

2022 CORPORATE RESPONSIBILITY REPORT

MAKING A MEANINGFUL DIFFERENCE





PHOTO: UNICEF Colombia, 2022, Santiago Franco

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Apex Companies, LLC (Apex) verified Baxter’s Scope 1, 2 and 3 greenhouse gas emissions. See [verification statement](#). Apex also assured the following sections of the report. See the assurance statements in [English](#) and [Spanish](#).

- Achieve Carbon Neutrality for Direct Operations by 2040
- Implement Strategic Water Management Plans
- Advance Sustainable Procurement
- Implement Strategic Materials and Waste Management Plans
- Achieve Top Quartile Workplace Safety Performance

- Protecting Human Rights in Our Supply Chain subsection of Human Rights
- Supplier Diversity subsection of Diversity, Equity and Inclusion
- Related material in the Appendix: [Data Summary](#); [Value Chain Energy Usage and GHG Emissions](#); [Facilities with ISO 14001, ISO 45001, ISO 50001 and Green Building Certifications](#); [Additional Disclosures](#)

Most of the financial data included in the [Data Summary](#) are taken from the audited consolidated financial statements contained in the [Baxter International Inc. 2022 Annual Report on Form 10-K](#). These financial statements are audited by Baxter’s independent registered public accounting firm, PricewaterhouseCoopers LLP.



From the Chairman, President and CEO

Since Baxter's founding more than nine decades ago, we have continued to transform our scale, scope and aspirations to better serve our stakeholders—from the patients and clinicians that rely on us to the communities where we live and work.

This drive was evident at the start of 2023 as we announced an array of initiatives to help redefine and strengthen our trajectory in a shifting healthcare landscape. These actions included the proposed spinoff of our Renal Care and Acute Therapies (Kidney Care) businesses into an independent, publicly traded company, and the move to a fully revamped operating model that we are in the process of implementing, all centered on sparking heightened innovation, better navigating our environment and bringing us closer to our customers.¹ These efforts were launched barely a year after our acquisition of Hillrom, which itself greatly expanded our portfolio and capabilities as a medtech leader.

Our transformative spirit is fueled by underlying values that remain foundational and unwavering, rooted in our Mission to Save and Sustain Lives and our commitment to responsible corporate citizenship.

Our 2030 Corporate Responsibility Commitment and Goals, launched in 2021, represent a framework to help create lasting environmental, social and economic value across three critical pillars: Empower Our Patients, Protect Our Planet and Champion Our People and Communities. Each has a set of clearly stated initiatives, financial support and governance measures to help ensure progress and accountability. In 2022, we made progress toward our goals, and you can find many noteworthy milestones throughout this report.

Among the year's highlights, Baxter:

- Completed more than 160 energy conservation projects, helping avoid an estimated 10,600 metric tons CO₂e of greenhouse gas (GHG) emissions for the year, in addition to completing three new on-site solar installations that are expected to reduce GHG emissions by approximately 1,400 metric tons CO₂e annually
- Achieved 16.4% year-over-year improvement in manufacturing process capability for prioritized products by reducing the rate of leaks for sterilized solutions and sets
- Made \$51 million in philanthropic investments to benefit underserved communities through Baxter and the Baxter International Foundation
- Continued to advance ACT: Activating Change Today, our multidimensional effort to promote racial justice, by investing in scholarships supporting students at Historically Black Colleges and Universities, community engagement, healthcare equity programs and the attraction and development of diverse talent
- Conducted a new "materiality assessment" to help ensure that Baxter's corporate responsibility focus areas continue to evolve with stakeholder priorities
- Announced plans to publish our first report aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework, in a stand-alone publication in 2023

Our commitment to the global community is also demonstrated by how Baxter and the Baxter International Foundation respond to natural disasters and other humanitarian emergencies. We support relief efforts through product donations and financial assistance, plus the commitment of employees who go above-and-beyond to maintain patient access to our life-sustaining therapies

and volunteer their time to help. Included among our 2022 efforts, Baxter engaged in a multitiered response to the war in Ukraine, including substantial grants to support the work of organizations on the scene. More recently, we responded swiftly following the devastating February 2023 earthquake in Turkey and Syria, supporting disaster relief with cash grants and product donations managed through our humanitarian partners Direct Relief and Americares.

Thanks to the focus and determination of our colleagues globally, Baxter continues to be cited frequently as a corporate responsibility leader. Among 2022 recognitions, Baxter was named to 3BL Media's list of the 100 Best Corporate Citizens and JUST Capital's America's Most JUST Companies. We are also proud to be included on the FTSE4Good Index series and S&P Global's Dow Jones Sustainability Indices (DJSI)—both DJSI World and DJSI North America.

Looking ahead, as we prepare to update facets of our corporate responsibility goals in line with our evolving business portfolio and profile, our underlying commitment holds firm. The Baxter team is dedicated to doing business the right way, and in line with our corporate responsibility priorities. I salute our Baxter employees around the world, whose passion powers our performance as a healthcare leader and responsible corporate citizen.

JOSÉ (JOE) E. ALMEIDA

Chairman, President and Chief Executive Officer

Company Profile

Every day, millions of patients, caregivers and healthcare providers rely on Baxter’s leading portfolio of essential healthcare products, therapies and digital health solutions used across the care continuum. Everything we do converges at the critical intersection where products that save and sustain lives meet the healthcare professionals and caregivers who make it all happen. Operating at this intersection has kept Baxter at the industry forefront for more than 90 years. We have a longstanding commitment to research and development (R&D) and a rich history of medical firsts, from the first commercially manufactured intravenous (IV) solutions to the first portable kidney dialysis machine, and many more.

Bolstered by the acquisition of Hillrom in December 2021,¹ our broad portfolio enables us to meet health systems, clinicians or patients wherever they are in their journey and better understand their diverse and critical needs along the way. Our portfolio includes acute and chronic dialysis therapies; sterile IV solutions; infusion systems and devices; parenteral nutrition therapies; inhaled anesthetics; generic injectable pharmaceuticals; surgical hemostat, sealant and adhesion prevention products; advanced surgical equipment; smart bed systems; patient monitoring, communication platforms and diagnostic technologies; and respiratory health devices.

Our mission is to save and sustain lives. To achieve this, we aim to transform healthcare by helping to improve patient outcomes, enhance workflow efficiency and enable cost-effective care.

Our approach to corporate responsibility supports our company’s goals to achieve top quartile results relative to industry peers and other comparators across four dimensions:



Patient safety and Quality



Best place to work



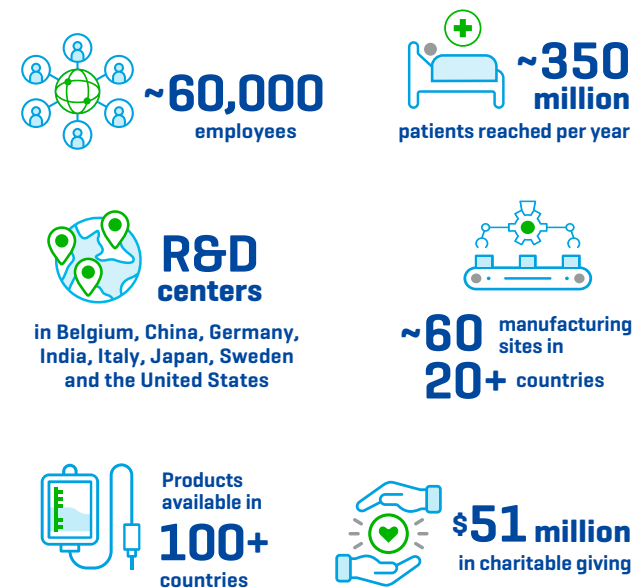
Growth through innovation



Industry-leading performance

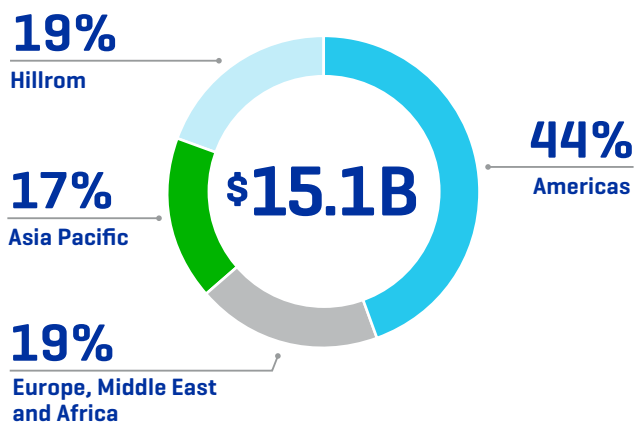
COMPANY OVERVIEW, 2022*

Corporate headquarters: Deerfield, Illinois, United States



* As of Dec. 31, 2022.

