I&T	Information & Technology
IBIS	IBIS Environmental Social Governance Consulting Africa (Pty) Ltd
IBP	Integrated Business Planning
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
Internal Audit	Group Internal Audit function
IP	Intellectual property
IPSS	International Phantom Share Scheme
IQVIA	IQVIA Inc, formerly Quintiles and IMS Health, Inc
ISO	International Organization for Standardization
ISO 14001	International standard for environmental management systems
ISO 45001	International standard for occupational health and safety (OH&S) management system
ISO 50001	International standard for energy management systems
IT	Information Technology
JSE	JSE Limited, licensed as an exchange under the Security Services Act, No 36 of 2004
King IV	King IV Report on Corporate Governance™ 2016. Copyright and trademarks are owned by the Institute of Directors South Africa NPC and all its rights are reserved.
KPA	Key performance area or assessment

Abbreviation	Full name
KPI	Key performance indicator
Laurus Labs	Laurus Labs Limited
Lilly	Eli Lilly Export S.A.
LIMS	Laboratory Information System
LTI	Long-term incentive
LTR	Long-term retention
MAT	Moving annual total
Mandela Day	The Nelson Mandela International Day
MES	Manufacturing execution system
MSD	Merck Sharpe & Dohme
MSR	Minimal shareholding requirement
MTI	Medium-term incentive
MVA	Motor vehicle accident
MXN	Mexican Peso
NHEPS	Normalised headline earnings per share
Normalised EBITDA	Normalised EBITDA comprises operating profit before depreciation and amortisation adjusted for specific non-trading items defined in accounting policies of the Group's Annual Financial Statements
Notre Dame de Bondeville	Aspen Notre Dame de Bondeville S.A.S., a wholly owned subsidiary incorporated in France
Novo Nordisk	Novo Nordisk A/S
OECD	Organisation for Economic Cooperation and Development
ORC	Organic Rankine Cycle Turbogenerator
OTC	Over the counter
Pharmacare	Pharmacare Limited
PHEF	The South African Public Healthcare Enhancement Fund
PPE	Property, plant and equipment
PSCI	Pharmaceutical Supply Chain Initiative

Abbreviations continued

Abbreviation	Full name
PWDs	Persons with disabilities
R/ZAR	South African Rand
RECOs	Regional Ethics & Compliance Officers
ROIC	Return on invested capital
SAHPRA	South African Health Products Regulatory Authority
SAMDIBS	South African Management Deferred Incentive Bonus Scheme
Sandoz	Sandoz AG
SASB	Sustainability Accounting Standards Board
SDGs	United Nations Sustainable Development Goals
SED	Socio-economic development
Serum Institute	Serum Institute of India Pvt Limited
SHE	Safety, health and environment
Shelys	Shelys Pharmaceuticals International Limited, incorporated in Tanzania
SIFp	Serious injury and fatality potential
SKU	Stock-keeping unit
SSA	Sub-Saharan Africa
STI	Short-term incentive
Supplementary Documents	The reports of the Audit & Risk and Social & Ethics Committees, the Sustainability and ESG Data Supplement and the Annual Financial Statements

Abbreviation	Full name
TCFD	Task Force on Climate-Related Financial Disclosures
TESS	Aspen Technology Enabled Shared Services
TGP	Total guaranteed package
The Companies Act	The South African Companies Act, No 71 of 2008
The Company	Aspen Pharmacare Holdings Limited
The Group	Aspen Group subsidiaries
TRIFR	Total recordable incident frequency rate
UN Global Compact	United Nations Global Compact
USA	United States of America
USD	United States Dollar
VAT	Value added tax
VBP	Volume-based procurement
Viatris	Viatris Inc
WACC	Weighted actual cost of capital
WEP	United Nations Women's Empowerment Principles
WHO	World Health Organization

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Raeesa Khan

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1985/002935/06

Share code

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APN Legal Entity Identifier ("LEI"): 635400ZYSN1IRD5QWQ94

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