

Baxter Progress Report

Climate Leaders Partner Meeting

Washington, D.C.
May 5, 2005

Ronald E. Meissen, P.E.
Baxter Healthcare Corporation
Deerfield, Illinois



Baxter Healthcare Corporation

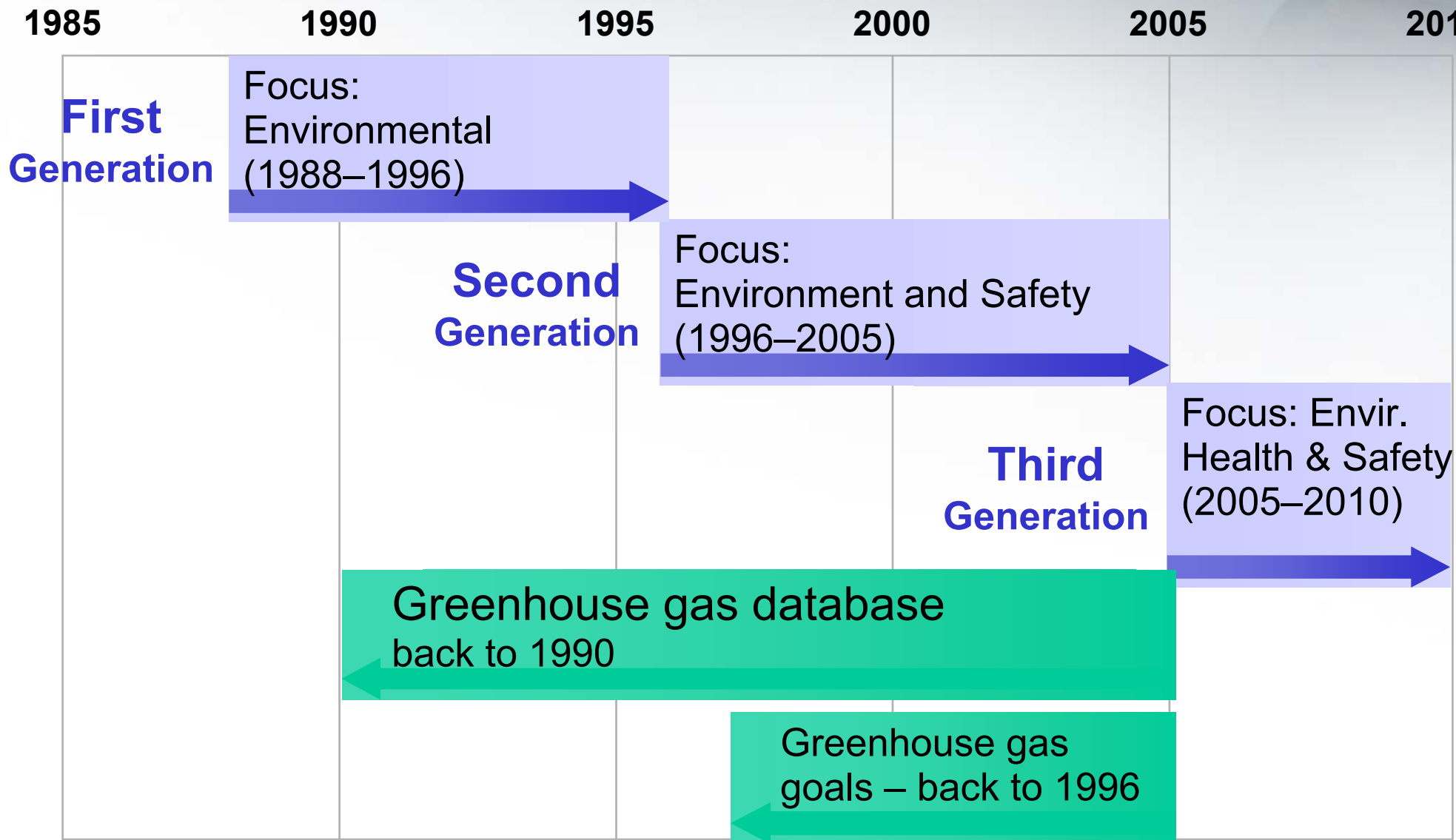
Leading Supplier of Healthcare Products



- 2004 Global Sales \$US 9.5 Billion
- 48,000 Employees
- Manufacturing in 28 Countries
- Serving Patients in 110 Countries