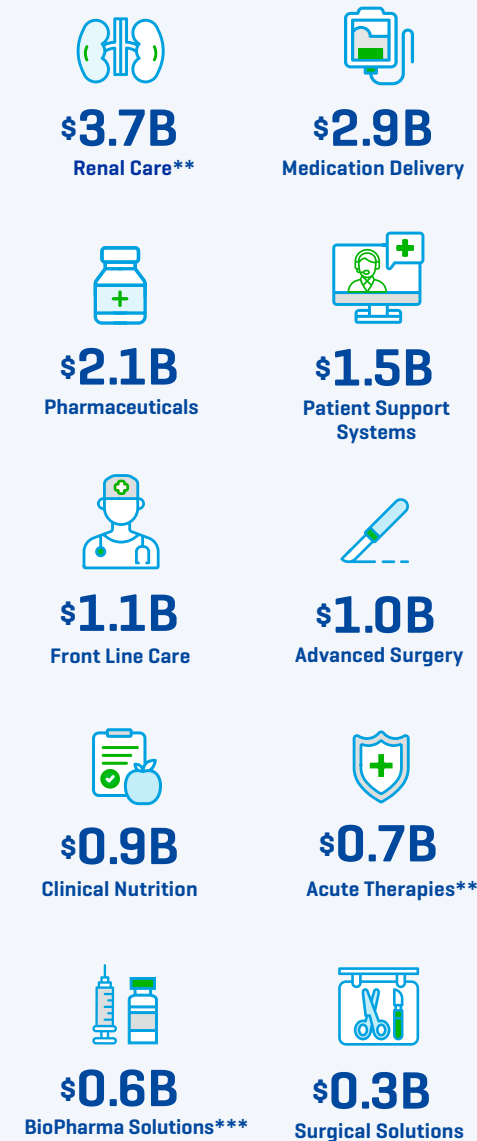
REVENUE BY SEGMENT, 2022*



*Sales and related figures represent fiscal year 2022. Percentages do not add up to 100% due to rounding.

Learn more about our financial performance in the [Baxter 2022 Annual Report on Form 10-K](#).

REVENUE BY PRODUCT CATEGORY, 2022*



* Sales and related figures represent fiscal year 2022.
** On January 6, 2023, Baxter announced its intention to spin off the company’s Renal Care and Acute Therapies global business units into an independent, publicly traded company.
*** On May 8, 2023, Baxter signed a definitive agreement to divest its BioPharma Solutions (“BPS”) business. Closing of the transaction remains subject to satisfaction of customary closing conditions, including regulatory approvals.

INNOVATION

We are focused on developing powerful and practical innovations intended to transform healthcare.

We believe transformation starts with compassion for the challenges our customers and patients face every day. We innovate to turn those challenges into opportunities, offering intuitive technology that clinicians can use to individualize care for each patient.

In 2022, Baxter invested more than \$600 million in R&D. Our robust product pipeline is designed to help clinicians be more efficient and effective as they treat patients across multiple care settings, including hospital bedsides, operating rooms, intensive care units, dialysis clinics, physicians’ offices and patients’ homes. For example, we are expanding availability of our new infusion pump platform to additional markets. In addition, while proposed new product launches are subject to obtaining all required regulatory approvals and clearances, we are preparing to introduce several innovations to help improve care for patients around the world, including digital health solutions for the hospital and home, a next-generation airway clearance therapy, a new platform for intelligent alarms, a next-generation smart bed platform, new developments in home dialysis technology, generic injectables, drug delivery offerings, complex pharmaceutical formulations and more.

Innovation is also essential to driving progress toward our 2030 Corporate Responsibility Goals. Through a multifaceted approach, we are working to access new markets and reach more kidney patients in developing countries. By transitioning toward a more circular approach to making and delivering products, we strive to meet rapidly evolving market demands, reduce waste and maximize materials value throughout the product life cycle. These examples and many others are included throughout this report.

CORPORATE RESPONSIBILITY COMMITMENT

Baxter is committed to addressing the environmental, social and governance topics impacting our patients and employees and the diverse communities we serve worldwide.



Corporate Responsibility Commitment

Baxter's mission to save and sustain lives extends beyond the products, therapies and services we offer. We are driven by the possibility of making a meaningful difference in the world—not just today, but for generations to come. This is why our approach to corporate responsibility is grounded in creating a more sustainable and responsible business model with innovations in healthcare at the core.

We are currently focused on our 2030 Corporate Responsibility Commitment and Goals, which strive to create comprehensive and lasting value by empowering our patients, protecting our planet and championing our people and communities.

These pillars are bolstered by strong governance and cross-cutting commitments to responsible practices across our business.

With more than 30 years of reporting on our environmental performance, we have consistently broadened and enhanced our reporting on the environmental, social and governance (ESG) topics that are priorities for Baxter and our stakeholders. For example, since 2019, we have published an annual [Sustainability Accounting Standards Board \(SASB\) Index](#) in alignment with the Medical Equipment and Supplies Sustainability Accounting Standard. Additionally, we intend to report against the framework established by the Task Force on Climate-related Financial Disclosures (TCFD) beginning later this year (likely as part of a stand-alone and subsequently published supplement to this

Corporate Responsibility Report). Disclosing a broad range of ESG metrics enables rating and ranking organizations to accurately assess our programs and performance. See [Recognition](#) for detail.

Performance Goals

Our 2030 Corporate Responsibility Commitment features 10 goals for prioritized action. Setting goals across a broad range of ESG topics demonstrates our commitment, reinforces accountability and helps to drive ongoing improvement. This report discloses progress toward [Baxter's 2030 Corporate Responsibility Goals](#). Unless stated otherwise, the 2022 content and data in this report reflect the integration of the Hillrom business, which we acquired in December 2021.

United Nations Sustainable Development Goals

We are proud to affirm our support for the United Nations Sustainable Development Goals (UN SDGs) and 2030 Agenda—a global blueprint for achieving a more sustainable future. While our business and corporate responsibility initiatives align with many of the UN SDGs, we focus especially on the following:



GOAL 3:
Good Health and Well-Being



GOAL 6:
Clean Water and Sanitation



GOAL 12:
Responsible Consumption and Production

PHOTO CREDIT: UNICEF Colombia, 2023, Josué Mejía

BAXTER CORPORATE RESPONSIBILITY PILLARS AND CROSS-CUTTING COMMITMENTS



Corporate Responsibility Governance and Management

ESG matters receive strategic guidance and oversight at the highest levels of the company, including Baxter's Chairman and Chief Executive Officer, Operating Committee and the Board of Directors (Board).

BOARD OF DIRECTORS OVERSIGHT

Baxter's [Board of Directors](#) plays a critical role in corporate responsibility oversight. The full Board is regularly updated on corporate responsibility matters, including our goals and industry trends. The Board's [Quality, Compliance and Technology \(QCT\) Committee](#) and [Nominating, Corporate Governance & Public Policy \(NCGPP\) Committee](#) share oversight for ESG-related matters, with the QCT Committee focused on topics related to environmental sustainability and compliance and the NCGPP Committee focused on other aspects of corporate responsibility, including charitable contributions, public policy, access to healthcare and other social and governance matters. As of February 2023, the Board's Compensation and Human Capital Committee has assumed responsibility for certain human capital management matters, including oversight for succession planning for key members of management (other than the Chairman, President and CEO), leadership development and diversity, equity and inclusion initiatives.

CORPORATE RESPONSIBILITY STEERING COMMITTEE

With the inauguration of our 2030 Corporate Responsibility Commitment and Goals, we launched an executive cross-functional Corporate Responsibility Steering Committee to provide direction and oversight to our ESG initiatives and set and advance our corporate responsibility strategy and culture. This committee meets or receives updates quarterly to monitor policies, action plans and strategies as well as other matters of significance to the company's reputation as a socially responsible organization. It provides guidance to Baxter's Corporate Responsibility Council.

