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BAXTER PUBLISHES 2019 CORPORATE RESPONSIBILITY REPORT, HIGHLIGHTING EFFORTS TO MAKE A MEANINGFUL DIFFERENCE AS A LEADING GLOBAL CORPORATE CITIZEN

Progress toward corporate responsibility goals demonstrates continued value creation across environmental, social, economic and governance priorities

DEERFIELD, Ill., JUNE 25, 2020 – Baxter International Inc. (NYSE:BAX), a leading global medical products company, today released its [2019 Corporate Responsibility Report](#). The report, published annually, details progress towards realizing the company's Corporate Responsibility priorities and goals, including driving the sustainability of products and operations, improving access to care for the underserved and fostering a best place to work. The report published today includes developments made in 2019 related to Baxter's current set of five-year goals, which will conclude at the end of 2020.

"Baxter has been defined and guided by a dedication to corporate responsibility for decades," said José (Joe) E. Almeida, chairman and chief executive officer. "While this report focuses on our corporate responsibility efforts in 2019, its release comes amid ongoing historic developments in public health and social justice. Consistent with our values as a corporate citizen, we continue to do everything we can to support the patients, clinicians and communities that depend on us. I salute the passion and determination of Baxter employees around the world, who power our focus on creating lasting social, environmental and economic value for our diverse stakeholder base. This unwavering dedication is reflected in our 2019 Corporate Responsibility Report."

Highlights of the 2019 report include:

Driving Sustainability of Products and Operations

- Baxter continues to enhance sustainability across its operations. Notably, the company has reduced absolute greenhouse gas emissions by 15% since 2015, exceeding its goal of a 10% decrease by 2020. Additionally, as of the end of 2019, Baxter is participating in green transport partnerships across the three regions in which it operates, achieving the company's goal for global expansion. This includes participating in the U.S. Environmental Protection Agency's SmartWay program as both a carrier and a shipping partner, and working with UPS to offset shipping outside of the United States using carbon credits.
- The company is also committed to improving the sustainability of its products, including how products are made, shipped and recycled. In 2019, Baxter launched two new products that reduced material use by at least 15% compared to those currently on the market, and eliminated 385 metric tons of packaging material from products shipped to customers. The company also increased the number of hospitals and facilities with recycling programs for some of Baxter's products from 259 in 2018 to 349 in 2019.

Improving Access to Care for the Underserved

- In 2019, the Baxter International Foundation implemented a new strategy to emphasize larger-scale, multiyear partnerships to help enhance quality healthcare in underserved communities globally. Inspired by the success of its partnership with Direct Relief to support "Driving Your Health"—a free mobile medical program that benefitted more than 866,000 people throughout greater Mexico City by the conclusion of its three-year grant—the Foundation invested nearly \$3 million to launch two multiyear signature partnerships in 2019. The new programs are [advancing safe surgery for cleft conditions](#) in India with Operation Smile and [promoting nutrition to support diabetes prevention](#) across the United States with Direct Relief. These programs are expected to impact the lives of hundreds of thousands of beneficiaries over three years.
- Targeted product donations are another way Baxter helps ensure patients around the world have access to its products. In 2019, Baxter donated products valued at nearly \$17 million to trusted partners. Baxter products were distributed in 71 countries in response to natural disasters and to support ongoing humanitarian aid and medical missions. These donations

were made as part of the company's manufacture-to-donate strategy, an industry best practice, which launched in 2016 to enable sustained availability of product for humanitarian needs.

- To improve access to care for patients with chronic kidney disease (CKD), Baxter Renal Care Services clinics around the world function as outpatient dialysis clinics and centers of excellence to support patients through CKD management and dialysis therapy. In 2019, Baxter opened a new clinic in Chengdu, China in partnership with a major local medical device supplier; local authorities recognized this as one of the most important foreign investments in the area's healthcare sector. Furthermore, a pilot clinic Baxter launched in 2018 in rural Indonesia was the fastest growing peritoneal dialysis program in the country at the end of 2019.

Fostering a Best Place to Work

- Baxter continues to advance its inclusion and diversity strategy in its workforce, workplace, communities and marketplace. In 2019, Baxter remained at or above external benchmarks for women (globally) and ethnic minority (in the United States) representation at most career levels and the company is working to close representation gaps at the executive level. In response to continued displays of racial injustice toward the Black community in the U.S., Baxter's senior leadership team made [a public commitment](#) in June 2020 to continue to stand up against racial prejudice and intolerance
- Baxter aspires to be a zero-harm workplace and instill a culture of safety. In 2019, the company achieved its lowest ever recordable rate for illness or injury, 0.39, a 5% improvement from 2018 and a 49% improvement from the 2015 baseline. In a comparison of 32 global companies across all industries, Baxter ranked in the top 25% for lowest total recordable incident rate, achieving its goal. The company also launched a new global safety program in 2019, BeSafe@Baxter, to drive and personalize safety for employees.

Baxter has been recognized for its leadership in corporate responsibility by numerous organizations and publications globally, including being highlighted as an employer of choice, as a company that works to nurture an inclusive and diverse workplace, and as a socially and



environmentally responsible business. A list of recognition highlights can be found within the 2019 report.

As Baxter nears the conclusion of its five-year 2020 Corporate Responsibility priorities and goals, the company is proactively evaluating its reporting approach to more strongly align with disclosure frameworks and the guidance of additional sustainability standards and reporting organizations, including the United Nations Sustainable Development Goals (UN SDGs), the Sustainability Accounting Standards Board (SASB) and science-based carbon targets. Baxter intends to announce its 2025 Corporate Responsibility priorities and goals later this year.

About Baxter

Every day, millions of patients and caregivers rely on Baxter's leading portfolio of critical care, nutrition, renal, hospital and surgical products. For more than 85 years, we've been operating at the critical intersection where innovations that save and sustain lives meet the healthcare providers that make it happen. With products, technologies and therapies available in more than 100 countries, Baxter's employees worldwide are now building upon the company's rich heritage of medical breakthroughs to advance the next generation of transformative healthcare innovations. To learn more, visit www.baxter.com and follow us on [Twitter](#), [LinkedIn](#) and [Facebook](#).

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