Baxter Goal Setting Initiatives

Environmental Health & Safety



Baxter Climate Leaders Goal



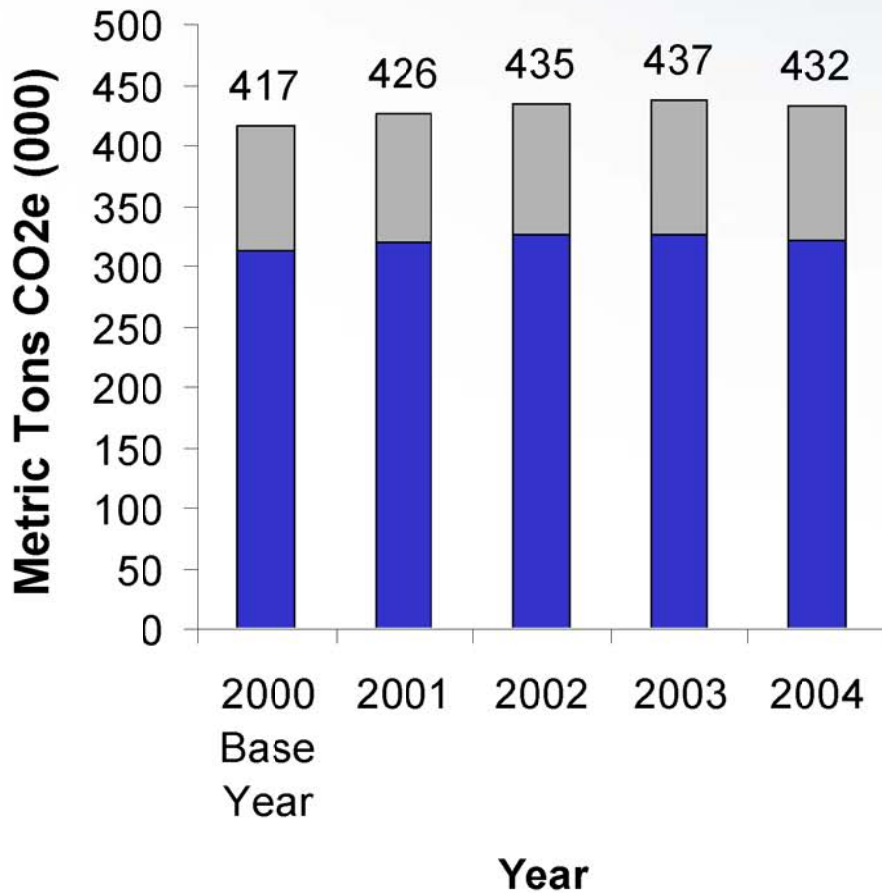
**Reduce U.S. greenhouse gas emissions
by 16% per unit of production value*
from 2000 to 2005**

*** Baxter's production value equates to annual cost of goods sold; adjusted for changes in inventory, major business acquisitions, divestitures and inflation.**

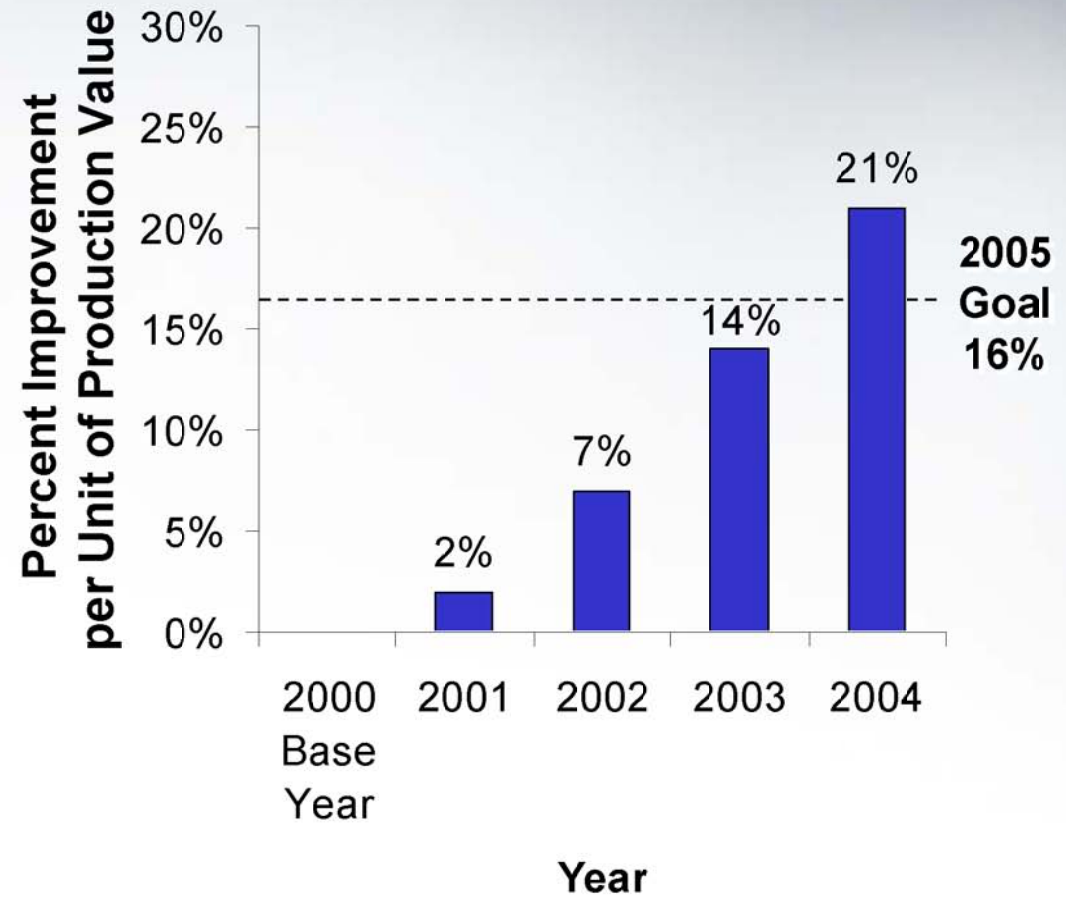
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Total U.S. GHG Emissions