GOVERNANCE AND MANAGEMENT OF CORPORATE RESPONSIBILITY AT BAXTER



CORPORATE RESPONSIBILITY COUNCIL

Baxter's Corporate Responsibility Council is composed of cross-functional leaders and representatives. The Council's role is to:

- Track progress toward our 2030 Corporate Responsibility Commitment and Goals and deliver regular updates to the Corporate Responsibility Steering Committee, select members of Baxter's Operating Committee and our Board of Directors—helping to ensure high standards of accountability
- Solicit and review stakeholder input on Baxter's corporate responsibility programs, priorities, goals and disclosures, as well as broader industry trends
- Lead Baxter's "[materiality assessment](#)"¹ to validate the direction and focus of our corporate responsibility and ESG programs

SENIOR LEADER ACCOUNTABILITY

To drive further accountability, the individual performance assessment under the Annual Incentive Plan for our Operating Committee is determined in connection with an assessment of Baxter's performance against pre-established measures for strategic priorities, including those related to ESG.

For example:

- Patient safety and quality, including product safety and quality systems
- Best place to work, including diversity in the workforce, culture, talent, [Baxter's ACT: Activating Change Today](#) initiative to fight racial injustice, and environmental, health and safety measures
- Growth through innovation, including our ongoing digital transformation and innovative ecosystem

Executive leaders are also assigned to each of our 2030 corporate responsibility goals to ensure the accountability of cross-functional teams responsible for achieving the goals. [Learn more.](#)

CORPORATE GOVERNANCE RESOURCES

Visit Baxter's [Our Governance](#) webpage for information and links related to:

- Corporate Governance Guidelines
- Board of Directors, Committees and Committee Charters
- Code of Conduct
- Securities Trading Policy
- Ethics and Compliance Helpline

Our [Ethics and Compliance](#) webpage includes links to additional standards and policies for our employees and suppliers that help us drive a culture of integrity and ethical behavior.

Stakeholder Engagement

Baxter collaborates with a broad range of stakeholders—including communities, customers, employees, healthcare providers, industry associations, investors, NGOs, patients and patient advocacy groups, payers, regulators/policymakers and suppliers—to understand their perspectives and inform how we address our 2030 Corporate Responsibility Commitment and Goals as well as our cross-cutting commitments. We routinely engage with our primary stakeholder groups, including through professional membership associations, to assess the ESG topics that are most relevant to our business.

STOCKHOLDER ENGAGEMENT

As part of the company's corporate governance outreach program, members of Baxter's management team and members of the Board, including the company's Lead Independent Director and the Chair of the NCGPP Committee, engage with investors on a range of topics. In the fall of 2022, the company engaged in discussions with stockholders representing approximately 40% of the company's outstanding shares (calculated as of Dec. 31, 2022). Topics discussed included company strategy and performance, the continued integration of Hillrom, corporate governance matters (including board composition, diversity and refreshment), the Board's leadership structure, executive compensation and corporate responsibility initiatives. Stockholder feedback was shared with the full Board and relevant committees.

Materiality¹

To understand and prioritize topics that are important to the long-term sustainability of our business and most relevant to our stakeholders, we periodically conduct assessments that are commonly referred to as “materiality assessments.” These analyses (which may differ from those conducted for financial statement or other disclosure purposes) inform our corporate responsibility strategy, commitment and goals.

In 2022, we worked with an external consultant to conduct a new materiality assessment. The objectives of this analysis were to help Baxter to assess our approach to corporate responsibility following the acquisition of Hillrom in late 2021 and to align with the evolving interests of Baxter and our stakeholders. We developed an initial list of ESG topics relevant to Baxter, based on leading disclosure frameworks and peers’ ESG reports and other disclosures. Interviews were conducted with more than 20 Baxter executives, representing a range of functions, businesses and geographies, as well as more than 20 external stakeholders, including customers, industry associations, investors, NGOs, patient advocacy groups and suppliers. Participants ranked ESG topics by importance to stakeholders and importance to business success. Following review with Baxter’s management team, a list of material ESG topics was finalized, including a list of six priority ESG topics.

MATERIALITY ASSESSMENT FINDINGS

MATERIALITY ASSESSMENT FINDINGS		POTENTIAL IMPACT WITHIN BAXTER'S VALUE CHAIN		
ESG TOPICS	DESCRIPTION	Upstream	Baxter Operations	Downstream
PRIORITY ESG TOPICS				
Business Ethics and Compliance	Risk management around ethical business conduct, including fraud, anticorruption and competitive behavior. Addresses a company’s approach to engaging with regulators in places where conflicting corporate and public interests may have long-term adverse effects on environmental or social issues. May relate to alignment of management and investor views of regulatory engagement and compliance at large. Includes compliance with regulations, including those related to ESG, trade, government contracting, Food and Drug Administration (FDA), state and local, etc. Learn more.	●	●	●
Business Model Innovation and Resilience	Ability to meet new market demands and access new customer segments, as well as long-term business model planning and responsiveness to resource and climate constraints. Includes circular economy, cradle to cradle and zero waste frameworks. Learn more.	●	●	●
Diversity, Equity and Inclusion	Efforts to diversify workforce, provide equal access to opportunity and create a sense of belonging. Learn more.	●	●	●
Greenhouse Gas Emissions	Management of Scope 1, Scope 2 and Scope 3 greenhouse gas emissions. Includes energy management across the company’s footprint, such as energy consumption, energy efficiency, energy intensity, energy mix, grid resilience, and sourcing and procurement of energy from renewable sources. Learn more.	●	●	●
Patient Safety and Product Quality	Management of patient safety and product quality across the product life cycle through leading practices in design, materials use, manufacturing, communications, surveillance, reporting and senior leader accountability measures such as product safety and quality systems. Includes innovations to advance the company’s ability to meet patient needs and ultimately improve health outcomes. Learn more.	●	●	●
Sustainable Product Design and Packaging	Integration of green design principles in product design and packaging. Considers life cycle impacts of products through end-of-life, employing circular design principles that promote end-user recycling and reuse of scrap. Includes ability to maximize resource efficiency in manufacturing and to reduce use of key raw materials where possible. Learn more.	●	●	●
OTHER MATERIAL ESG TOPICS				
Access and Affordability	Addresses a company's ability to provide broad access to its products and services, especially in the context of underserved markets and/or populations. Learn more.			●
Biodiversity and Habitat Protection	Management of the company’s impacts on ecosystems and biodiversity through its activities, including project development, construction and site location. Impacts may include biodiversity loss, habitat destruction and deforestation. Learn more.		●	
Community Engagement and Philanthropy	Engaging communities to achieve long-term and sustainable outcomes, processes, relationships, discourse, decision making and implementation. Investment in the broader communities where target beneficiaries are external to the organization, including contributions to charities, NGOs and research institutes, funds to support community infrastructure such as recreational facilities, social programs, and arts and educational events. Learn more.		●	
Data Privacy and Cybersecurity	Risk management related to the collection, retention and use of sensitive, confidential and/or proprietary customer or user data. Learn more.	●	●	●
Employee Development and Retention	Investment in continued employee professional development and educational opportunities. Ability of employees to envision and put professional goals into action, leading to career advancement opportunities in a company. Learn more.		●	
Employee Health and Safety	Measures taken to promote employee health and safety within company’s facilities and across the supply chain, including mental health and well-being. Learn more.	●	●	
Human Rights and Labor Practices	Workplace labor standards, basic worker rights, fair wages and benefits, and relationship with organized labor. Includes company and suppliers’ direct and indirect impact(s) on core human rights issues and treatment of indigenous peoples. Learn more.	●	●	
Supply Chain Management	Selection and management of suppliers through practices such as screening, monitoring, follow-up and audits to ensure supplier and contractor compliance are in line with company practices and policies. Learn more.	●		
Waste Management	Waste management at facilities as well as the handling of waste and scrap, including nonhazardous and regulated waste, across the supply chain and throughout project development. Includes recycling programs within company facilities. Learn more.	●	●	
Water Management	Water use, water consumption, water availability, wastewater generation, stormwater management and other impacts of operations on water resources. Includes water management strategies such as water efficiency, intensity, recycling, watershed protection and others. Learn more.		●	

2030 CORPORATE RESPONSIBILITY GOALS

Our 10 goals prioritize action on the environmental, social and governance topics that matter most to our stakeholders.

