



FOR IMMEDIATE RELEASE

SEMICONDUCTOR CHIP SHORTAGE IS IMPACTING PATIENT CARE GLOBALLY

*Chip manufacturing for medical devices should
be prioritized to protect healthcare access*

DEERFIELD, ILL., AUGUST 11, 2022 – Baxter International Inc. (NYSE:BAX), a global medtech leader, and its suppliers have been impacted by shortages of electromechanical components, including semiconductor chips, used in many of its products. Several of the company’s critical products require multiple chips per device, including infusion pumps, patient monitoring systems and continuous renal replacement therapy systems. For example, the company’s **Spectrum IQ** infusion system, which is built in Medina, New York, requires approximately 70 chips per pump.

“Healthcare providers and patients depend on Baxter’s life-saving products, whether in the hospital setting, physician’s office or at home,” said José (Joe) E. Almeida, Baxter’s chairman, president and chief executive officer. “We are asking our suppliers to prioritize chip manufacturing for medical devices, given the critical role they play in patient care around the world.”

The chip shortage is directly impacting healthcare providers, who are having to wait longer to receive needed devices or are being turned away because the company cannot secure enough chips to make products with strong demand. Throughout 2022, the company has been forced to stop production entirely or idle manufacturing lines at some facilities due to component shortages. Baxter estimates that global production levels have been reduced by 20 to 80%, depending on the product, at various points throughout this year.

The company has taken a number of actions to help mitigate the impact, including working closely with its suppliers to get the components needed to continue production, securing additional quantities of components on the open market and validating additional suppliers where possible.

The company has received support from Senator Chuck Schumer and the U.S. Department of Health and Human Services (HHS), which issued a letter in June reinforcing that certain Baxter products are critical to patient care and should be prioritized from manufacturing and component



supply perspectives. In addition, the passage of the CHIPS and Science Act by the U.S. Congress is an important effort to bolstering American production of chips.

About Baxter

Every day, millions of patients, caregivers and healthcare providers rely on Baxter's leading portfolio of diagnostic, critical care, kidney care, nutrition, hospital and surgical products used across patient homes, hospitals, physician offices and other sites of care. For 90 years, we've been operating at the critical intersection where innovations that save and sustain lives meet the healthcare providers who make it happen. With products, digital health solutions 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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