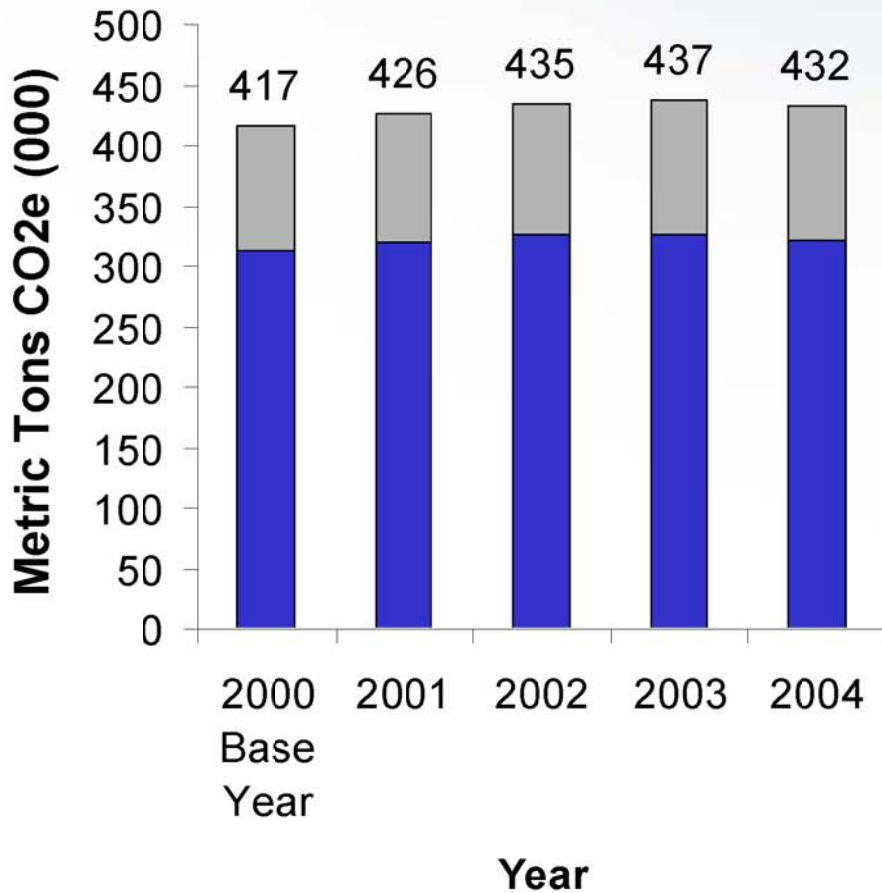
% Improvement per Unit



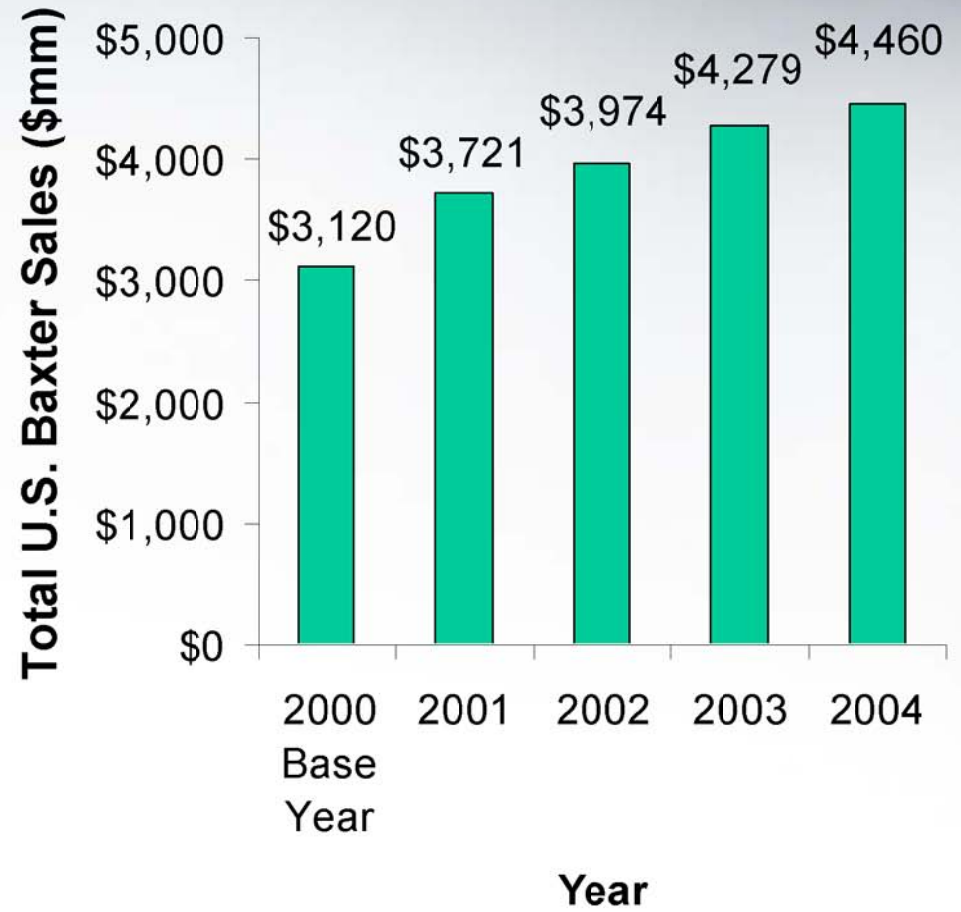
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Total U.S. GHG Emissions