2030 Corporate Responsibility Goals

The baseline for these goals is 2020 and the target achievement year is 2030, unless stated otherwise.

PILLARS	GOALS		PERFORMANCE
 EMPOWER OUR PATIENTS   	Reach More Underserved Kidney Patients	Double the number of patients reached in underserved markets* through our peritoneal dialysis (PD) portfolio. <small>*Countries outside of the United States, Canada, Western Europe, Japan, Korea, Australia and New Zealand. (Baseline: 198,000 patients in 2020)</small>	In 2022, we reached 204,000 patients in underserved markets through our PD portfolio. Given the number of barriers to care in these markets, we are taking a staged approach—beginning with awareness and education—that we intend to accelerate in future years. Learn more.
	Consistently Improve Manufacturing Capabilities	Achieve a 10% year-over-year improvement in manufacturing process capability for prioritized products.* <small>*As measured by the year-over-year decrease in defect rate until each product's process capability goal is met. (Baseline year: 2021)</small>	In 2022, we exceeded our goal with a 16.4% improvement** compared with 2021 for our priority area of reducing the rate of leaks for sterilized solutions and sets. Learn more. <small>**Based on the eight sites fully active in the program during the reporting period; additional facilities have since been onboarded to the program.</small>
 PROTECT OUR PLANET 	Achieve Carbon Neutrality for Direct Operations by 2040	Achieve carbon neutrality for our direct operations by 2040 and reduce absolute Scope 1 and 2 greenhouse gas emissions 25% by 2030, aligned with a well-below 2° Celsius science-based target.	In 2022, we reduced absolute Scope 1 and 2 greenhouse gas emissions by 1.7% compared with 2021 and 1.3% compared with our baseline year of 2020. Learn more.
	Implement Strategic Water Management Plans	Implement strategic water management plans at prioritized manufacturing locations.* <small>*Identify prioritized locations using a risk-based approach by the end of 2023.</small>	In 2022, we completed four risk and resilience assessments (representing 22% of Baxter's total water use) and performed eight wastewater compliance evaluations. We also continued infrastructure assessments for selected manufacturing sites and surveyed our manufacturing sites to collect critical data.** Learn more. <small>**The survey did not include former Hillrom manufacturing sites.</small>
	Advance Sustainable Procurement	Integrate Baxter's sustainable procurement strategy across 90% of our supplier spend.* <small>*As measured by supplier commitment to Baxter's Ethics & Compliance Standards and Baxter's completion of corporate responsibility audits within our supply base.</small>	In 2022, we confirmed commitment to Baxter's Ethics & Compliance Standards for 51% of our suppliers, by spend (through related affirmations made in the underlying supplier contracts). In addition, we laid the foundation to begin conducting corporate responsibility audits or supplier surveys for any suppliers we identify as high risk based on supplier risk profiles and supplier corporate responsibility survey scores. Learn more.
	Implement Strategic Materials and Waste Management Plans	Implement prioritized waste mitigation opportunities* in Baxter's integrated supply chain, from procurement to distribution. <small>*Identify prioritized waste generation sources by the end of 2024.</small>	In 2022, we assessed warehouse waste management practices and aligned legacy Hillrom facilities with our waste management metrics. We also continued to mitigate waste through process efficiency, waste reduction at the source, reuse, recovery, recycling and landfill diversion. Learn more.
 CHAMPION OUR PEOPLE AND COMMUNITIES 	Invest in Underserved Communities Globally	Invest \$275 million in underserved communities through strategic partnerships and product donations from Baxter and the Baxter International Foundation.	In 2022, Baxter and the Baxter International Foundation (the Foundation) invested \$51 million in underserved communities through strategic partnerships and product donations. Since the beginning of 2021, we have invested nearly \$103 million. Learn more.
	Achieve Top Quartile Workplace Safety Performance	Achieve top quartile workplace safety performance annually in total recordable incident rate.* <small>*Among global companies across industries as reported by the U.S. Bureau of Labor Statistics.</small>	In 2022, Baxter's total recordable incident rate ranked in the top quartile, achieving our goal for the year.** Learn more. <small>**Compared with 2019 top quartile data, which was the most recent data available from the U.S. Bureau of Labor Statistics on January 1, 2022 (the beginning of the reporting period).</small>
	Increase Representation of Women and Ethnic Minorities in Leadership Roles	Through hiring, promotion and retention, aspire to increase representation of women in leadership roles globally to 40%.* <small>*Assuming labor market conditions continue to support the goal. Leadership role is defined as director and above.</small> Through hiring, promotion and retention, aspire to increase representation of ethnic minorities in leadership roles in the United States to 25%.* <small>*Assuming labor market conditions continue to support the goal. Leadership role is defined as director and above.</small>	As of Dec. 31, 2022, 35% of people in leadership roles at Baxter globally were women, down from 36% in 2021.** Learn more. <small>**See page 15 for additional detail regarding the decline.</small> As of Dec. 31, 2022, 22% of people in leadership roles at Baxter in the United States were ethnic minorities, down from 24% in 2021.** Learn more. <small>**See page 15 for additional detail regarding the decline.</small>

Our 2030 Corporate Responsibility Goals support Baxter's top quartile goals, which include:



Patient safety and Quality



Growth through innovation



Best place to work



Industry-leading performance



Reach More Underserved Kidney Patients

2030 CORPORATE RESPONSIBILITY GOAL

Double the number of patients reached in underserved markets* through our peritoneal dialysis (PD) portfolio.

*Countries outside of the United States, Canada, Western Europe, Japan, Korea, Australia and New Zealand. (Baseline: 198,000 patients in 2020)

PERFORMANCE

In 2022, we reached 204,000 patients in underserved markets through our PD portfolio. Given the number of barriers to care in these markets, we are taking a staged approach—beginning with awareness and education—that we intend to accelerate in future years.

APPROACH AND PROGRESS

People in developing countries are at a higher risk of developing kidney disease and have less access to the life-sustaining therapy needed to survive the disease. In 2022, we focused on expanding the following programs and activities as we worked to increase access to PD in these areas.

Driving shared decision making: We provide practical tools and information to help patients work with their healthcare providers to choose therapies that best align with their lifestyle goals. Highlights from 2022 include:

- Made grants to the American Association of Kidney Patients to raise awareness about the benefits of PD and support informed discussions about therapy options
- Began building a unique e-learning program for nephrologists and their nursing staffs to implement shared-decision-making techniques with patients
- Enhanced the **MyKidneyJourney** website¹ with new educational videos and articles about kidney disease and treatment
- Supported ongoing growth of a PD Ambassador Program to educate clinicians about the benefits of PD and the role they play in shared decision making and digital health²

Advocating for access to PD: We continue to support public policies, economic analyses and collaborations that advance access to PD. In 2022, we conducted work in approximately 20 countries to improve access to PD. Highlights include:

- Worked with governments in Eastern Europe and Southeast Asia to help them advocate for greater patient access to home dialysis
- Hosted the third International Home Dialysis Roundtable for patient advocacy groups, clinical societies and industry representatives from 27 countries, which published a paper in 2022 on the importance of catheter access: *Peritoneal Catheter Insertion: Combatting Barriers Through Policy Change*
- Sponsored hands-on programs to train nearly 400 nephrologists from 19 countries³ on catheter insertion (which is necessary to begin PD treatment)

Expanding innovation and services: Innovation that meets the local needs of patients is critical to expanding access to care. Highlights from 2022 include:

- Worked with China's National Health Security Administration to gain approval for the use of Baxter's **Extraneal** PD Solution (a non-glucose option) and secure reimbursement, which will make the treatment more accessible and affordable for patients in that country
- Continued to expand the use of **Sharesource**, our digital health platform for remote patient management, which now connects 58,000 patients in 84 countries and has helped to facilitate 51 million treatments



Consistently Improve Manufacturing Capabilities

2030 CORPORATE RESPONSIBILITY GOAL

Achieve a 10% year-over-year improvement in manufacturing process capability for prioritized products.*

*As measured by the year-over-year decrease in defect rate until each product's process capability goal is met. (Baseline year: 2021)

PERFORMANCE

In 2022, we exceeded our goal with a 16.4% improvement** compared with 2021 for our priority area of reducing the rate of leaks for sterilized solutions and sets.

