

Baxter Healthcare UK Labour Standards Policy

Baxter International, Inc. (Baxter) provides a broad portfolio of essential renal and hospital products, including home, acute and in-centre dialysis; sterile IV solutions; infusion systems and devices; parenteral nutrition; biosurgery products and anaesthetics; and pharmacy automation, software and services. We understand the responsibility we bear towards our customers, employees and the communities in which we operate and that may be impacted by our operations.

1. Purpose and rationale of this policy

This policy aims to provide clarity to our employees, customers, suppliers, investors and other stakeholders concerning Baxter Healthcare UK's commitment and approach to respecting human rights and labour standards throughout our direct operations (where we respect and promote labour standards through our own employment policies and practices) and our supply chain.

2. Baxter's understanding of and commitment to Labour Standards

Baxter's global mission is to save and sustain lives. As such, Baxter Healthcare UK is committed to respecting all internationally proclaimed human rights and operates in accordance with the International Bill of Human Rights (made up of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights) as well as with the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. The UK Labour Standards Policy aims to align with internationally recognised labour standards in relation to:

- o Child labour
- o Forced/compulsory/ bonded labour
- Non-discrimination
- Non-harassment
- o Living wage and benefits
- Equal Pay / Gender Pay Gap
- Working hours/ Working conditions
- o Freedom of association / Collective Bargaining
- o Human Rights

3. Policy scope, responsibilities and Director-level support

The scope of this policy relates to the management of labour standards relating to employees and staff within Baxter Healthcare UK and workers within our global supply chains as identified and managed by Baxter's global Supplier Sustainability programme. UK Human Resources supports the implementation of this policy via practices agreed and approved via the UK Senior Management team.

This policy is designed to be used as a signposting document to outline Baxter's approach to managing labour standards at country level and should also be used in conjunction with local Country HR policies. It should also be used in conjunction with Baxter's Global Code of Conduct, Global Human Rights Policy, and Ethics and Compliance Standards for Suppliers.



4. Commitment to comply with law and global standards

Baxter is committed to ensuring its operations are compliant with the laws concerning labour and human rights in the countries where we operate. Baxter Healthcare UK is also committed to upholding the ILO core labour standards; provided, they are not explicitly prohibited by applicable national law. Where national law restricts the implementation of internationally recognised standards, we will endeavour to uphold the principles of these standards through our actions. Where national law imposes more stringent requirements, we will ensure compliance with those requirements while respecting the content of this policy.

5. Expectations of our suppliers

Baxter recognises that our responsibility for human rights and labour conditions encompasses our supply chain, and it is our goal that the working conditions throughout our supply chain meet internationally accepted standards for human rights and working conditions. Baxter suppliers are also expected to adhere to Baxter's Ethics and Compliance Standards for Suppliers. We monitor selected suppliers based on internal risk assessment, audit findings and mitigation activity plans. We reserve the right to terminate supplier relationships where mitigation efforts have not yielded expected improvement in performance or compliance.

6. Communication of our Labour Standards policy

This policy will be made available to external stakeholders on our UK website and will be communicated to internal employees on our UK Intranet. Training that supports labour standards is delivered through Baxter's Employee 'Code of Conduct' training, at induction and annually.

7. Promoting ethical conduct and reporting concerns

Baxter Healthcare UK is committed to promoting ethical conduct and legal compliance with our own employees and operations as well as throughout our supply chain, including to our suppliers and contractors worldwide. Baxter aims to foster an environment of open communication where concerns can be expressed through local forums and also freely through the company's Ethics and Compliance Helpline at: corporate_responsibility_office_deerfield@baxter.com or by telephone 24 hours a day, seven days a week, in 150 languages at +001-877-229-8373.

8. Commitment to policy review process

Baxter Healthcare is committed to continually improving its Labour Standards in line with this policy. The policy will be reviewed on an annual basis to ensure its continuing focus, relevance, and alignment to the legal requirements in the jurisdictions where we operate, and senior management is responsible for making adequate resources available to ensure the continued adherence to this policy and the external standards (laws and guidance) which apply.

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