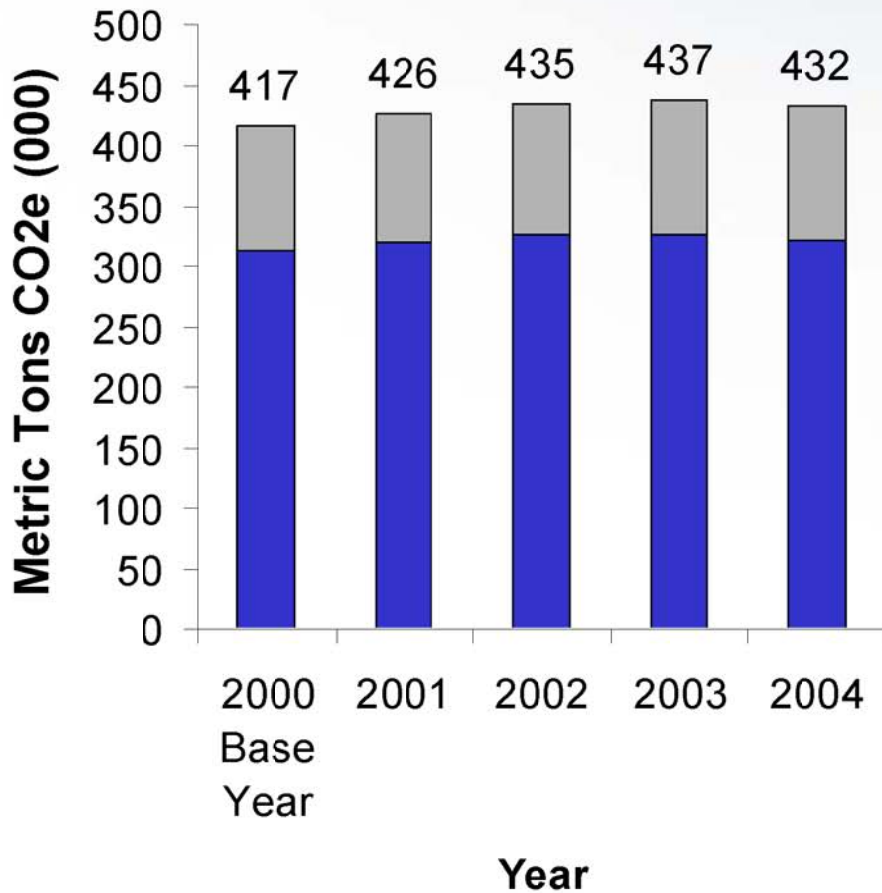
Total U.S. Baxter Sales



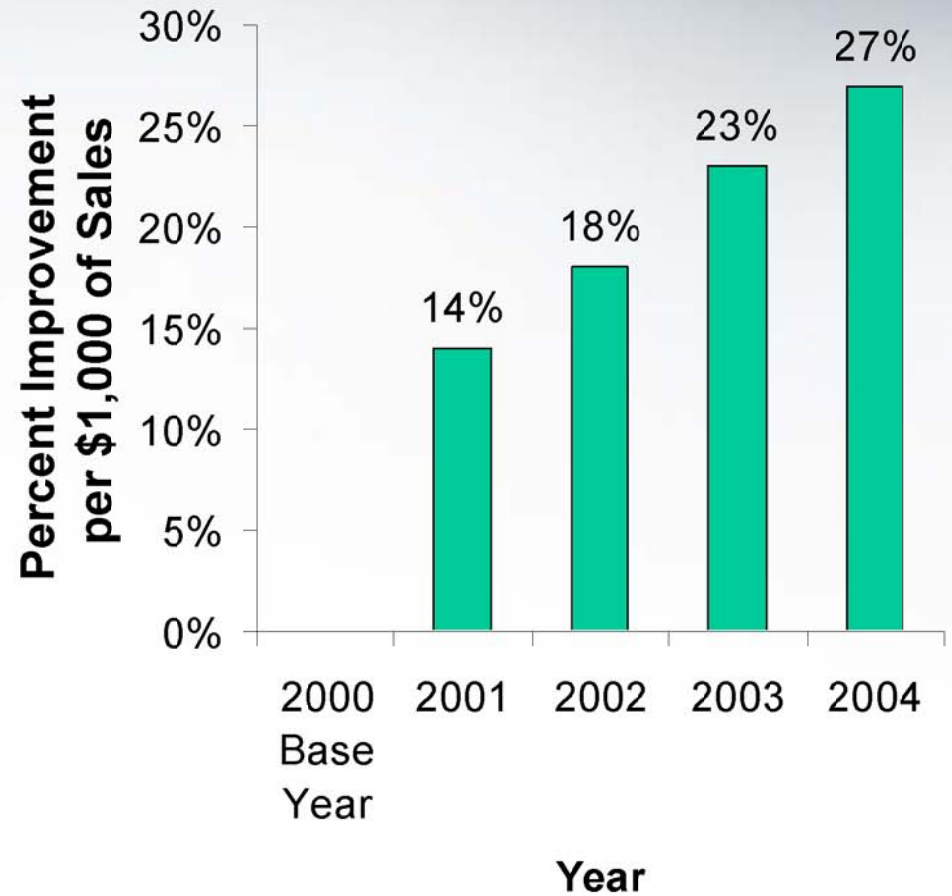
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Total U.S. GHG Emissions



% Improvement per \$1,000 of Sales



- Direct Emissions
- Indirect Emissions

Principal Drivers Helping Baxter to Meet GHG Target



- Consolidation of some manufacturing operations
- Strengthened energy management program
- U.S. sales/ cost of goods sold – grown faster than initially projected.

Challenges



- Implementing attractive energy savings projects;
 - “tight capital environmental”
 - “tight technical resource environment”
- Moving in and out of sites – keeping track
- Managing utility invoices – always recording data accurately and in a timely manner

Use of Utility Payment Services

Ex: Avista Advantage Facility IQ



- External utility invoice payment service
- Closely evaluates each invoice – Cks for errors
- Processes and pays utility invoices on time
- Enters key info into a database
- Scans in a copy of the actual invoice
- Energy and cost data can be easily accessed and managed by clients

Baxter – Representative Ongoing Climate Activities



- Focus on global energy conservation – use of best practices
- The Chicago Climate Exchange – Helping Create a Market for Greenhouse Gas Emissions Trading
- Corporate Complex (Deerfield, ILL.) evaluating purchase of “green electricity” in ‘05



Baxter San German, Puerto Rico

Piloting Solar Installations



Baxter New Plasma Collection Centers Energy Efficient “Green Buildings”



Baxter New Plasma Collection Centers Energy Efficient “Green Buildings”