**Based on the eight sites fully active in the program during the reporting period; additional facilities have since been onboarded to the program.

APPROACH AND PROGRESS

Baxter is committed to patient safety and to delivering high-quality, defect-free products. We work across the entire quality system, looking beyond compliance and taking proactive steps to improve the quality of upstream components and enable more consistent, effective manufacturing processes.

In 2021, we identified sterilized solutions and sets as our priority area to drive toward best-in-class performance, and we are investing in related manufacturing processes across our plants. We will identify additional products and sites to prioritize for improvement in the coming years. The following key strategies help us to achieve our goal to deliver safe, high-quality products that work reliably and are free of defects.

Manufacturing excellence: We focus on facility infrastructure, processes and systems to ensure a continual state of control. This enables us to optimize our production lines and equipment effectiveness, minimize scrap and rework, and consistently release high-quality products into the marketplace. During 2022, 65 of the 86 product categories we tracked reached their performance targets.

Internal governance: Cross-functional senior leaders engage in strategic reviews that include visibility to real-time data and analytics for product safety and quality performance across the entire portfolio, which helps us identify priority products for improvement.



Data-driven decision making: Our Production Cycle Optimization process leverages analytical tools, robust data sets and controls across our manufacturing processes. We aim to detect quality defects early and fix those problems at their point of origin. In 2022, we implemented tools to provide advanced real-time data analytics for 29 processes.

Collaboration with global regulators: We continue to pursue collaborative solutions with global regulators to advance patient safety and help ensure our products are of the highest quality. In 2022, we accelerated our parametric release⁴ strategy, partnered with regulators to gain approval and expanded the number of manufacturing facilities and products using parametric release across Asia and Europe.

For more information about product safety and quality, see our [Sustainability Accounting Standards Board \(SASB\) Index](#) and the [Data Summary](#).



Achieve Carbon Neutrality for Direct Operations by 2040

2030 CORPORATE RESPONSIBILITY GOAL

Achieve carbon neutrality for our direct operations by 2040 and reduce absolute Scope 1 and 2 greenhouse gas emissions 25% by 2030, aligned with a well-below 2° Celsius science-based target. (Baseline is 2020)

PERFORMANCE

In 2022, we reduced absolute Scope 1 and 2 greenhouse gas (GHG) emissions by 1.7% compared with 2021 and 1.3% compared with our baseline year of 2020.

APPROACH AND PROGRESS

Baxter has a longstanding commitment to reducing GHG emissions, conserving resources and limiting our impact on the environment. Between 2005 and 2015, we reduced our absolute GHG emissions by 19%. We reduced GHG emissions by another 13.6% between 2015 and 2020. In 2021 we established a goal to achieve carbon neutrality for our direct operations by 2040, and we published our [Baxter Climate Action Roadmap](#) in 2022.

Scope 1 and 2 emissions: In 2022, Baxter's total Scope 1 and 2 emissions⁵ from operations equaled 615,000 metric tons carbon dioxide equivalent (CO₂e), a 1.3% decrease in absolute emissions compared with 2020 (see Baxter's total [GHG emissions footprint](#), including Scope 3). During the year, in addition to energy-efficiency initiatives, we worked to decrease our GHG emissions through fuel switching, cogeneration, alternative energy systems, on-site renewable energy systems, renewable electricity procurement and green buildings.

Energy: Energy is one of our most significant manufacturing costs, accounting for 99% of Baxter's GHG emissions from operations in 2022. Our global energy program applies the ISO 50001 standard to the company's facility-level energy management systems. In 2022, we used 3.1 million megawatt hours (MWh) of energy,⁶ 4.2% more than in 2021 in absolute terms.

Site-specific energy assessments help us identify opportunities to conserve energy, such as implementing new technologies or adopting best practices. In 2022, we completed 163 energy conservation projects for an investment of \$5.9 million across our manufacturing sites. We estimate that these projects saved 39,700 MWh of energy and \$4.0 million and avoided 10,600 metric tons CO₂e of GHG emissions during 2022.⁷

By the end of 2022, 30% of our energy use for operations was derived from renewable sources, equivalent to 944,000 MWh on an annual basis.⁸ We completed three new on-site solar installations in 2022 that are expected to produce approximately 2,300 MWh and reduce GHG emissions by approximately 1,400 metric tons CO₂e annually.⁹ In 2022, we purchased 566,000 MWh of electricity generated from 100% certified renewable power.

Scope 3 emissions: Although our carbon neutrality goal focuses on Scope 1 and 2 emissions, Baxter continues to calculate and address Scope 3 GHG emissions¹⁰ across our value chain. Our focus on [supplier engagement](#), [sustainable design](#), the **CONTRAfluran** Anesthetic Gas Capture system and decreasing emissions from product transport addresses the Scope 3 categories where we have the largest impacts. See [Value Chain Energy Usage and GHG Emissions](#) for detail.



Implement Strategic Water Management Plans

2030 CORPORATE RESPONSIBILITY GOAL

Implement strategic water management plans at prioritized manufacturing locations.*

*Identify prioritized locations using a risk-based approach by the end of 2023.

PERFORMANCE

In 2022, we completed four risk and resilience assessments (representing 22% of Baxter's total water use) and performed eight wastewater compliance evaluations. We also continued infrastructure assessments for selected manufacturing sites and surveyed our manufacturing sites to collect critical data.**

**The survey did not include former Hillrom manufacturing sites.

APPROACH AND PROGRESS

Water is a critical natural resource for our products and for the well-being of the communities where we operate. Baxter's Environmental, Health, Safety and Sustainability (EHS&S) Policy outlines our commitment to drive programs that will help us achieve our environmental goals and reduce Baxter's environmental impacts, including those related to water use and wastewater discharges.

As part of our 2030 water management goal, we are performing a comprehensive review of our manufacturing sites to understand the local conditions and considerations of each. We consider the physical, regulatory and reputational risks associated with water management at our sites, including external boundaries, water accounting, wastewater discharge, compliance obligations and impacts to our current water supply, among other concerns, as we focus on opportunities to improve water efficiency in our operations, protect watersheds and provide access to clean water within local communities.

In 2022, we completed four water risk and resilience assessments, representing 22% of Baxter's total water use, and performed eight wastewater compliance evaluations. Additionally, we continued conducting infrastructure assessments, which we began in 2021, completing a total of eight assessments by the end of 2022. We also sent a survey to our manufacturing sites¹¹ to obtain additional compliance-related data we will use to evaluate risks related to critical water issues.

Water management: In addition to analyzing the impacts of water use across our business, we are focused on implementing conservation and efficiency projects at many of our manufacturing facilities. For example, in 2022, our Cuernavaca, Mexico, facility implemented two water recovery and reuse projects, resulting in a savings of 25,500 cubic meters of water annually.^{12, 13} In addition, as the result of work in recent years to optimize its operations, our Valtellina, Italy, facility has been able to reduce water consumption, including a reduction of 167,000 cubic meters of water in 2022 compared with 2021. In 2022, we used approximately 15 million cubic meters of water, a 0.5% increase compared with 2021.

We use the [World Resources Institute Aqueduct Water Risk Atlas version 3.0](#) to map and analyze current and future risks associated with water stress at our manufacturing sites with the most significant water use.¹⁴ Our 60 manufacturing sites with the most significant water use represented 96% of our total water use in 2022. Of these sites, 28 are located in medium-high, high and extremely high water-stress areas. [See detail.](#)

Wastewater: Wastewater discharged from Baxter operations remains an important focus of our compliance program. We take a proactive, systematic approach to identifying, evaluating and managing wastewater issues. In 2022, these activities included compliance assurance assessments, permit compliance reviews and evaluations by external consultants of wastewater treatment operations to identify opportunities for improvement.



Advance Sustainable Procurement

2030 CORPORATE RESPONSIBILITY GOAL

90% of our supplier spend.*

*As measured by supplier commitment to Baxter's Ethics & Compliance Standards and Baxter's completion of corporate responsibility audits within our supply base.

PERFORMANCE

In 2022, we confirmed commitment to Baxter's Ethics & Compliance Standards for 51% of our suppliers, by spend (through related affirmations made in the underlying supplier contracts). In addition, we laid the foundation to begin conducting corporate responsibility audits or supplier surveys for any suppliers we identify as high risk based on supplier risk profiles and supplier corporate responsibility survey scores.

