What the Recession has taught us about Business Sustainability

Johanna C. Jobin
Sustainability Programs Manager

johanna_jobin@millipore.com
millipore.com/sustainability
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At Millipore we’re fortunate that 2009 was a time of growth, expansion, and investment in the future. It was a time to take stock of how we can make a difference on some of the world’s most pressing environmental challenges—and how we can play a leadership role within a life science industry that is rapidly globalizing. It was also a time to recommit ourselves to an even more sustainable future, both as a company and a member of the global community.

-Martin Madaus, Chairman, CEO, and President
What the Recession has taught us about Business Sustainability

- Increase Efficiency
- Decrease Waste
- Invest in People
- Drive Innovation
Millipore at a Glance

• Over $1.6B
• ~6,000 employees worldwide
• Offices in more than 31 countries.
• R&D, Manufacturing, Distribution, Office
• Headquartered in Billerica, MA

Millipore’s products and services help our customers in biotechnology, life science, and pharmaceutical industries discover, develop, scale up and manufacture novel therapeutic compounds.
Jaffrey, NH: Center of Excellence

• Strategic Focus:
  – Bioprocess filter devices, UF Membrane

• Operational Focus:
  – Manufacturing, Lab, Warehouse

• Total Employees: 495

• Size: 255,000 Sq. Ft.
Our Sustainability Vision

Millipore’s operations will become environmentally sustainable in the long-term by dramatically reducing the consumption of non-renewable resources, reducing waste and adopting behavioral changes that support sustainability company wide.
Increase Efficiency: Energy Efficiency

- 11% reduction in global energy use since 2006
- 15% reduction in electricity use since 2006
- 30% reduction in natural gas use from optimized boilers
- 2 LEED® project certifications
- YTD ~4% reduction in global energy use
- YTD 2 million kWhs saved
# Increase Efficiency: Energy Measures

<table>
<thead>
<tr>
<th>Project Category</th>
<th>kWh Savings</th>
<th>Annual Cost Savings</th>
<th>Net Cost</th>
<th>Simple Payback (Yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>HVAC Projects</td>
<td>2,322,280</td>
<td>$209,432</td>
<td>$598,507</td>
<td>2.86</td>
</tr>
<tr>
<td>Lighting Upgrades</td>
<td>514,441</td>
<td>$70,745</td>
<td>$166,521</td>
<td>2.35</td>
</tr>
<tr>
<td>Motor Upgrades</td>
<td>210,154</td>
<td>$29,374</td>
<td>$40,635</td>
<td>1.38</td>
</tr>
<tr>
<td>Compressed Air</td>
<td>271,443</td>
<td>$31,973</td>
<td>$29,000</td>
<td>0.91</td>
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<tr>
<td>Appliance Upgrades</td>
<td>182,171</td>
<td>$25,039</td>
<td>$83,301</td>
<td>3.33</td>
</tr>
<tr>
<td>Building Envelope</td>
<td>1,314,235</td>
<td>$71,558</td>
<td>$288,833</td>
<td>4.04</td>
</tr>
<tr>
<td>Renewable Energy</td>
<td>351,009</td>
<td>$49,280</td>
<td>$511,689</td>
<td>10.38</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,165,734</strong></td>
<td><strong>$487,401</strong></td>
<td><strong>$1,718,486</strong></td>
<td><strong>3.53</strong></td>
</tr>
</tbody>
</table>
# Increase Efficiency: Electricity Savings

<table>
<thead>
<tr>
<th>Year</th>
<th>Electricity (1000) Gigajoules</th>
<th>Revenue (M USD)</th>
<th>Gigajoules / USD</th>
<th>Intensity Change vs. 2006</th>
<th>Electricity Reduction vs. 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>404</td>
<td>$1,255.40</td>
<td>0.32</td>
<td></td>
<td>-2%</td>
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<tr>
<td>2007</td>
<td>395</td>
<td>$1,531.60</td>
<td>0.26</td>
<td>-20%</td>
<td>-2%</td>
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<tr>
<td>2008</td>
<td>364</td>
<td>$1,602.10</td>
<td>0.23</td>
<td>-29%</td>
<td>-10%</td>
</tr>
<tr>
<td>2009</td>
<td>342</td>
<td>$1,654.40</td>
<td>0.21</td>
<td>-36%</td>
<td>-15%</td>
</tr>
</tbody>
</table>

1 Gigajoule = 237 kWh  
1 house = 36 Gigajoules/yr

Electricity Cost Savings since 2006 $2,060,880
Increase Efficiency: Water Reuse

- 22% reduction in global water use since 2006
- Optimized water reuse and recycling project in Jaffrey
- More than $1 million cost savings in reduced wastewater
- ~90 million gallons water recycled from 2003-2009
- Water use has decreased per unit of production
Decrease Waste: Lean Six Sigma

- Increase the speed and quality of processes by eliminating waste
- Develop a flexible supply chain responsive to customer needs
- Decreased scrap rate from 3% to 1% between 2004 and 2008
- Invest in our people:
  - 468 Trained Belts
  - 149 Certified Green Belts
  - 32 Certified Black Belts
Invest in People: Magnet for Talent

• Goal to become a Magnet for Talent
  - Talent for Innovation Strategy
• 38% increase in professional skills training since 2008
• 70 employees enrolled in flexible workplace program
• Launched sustainable incentive programs
  - Energy audits, solar installations, hybrid vehicles
Drive Innovation: Design for Sustainability

- Sustainability scorecard for products
- Conduct life cycle assessments
- Provide training to designers
- Use of biodegradable plastics
- Partner with customers and suppliers
  - CDP Supply Chain Member
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