



APOTEX INC. ENVIRONMENTALLY RESPONSIBLE PURCHASING POLICY

Environmentally responsible purchasing (ERP) is the purchase of “products and services that have a lesser or reduced effect on human health and the environment when compared to other products and services that serve the same purpose”.

This policy establishes that Procurement is committed to increase the acquisition of recycled/recyclable and other environmentally preferable products and services wherever possible, while recognizing that their principal requirements must be performance and fiscal responsibility. Users are encouraged to follow this policy in their specifications when practicable. Contractors and vendors will also be encouraged to provide such products and services which:

- are produced from recycled materials
- can be recycled or re-used
- reduce waste and/or conserve natural resources

A copy of this policy will be kept with the Purchasing Department and shall be provided to the vendor as required. Subsequently the policy will also be kept in the Safe Work Procedures Manual.

- ***Principle One: Include Environmental Considerations As Part of the Normal Purchasing Process***

Apotex encourages all purchasers to examine environmental considerations along with traditional factors such as product safety, price, performance, and availability when making purchasing decisions.

- ***Principle Two: Consider Environmental Benefit and Cost Benefit throughout the Entire Product's or Service's Life Cycle***

A product's life cycle includes raw material acquisition, manufacturing, packaging and transportation, product use and disposal. When examining the life cycle of a service, particular focus should be placed on the use and disposal of products required to provide service. Significant cost savings (such as avoided disposal costs) and improvements in product performance can be achieved by paying attention to these.

- ***Principle Three: Make Purchasing Decisions based on Accurate Information About Environmental Performance***

Environmentally responsible purchasing decisions require accurate environmental performance information. Purchasers and end users should seek this information from manufacturers and suppliers when researching products and services. The Safety, Health, Environment (SHE) Department acts as a resource when assistance with evaluation of environmental performance data and information is required.



APOTEX INC. ENVIRONMENTALLY RESPONSIBLE PURCHASING POLICY (cont'd)

The Purchasing division shall be responsible for the following:

- Developing and maintaining information about environmentally preferable products and services, recycled products containing the maximum practicable amount of recycled materials, and recyclable products to be purchased by buyers whenever possible.
- Informing all relevant Apotex employees of their responsibilities under this policy and provide implementation assistance;
- Disseminate information on recycled and environmentally preferable product and service procurement opportunities, specifications, and performance, to relevant Apotex employees;
- Incorporating in the Procurement Annual Report the implementation status of the procurement program, which includes:
 - A compilation of procurement data collected from all buyers and other parties charged with implementation responsibility under this policy;
 - An assessment of procurement program effectiveness, an evaluation of program goals, and projections of future procurement opportunities; and
 - Ensure that contracts issued by the company require recycled/recyclable and environmentally preferable products wherever practicable.

Definitions

The following terms shall have the assigned definitions for all purposes under this policy:

- "Environmentally preferable products" means products that have a lesser or reduced effect on human health and the environment when compared with competing products that serve the same purpose. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, or disposal of the product.
- "Practicable" means sufficient in performance and available at a reasonable price.
- "Recyclable product" means a product which, after its intended end use, can demonstrably be diverted from Apotex's solid waste stream for use as a raw material in the manufacture of another product.
- "Recycled product" means a product containing recycled material.

Exemptions

- Nothing contained in this policy shall preclude buyers or end users from requiring recycled material content as a bid specification.

AND
- Nothing in this policy shall be construed as requiring a buyer or supplier to procure products that do not perform adequately for their intended use or are not available at a reasonable price in a reasonable period of time.

Per:

Allen Shechtman
Vice President, Purchasing

and

Jim Boughs
Director, Safety, Health, Environment