APPROACH AND PROGRESS

Baxter drives sustainable practices in our global supply chain and partners with high-performing, innovative suppliers to deliver quality products to our customers and value for our stakeholders. We prioritize high standards in the areas of environment, labor and human rights, ethics and sustainable procurement, alongside factors of cost, quality and delivery.

In 2022, we continued our work to better understand the impact of our supply chain and to increase engagement, planning and related activities to reach our corporate responsibility goal. To accelerate our efforts, we held six training sessions, attended by 257 of our suppliers (equivalent to 6% of the suppliers targeted by our 2030 goal).

Our Sustainable Procurement Steering Committee, which oversees our efforts in this area, is chaired by our Chief Procurement Officer and includes leaders from our Supplier Quality, Finance and EHS&S teams.

Managing procurement risks: We are integrating our supplier corporate responsibility strategy into our overall supplier management processes and conduct periodic assessments of key suppliers to evaluate cost, delivery, quality and risk.

In 2022, we created a corporate responsibility [risk profile](#) for applicable Baxter suppliers,¹⁵ including those we integrated into our business as part of the Hillrom acquisition. These profiles include in-depth corporate responsibility risk mapping based on location, performance,

and goods and services provided. The profiles will help us prioritize suppliers with the greatest corporate responsibility-related risk factors for additional due diligence, corrective action plans and/or on-site audits.

Supplier corporate responsibility audits:

We are increasing our ability to audit suppliers' corporate responsibility management systems and performance. To accomplish this, we are exploring the development of internal auditing capabilities as well as third-party collaborations. Expanding our auditing scope will improve our understanding of corporate responsibility activities and management within Baxter's supplier base and help identify areas for improvement. In 2023, we plan to begin conducting these corporate responsibility audits for any suppliers we identify as high risk based on supplier risk profiles and supplier corporate responsibility survey scores.

Supplier corporate responsibility survey:

We collaborate with EcoVadis to conduct an [annual survey](#) of our suppliers' corporate responsibility programs and performance in the areas of environment, labor and human rights, ethics and sustainable procurement. Participating suppliers can access detailed scorecards with information about strengths, benchmark comparisons and improvement areas. We also leverage the **EcoVadis** system to create corrective action plans for suppliers falling below our performance standards and to determine when on-site audits will be necessary, and we plan to include survey scores in business reviews with strategic suppliers in the future.



Implement Strategic Materials and Waste Management Plans

2030 CORPORATE RESPONSIBILITY GOAL

Implement prioritized waste mitigation opportunities* in Baxter's integrated supply chain, from procurement to distribution.

*Identify prioritized waste generation sources by the end of 2024.

PERFORMANCE

In 2022, we assessed warehouse waste management practices and aligned legacy Hillrom facilities with our waste management metrics. We also continued to mitigate waste through process efficiency, waste reduction at the source, reuse, recovery, recycling and landfill diversion.

APPROACH AND PROGRESS

We are working to identify all waste generation sources at Baxter and prioritize our top waste mitigation opportunities by the end of 2024. In 2022, we surveyed Baxter-controlled warehouses to gather information about waste management practices and we aligned our newly acquired Hillrom facilities with our waste management metrics.

Sustainable design: Through sustainable design, we minimize environmental impact and capture more value from the natural resources used to manufacture, transport, use and recover our products. To support these efforts, we require an EHS&S assessment during the development process for all new products.¹⁶

Materials use in products and packaging:

Because materials use is a key driver of Baxter's environmental footprint, we work to reduce materials use in products without affecting efficacy, and to avoid or minimize materials of concern. Additionally, we reduce materials use in packaging and explore opportunities to substitute with environmentally preferable alternatives. In 2022, for example, we substituted paper leaflets with 2D matrix codes for IV bags manufactured for distribution in Spain, which is expected to save nine metric tons of paper annually.¹⁷

Operations: In 2022, Baxter produced 78,600 metric tons of total waste (down 1.7% from 2021), 71,000 metric tons of nonhazardous waste (down 1.4%), and 7,600 metric tons of regulated waste (down 4%).¹⁸

In 2022, 78.2% of our total waste was diverted from landfill, including 70.8% recycled and 7.4% incinerated with energy recovery.

Plastic scrap from manufacturing is our largest waste stream. In 2022, several of our facilities, including Cuernavaca, Mexico; Marsa, Malta; San Vittore, Switzerland; and Valtellina, Italy, implemented process improvements that reduced plastic waste by 100 metric tons.¹⁹

Product distribution: To conserve natural resources and reduce waste during product distribution, we recover pallets for reuse and purchase second-hand pallets. In our Europe, Middle East and Africa (EMEA) region, we recovered 27% of the European pallets we shipped to customers for our reuse and sold 17% to our carriers. Of the total pallets we purchased in EMEA, 14% were secondhand.

Product end-of-life: While Baxter's 2030 waste goal focuses on our integrated supply chain, product end-of-life remains a priority for our company. We have programs to facilitate recycling of disposable products in [select locations](#), and we service and redeploy electromechanical devices for reuse.



Invest in Underserved Communities Globally

2030 CORPORATE RESPONSIBILITY GOAL

Invest \$275 million in underserved communities through strategic partnerships and product donations from Baxter and the Baxter International Foundation.

PERFORMANCE

In 2022, Baxter and the Baxter International Foundation (the Foundation) invested \$51 million in underserved communities through strategic partnerships and product donations. Since the beginning of 2021, we have invested nearly \$103 million.

APPROACH AND PROGRESS

Giving back is central to who we are and furthers Baxter's mission to save and sustain lives. We aim to make a meaningful difference in local communities and tackle some of the world's toughest health and other social challenges through product donations and charitable financial investments from Baxter and the Foundation.

Product donations: We manufacture products twice a year specifically for donation to our trusted humanitarian partners, [Americares](#) and [Direct Relief](#), so they can rely on having Baxter's critically needed, long-dated products year-round—not solely during emergency situations. We also supported U.S. medical outreach teams that travel overseas to provide charitable care to underserved populations, and we continued to make chemotherapy drugs available through our U.S. Patient Assistance Program to support cancer patients who have financial barriers to access and lack insurance or prescription drug coverage. In 2022, we donated products valued at more than \$35 million.²⁰

Corporate financial contributions:²¹ Our corporate giving includes financial donations to increase access to patient care through education and advocacy support. We also support cultural institutions in the United States to create meaningful engagement opportunities for local employees and enhance business interests through professional membership associations.

Baxter International Foundation financial contributions: The Foundation partners with nonprofit organizations worldwide to increase access to healthcare



PHOTO CREDIT: Kharkiv City Council via Direct Relief

for the underserved; bolster science, technology, engineering and math (STEM) education to develop the next generation of healthcare innovators; and promote community resilience primarily through disaster relief and diversity, equity and inclusion investments. In alignment with its strategic pillars, the Foundation focuses on long-term investments through its [Signature Partnerships worldwide](#).

The Foundation also awards merit-based scholarships to our employees' children and supports and amplifies the giving and volunteer efforts of Baxter's employees through its [Matching Gift and Dollars for Doers programs](#).

Disaster relief: We make investments in disaster preparedness, immediate response plans and long-term recovery efforts in collaboration with our humanitarian partners. In 2022, we provided cash and products for Hurricane Fiona, Hurricane Ian and flooding in Kentucky, among other natural disasters, and we provided humanitarian aid for Ukraine.

See the [Data Summary](#) for full philanthropic giving data. Learn more about how [Baxter Gives Back](#) to communities worldwide.



Achieve Top Quartile Workplace Safety Performance

2030 CORPORATE RESPONSIBILITY GOAL

Achieve top quartile workplace safety performance annually in total recordable incident rate.*

* Among global companies across industries as reported by the U.S. Bureau of Labor Statistics.

PERFORMANCE

In 2022, Baxter's total recordable incident rate ranked in the top quartile, achieving our goal for the year.**

** Compared with 2019 top quartile data, which was the most recent data available from the U.S. Bureau of Labor Statistics on January 1, 2022 (the beginning of the reporting period).

