

Speech by Mike Gatling
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On behalf of Baxter's employees and our EHS professionals throughout the world, I'd like to express our appreciation not just for this important recognition, but also for EPA's continued dedication and support of government and business partnerships. In addition to Performance Track, these include the Green Suppliers Network, Energy Star, Climate Leaders, and many more.

These programs serve as valuable networks for advancing key initiatives, sharing best practices, and achieving solid results for participating industries. Most importantly, these partnerships providing leadership to address some of the difficult environmental challenges we face today. Companies large and small can and do benefit through their involvement in these partnerships. The benefits go far beyond environmental compliance - they also help to make the operations of US companies more competitive and world class.

To be successful in today's competitive global economy, mere environmental compliance is not enough. Sustainable environmental performance is a competitive advantage in the world marketplace, having both short-term and long-term implications.

In a company where the principles of sustainability are incorporated into our operations, environmental stewardship becomes not only a way of doing business, but the way we choose to operate. The large group gathered here today, and the many new Performance Track members, are evidence of the increasing momentum toward environmental stewardship as opposed to simple compliance. Baxter looks forward to further collaborations with the EPA, and our fellow Performance Track members.

- Integrated operations (together, not stand-alone)
 - Design
 - Manufacturing
 - Purchasing
 - Quality
 - EHS

- Implementing Lean Manufacturing Techniques to
 - Reduce waste
 - Drive efficiency
 - Increase productivity

- Lean Manufacturing
 - Reducing and eliminating non-value-added activities
 - Process mapping
 - Process Reengineering
 - Reduces amount of waste destined for disposal

 - Through collaborations such as Green Suppliers Network (EPA)
 - Department of Commerce (Manufacturing Extension Partnership – MEP)
 - Aggressively promoted by Baxter due to its benefits
 - Seven Suppliers agreed to participate so far
 - One supplier has already realized significant cost savings through waste & energy reduction
- Example:
1. Electric molding machines
 2. Variable speed pumps
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- Beyond compliance
 - Sustainable environmental performance as a competitive advantage
 - Environmental stewardship as the only way of doing business
 - Performance track members are evidence of movement beyond compliance

Together with the EPA, our other industry colleagues, suppliers, and many stakeholders we will lessen our environmental footprint and drive continued improvement in environmental performance and operational excellence.