

Public Information Summary

Host Country	South Africa
Name of Borrower	Aspen Finance Proprietary Limited, a subsidiary of Aspen Pharmacare Holdings Limited (“Aspen”).
Project Description	The proceeds of the DFC corporate loan will be used to refinance existing debt and to support Aspen’s operations, including production of vaccines, and other therapies in African and emerging markets.
Proposed DFC Loan	EUR 100,000,000 for up to seven years.
All-Source Funding Total	EUR 600,000,000
Policy Review	
Developmental Objectives	The project is expected to have a developmental impact in South Africa by supporting Aspen’s operations, including COVID-19 vaccine production targeted for delivery within South Africa and elsewhere in Africa.
Environment and Social Assessment	<p>SCREENING: This Project has been reviewed against DFC’s categorical prohibitions and determined to be categorically eligible. Expansion and operations of vaccine manufacturing are screened as Category B under DFC’s environmental and social guidelines because impacts are site specific and readily mitigated. The major environmental and social concerns include the need for effective implementation and sufficient oversight and monitoring of environmental, labor, health and safety aspects, in particular, labor and working conditions, occupational health and safety, waste management, fire life and safety, emergency preparedness and response, and grievance redress mechanisms.</p> <p>APPLICABLE STANDARDS: DFC’s environmental due diligence indicates that the investment will have impacts which must be managed in a manner consistent with the following International Finance Corporation’s (IFC) 2012 Performance Standards (PS):</p> <ul style="list-style-type: none"> • PS 1: Assessment and Management of Environmental and Social Risks and Impacts; • PS 2: Labor and Working Conditions; • PS 3: Resource Efficiency and Pollution Prevention; and • PS 4: Community Health, Safety, and Security.

Additionally, the Project will be required to meet applicable provisions of the IFC's April 30, 2007 Environmental Health and Safety (EHS) General Guidelines and IFC's April 30, 2007 EHS Guidelines for Pharmaceuticals and Biotechnology Manufacturing.

A desk-review based due diligence assessment indicates that because the Project involves expansion of manufacturing within existing facilities located in designated industrial areas and does not involve greenfield construction, land acquisition nor significant adverse impacts with respect to biodiversity, impacts to or related to resettlement, indigenous peoples, and cultural heritage are not anticipated. Therefore, PS 5, 6, 7, and 8 are not triggered at this time.

The Project will be required to adhere to DFC's ESPP requirements for Health Care Projects relating to projects involving manufacturing of pharmaceuticals.

Impacts and Mitigation Measures: IFC, as the lead arranger of the syndication, conducted environmental and social due diligence on the Project, including site visits to Aspen's Gqeberha (formally known as Port Elizabeth) site in South Africa and Beta Healthcare site in Nairobi, Kenya as well as meetings and interviews with Aspen management and facility-level personnel responsible for EHS, Human Resources, and utilities. Given the emergency nature of the Project (the urgent need for COVID-19 vaccines) and therefore extremely accelerated timeframe, DFC's environmental and social assessment is primarily based on IFC's Environmental and Social Review Summary (ESRS) and discussions with IFC's E&S specialist who conducted the ESDD. In addition, DFC, along with subject matter expert from U.S. Department of Health and Human Services (HHS) Biomedical Advanced Research and Development Authority (BARDA), had discussions with IFC's industry specialist to assess adequacy of quality control measures.

According to IFC's ESRS, Aspen has established, implemented, and is maintaining an integrated management system aligned with the requirements of the ISO 45001:2018 (occupational health and safety management) and ISO 14001:2015 (environmental management) standards at most of its sites. The API manufacturing sites have relevant accreditation including US Food and Drug Administration (U.S. FDA) accreditation. For non-certified sites, Aspen applies the environmental management principles and various Group-level occupational, health and safety (OHS) standards, and standard operating procedures (SOPs) that are implemented across all business units. In addition, the visited facilities were noted to have their additional site-specific policies and

	<p>procedures, e.g. the fire safety policy and EHS policy. IFC's ESRS states that the facilities that were visited had the applicable environment and OHS management systems in place and no significant gaps were noted in their implementation.</p> <p>IFC's ESRS states that Aspen's human resources policies and procedures are aligned with local legislation and the IFC Performance Standards. The human resources policies include appropriate procedures on recruitment, principles of non-discrimination and equal opportunity, prevention of sexual harassment, prevention of child and forced labor, hours of work, management of overtime, remuneration, collective bargaining, and a code of conduct for suppliers. Aspen has in place a formal and documented grievance redressal procedure to address and resolve grievances, including an anonymous channel. Aspen also represents that it will extend its existing stakeholder engagement and grievance redress mechanism procedures and requirements to all future COVID-19 vaccine related activities.</p>
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