APPROACH AND PROGRESS

At Baxter we aim for a zero-harm workplace. We prioritize the elimination of major and high-frequency injuries,²² complemented by ongoing digital analytics and employee engagement, training and mentoring to drive continual improvement.

Baxter follows a management systems approach guided by our global EHS&S requirements. We define the responsibilities of corporate, regional and facility-level occupational health and safety professionals and hold leaders accountable for achieving goals and targets. In 2022, the EHS&S organization reported employee safety performance to senior leadership and manufacturing and supply chain management monthly. EHS&S also communicates performance annually to Baxter's Board of Directors.

During the year, we continued to engage our operational workforce in hazard/near-miss identification and immediate corrective actions where feasible. In addition, we focused on best practices related to powered industrial trucks (such as forklifts) and lock-out/tag-out procedures for minor servicing to improve our practices and reduce injuries for related processes. We continue to target our most frequently occurring incidents: ergonomics, slips/trips/falls and cuts/lacerations.

Focusing on high-hazard sources, we analyze our most severe historical incidents with a cross-functional team to identify root-cause trends, formulate mitigation strategies and share knowledge across the organization.

We hold "stand down" meetings as a forum for operational leaders to engage employees in frontline education concerning specific risks.

Injuries and illnesses: In 2022, Baxter's total recordable incident rate²³ rose to 0.40, compared with 0.33 in 2021.²⁴ Despite the increase, Baxter still ranked in the top quartile. One major incident and 16 severe incidents²⁵ occurred at Baxter in 2022. As described earlier, we continue to share lessons learned about employee injury trends, implement actions to drive improvement, and engage operational leaders in an effort to reduce injury and illness rates and improve workplace safety performance.

BeWell@Baxter: Through **BeWell@Baxter**, our global employee health and wellness program, we promote healthy lifestyles. In 2022, our Wellness Days focused on topics such as mental health, financial wellness, stress management, career wellness and environmental wellness. In 2022, 30% of employees participated in the Exercise Challenge and 27% completed a Personal Wellness Profile.²⁶ In addition, 92% of facilities worldwide took part in Healthy Eating Month, an annual campaign focused on making informed food choices and promoting the importance of a balanced diet and exercise.

See the [Data Summary](#) for health and wellness metrics, as well as workplace safety data by region and major incidents.



Increase Representation of Women and Ethnic Minorities in Leadership Roles

2030 CORPORATE RESPONSIBILITY GOAL

Through hiring, promotion and retention, aspire to increase representation of women in leadership roles globally to 40%.*

*Assuming labor market conditions continue to support the goal. Leadership role is defined as director and above. (See [endnote 28](#) for additional detail.)

PERFORMANCE

As of Dec. 31, 2022, 35% of people in leadership roles at Baxter globally were women, down from 36% in 2021.

2030 CORPORATE RESPONSIBILITY GOAL

Through hiring, promotion and retention, aspire to increase representation of ethnic minorities in leadership roles in the United States to 25%.*

*Assuming labor market conditions continue to support the goal. Leadership role is defined as director and above. (See [endnotes 27 and 28](#) for additional detail.)

PERFORMANCE

As of Dec. 31, 2022, 22% of people in leadership roles at Baxter in the United States were ethnic minorities, down from 24% in 2021.

APPROACH AND PROGRESS

Diversity metrics and goals: One critical way Baxter supports diversity, equity and inclusion (DE&I) is through a holistic and comprehensive analysis of workforce diversity metrics. We track the representation of women globally and underrepresented minorities in the United States at every career level across the employee life cycle from hiring through exit. On a quarterly basis, Baxter leaders review this anonymized and aggregated data to understand the company's progress and identify potential opportunities to help further advance diversity across the organization.

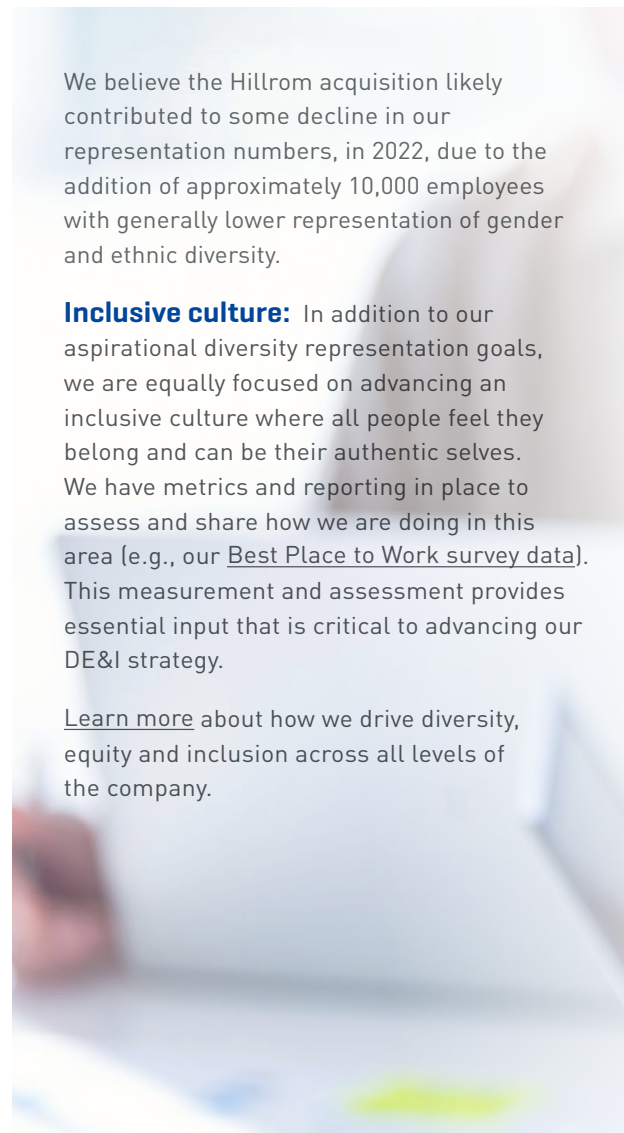
While all forms of diversity at every career level are important to Baxter, our 2030 goals focus on women (globally) and ethnic minorities (United States) in leadership roles^{27, 28} because they provide the greatest opportunities for us to measure meaningful change. We have robust, multiyear data sets for these groups, as well as mechanisms to continue gathering and verifying data moving forward. See the [Data Summary](#) for additional diversity data.

We aim to achieve our diversity representation goals by continuing our efforts to attract, retain and develop diverse talent and foster an inclusive workplace.

We believe the Hillrom acquisition likely contributed to some decline in our representation numbers, in 2022, due to the addition of approximately 10,000 employees with generally lower representation of gender and ethnic diversity.

Inclusive culture: In addition to our aspirational diversity representation goals, we are equally focused on advancing an inclusive culture where all people feel they belong and can be their authentic selves. We have metrics and reporting in place to assess and share how we are doing in this area (e.g., our [Best Place to Work survey data](#)). This measurement and assessment provides essential input that is critical to advancing our DE&I strategy.

[Learn more](#) about how we drive diversity, equity and inclusion across all levels of the company.



CROSS-CUTTING COMMITMENTS

Our 2030 Corporate Responsibility Commitment and Goals are bolstered by our approach to good governance and responsible business practices.



Ethics and Compliance

We drive a culture of the highest ethical behavior, emphasizing personal accountability and integrity. We prioritize following legal requirements, being honest and fair, encouraging questions and valuing discussion. The integration of the Hillrom business has provided an opportunity to combine best practices and update our processes to represent the combined company. In 2022, we also updated policies and procedures to proactively ensure ongoing adherence to evolving global trade regulations and sanctions.

Companywide accountability: Baxter has compliance committees for each country or cluster of countries where we operate, and we hold mandatory meetings at least quarterly to facilitate discussion among local leadership about key issues, challenges and risks. We also have similar compliance committees for some global functions, based on risk.

Training: In 2022, we required the following ethics and compliance training for employees:

- Annual Code of Conduct training (completed by 99% of employees)
- Updated trade compliance training (relevant functions globally)
- Job-specific ethics and compliance courses, covering Baxter’s Global Interactions Policy and Third Party Program (relevant employees)
- Workshops/trainings on ethical interactions with the medical community and government officials (Sales)

Baxter’s strict prohibition of off-label promotion is included in our annual training to the Sales organization. In addition, we provide training to all third parties that undergo our due diligence process.

