

TRANSPARENCY IN ANIMAL RESEARCH

RESOLVED, to promote transparency and minimize the use of animals, the Board is requested to issue an annual report to shareholders disclosing the number and species of all animals used in-house and at contract research laboratories; the number and species used for explicitly required tests; the number and species used in basic research and development; and the Company's plans to reduce and phase out animal testing wherever possible.

Supporting Statement:

Our Company has posted information on its website regarding its efforts to replace and reduce tests on animals that states: "Baxter supports the conscientious use of animals in research only when no other valid scientific alternative exists."¹ Yet our Company does not disclose numbers of animals, or even trends in total numbers. Multi-national companies such as Shell² and Novo Nordisk³ disclose animal use numbers and publicize their efforts to incorporate replacement methods.

Baxter develops medical devices and pharmaceuticals and has a responsibility to use the most scientifically rigorous, human-relevant methods available. Animals used in laboratory experiments experience pain, fear and stress. They spend their lives in unnatural settings – caged and deprived of companionship – and subjected to painful experiments. Undercover investigations, many based on whistleblower reports, have exposed atrocities even in accredited institutions and filmed footage shows animals being beaten and otherwise tormented and abused.⁴

In June 2010, People for the Ethical Treatment of Animals (PETA) received information from a whistleblower alleging suffering of pigs and dogs who were reportedly "screaming" as though in terrible pain in a Baxter laboratory. PETA reported this directly to our Company and was told that an internal investigation would take place. In September this response was received: "Based on the investigation, we concluded that the testing involving pigs and dogs at our Round Lake facility was being conducted in compliance with the applicable protocols and procedures and there was no basis for concern regarding animal welfare." PETA's request for more specific information was ignored.

¹ Baxter. 2009 Sustainability Report. Animal Welfare. http://sustainability.baxter.com/product_responsibility/R_D_and_design/animal_welfare.html

²Shell. Animal Testing. http://www.shell.com/home/content/environment_society/environment/product_stewardship/animal_testing

³Novo Nordisk. Animal Ethics. http://www.novonordisk.com/science/bioethics/animal_ethics.asp

⁴No undercover investigation has been undertaken at a Baxter facility though recent atrocities uncovered in a contract testing laboratory can be viewed at <http://origin.www.peta.org/tv/videos/animal-experimentation/599609536001.aspx>.

This response does not alleviate concerns about the animals. If our Company is indeed doing all in its power to replace animals, reduce their use and refine experiments to eliminate suffering, then it should offer shareholders and the public meaningful data to support this.

Given the above, our Company should concretely outline the implementation of alternatives that will safely and effectively address human health risks. We urge shareholders to vote in favor of this socially and ethically important public policy proposal.