Third Party Program: Our Third Party Program policy outlines the standards and processes used to review, retain and monitor new and existing third parties for compliance with our anticorruption expectations.

Compliance assessments: Baxter completes risk-based compliance assessments and audits each year, which cover antibribery, anticorruption and trade compliance, among other topics.

Compliance monitoring: Baxter uses a data analytics-based monitoring system to review compliance risk metrics and facilitate forensic monitoring procedures. Each year, we select representative countries and global business units for monitoring.¹ This enables us to perform near-real-time monitoring of metrics related to travel, entertainment, interactions with healthcare professionals and government officials, and corruption-related due diligence for certain in-scope third parties.

Global Interactions Policy: This policy defines the principles and rules governing our interactions with government officials and members of the medical community, including the continued implementation of anticorruption programs to help ensure that these relationships and the related fair market value payments are for necessary and genuine services.

Ethics and Compliance helpline: [Reports received via the Ethics and Compliance helpline](#) involving allegations of misconduct are promptly triaged for investigation. For the substantiated cases closed in 2022, appropriate remediation was or is being implemented where warranted. In substantiated cases involving employee misconduct, employees received appropriate disciplinary action based on the nature of the misconduct and other relevant factors.

Privacy and Data Protection

Baxter is committed to respecting the privacy of our employees, patients and customers and protecting the security of our infrastructure and products. This commitment is reinforced through executive oversight, policies and standards, and mandatory employee training.

Regulations and standards: We monitor regulations globally, including relevant developments and actions related to the EU General Data Protection Regulation, the Health Insurance Portability and Accountability Act (HIPAA), the California privacy law and similar laws that are being enacted in other states, and other legal developments in regions where we do business. In addition to external regulations, we hold ourselves accountable to our own rigorous internal policies and standards.

Oversight: Our Board of Directors (Board) Audit Committee provides oversight for IT security matters generally (including cybersecurity incidents), and the Quality, Compliance and Technology Committee provides oversight for product cybersecurity matters.

Cybersecurity: The Global IT Security Operations team helps to protect Baxter against cyberattacks using a range of defenses to secure our assets, reduce detection time and improve recoverability:

- We conduct routine exercises with business stakeholders and third-party responders to promote awareness and improve processes.
- Post-incident review meetings and reports provide insight into how we can update our response strategies.
- Our proactive, threat hunting process helps to protect our systems against evolving security threats.
- We engage with external rating agencies that assess Baxter’s cyber risk to improve our internal evaluations and vulnerability management processes.
- Our policies and processes for asset management ensure proper management of data on retired hardware.



To further strengthen cybersecurity across our network and portfolio of products, [Baxter became a Common Vulnerability and Exposures \(CVE\) Numbering Authority](#) in early 2022. In addition, Baxter is a member of the [Health Information Sharing and Analysis Center](#).

Customer communication: Our customers can access our online [Product Security summary](#) to learn about security vulnerabilities that might affect Baxter products. In addition, Baxter has Brand Indicators for Message Identification (BIMI), which adds an extra layer of authentication to emails and displays our logo in recipients’ inboxes, to demonstrate authenticity.

Training: We continue to raise privacy and security awareness with all Baxter users through annual mandatory training² and recurring reinforcement through virtual events and updated materials. Our Third Party Risk Management program includes assessment and monitoring of security standards and control procedures for critical external suppliers.

Human Rights

Baxter has policies and processes in place to help protect human rights across our value chain, including the rights of our employees, our suppliers' workers, our customers and the patients who rely on our products. As outlined in our [Global Human Rights Policy](#), we respect the human rights, dignity and diverse contributions of all individuals.

Fostering human rights takes many forms at Baxter and is reflected in our policies and initiatives in areas including workplace inclusion; employee safety; supply chain labor practices; ethical conduct; access to healthcare; and patient, employee and customer privacy.

Protecting human rights in our supply chain:

Baxter's suppliers must commit to respecting human rights, either in accordance with our Global Human Rights Policy or under their own similar policies. Any suppliers with whom Baxter contracts must confirm they agree to comply with our Supplier Quality and Ethics and Compliance Standards for Baxter Suppliers and the [Baxter Code of Conduct](#).

Each year Baxter publishes a [UK Modern Slavery Statement](#) and an [Australia Modern Slavery Statement](#). We also have position statements related to the [California Transparency in Supply Chains Act of 2010](#) and [conflict minerals](#), and we publish an annual [Conflict Minerals Report](#).



Diversity, Equity and Inclusion

We work to enhance our company's culture of belonging and to embed diversity, equity and inclusion (DE&I) across all aspects of our business. We focus on four strategic pillars:

Workforce: Increasing the diversity of our workforce makes us a more agile and innovative company. This begins with our Board of Directors and leadership teams, who influence and inspire our desired culture and drive greater representation throughout the organization. See information regarding Board diversity in [Baxter's 2022 Proxy Statement](#).

Our hiring process includes an inclusive and expansive candidate sourcing strategy, diverse interview panels, and an aspirational goal of 50% diverse candidates on interview slates, which we exceeded in 2022. Baxter also conducts Workforce Diversity Reviews with company leaders, to help ensure that employees from underrepresented groups³ are not inadvertently overlooked for development, sponsorship, succession, advancement and retention opportunities. We offer mentoring opportunities to all employees, and our Business Resource Groups (BRGs) offer a global mentoring program designed to connect their diverse membership with Baxter leaders. To support career growth for women and underrepresented ethnic minorities, we partner with external organizations to offer leadership development programs.

Workplace: We embed DE&I across our workplace through inclusive leadership, accountability measures and engagement with employees who advocate for inclusion throughout our company. Examples include:

- **Global Inclusion Council:** These executive leaders act as DE&I champions and are responsible for driving DE&I priorities companywide.
- **BRGs:** Nine employee-run affinity groups provide forums for employees to develop skills, experience cultural connections and support business initiatives.
- **Activating Change Today (ACT) Council:** Chaired by our CEO, this council supports our multiyear [ACT initiative](#)

to drive meaningful, sustainable change and address racial injustice within the workplace and in the communities and markets we serve globally.

Baxter provides employees with training, tools and resources to build cultural awareness and competence to engage more authentically, and we require all employees to take a self-guided e-learning module about unconscious bias.

One of the ways we work to achieve equity at Baxter is through a total compensation philosophy that provides market-competitive pay and benefits globally while rewarding employees for strong individual and business performance. We periodically assess our efforts through pay audits and reviews.

Through our annual [Best Place to Work survey](#), employees rate Baxter's workplace across multiple categories, including inclusion. In 2022, employees indicated a strong sense of belonging and a belief that diverse perspectives are valued. We also conduct surveys to measure manager effectiveness, including related to inclusive leadership.

Communities: Baxter works to advance racial justice and equity in our communities by driving advocacy efforts in partnership with community organizations. For example, aligned with our ACT initiative, we have provided grants to the [American Diabetes Association](#), [Thurgood Marshall College Fund](#), [NAACP](#) and [YWCA](#), among others.

Baxter also develops mutually beneficial relationships with small and diverse suppliers as we strive to increase the diversity of our supplier base. In 2022, we spent \$598 million with small businesses, \$77 million with women-owned businesses and \$97 million with minority-owned businesses. A third-party review estimates that our spending with diverse suppliers supported \$659 million in economic output as well as \$126 million in employee income earned and more than 1,500 jobs.⁴



Marketplace: We strive to adopt inclusive product design from concept to launch and enhance engagement with diverse healthcare professionals, patients, caregivers and other stakeholders. Our efforts to tackle health disparities include sponsoring community programs that improve patient access to healthcare and reducing healthcare provider biases, including promoting a more diverse pipeline of healthcare professionals. In 2022, we hosted educational events for employees worldwide to enhance awareness around healthcare disparities and promote equity in product design, development and commercialization. Baxter also partners with several organizations, including the Congressional Black Caucus Foundation, the National Minority Quality Forum and the Congressional Hispanic Caucus to advance successful lobbying and advocacy efforts in support of health equity for underserved communities.

Appendix: About This Report

EXTERNAL REPORTING STANDARDS

To develop our corporate responsibility reporting approach, we have considered the disclosure frameworks and guidance of leading sustainability standards and reporting organizations, including the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), the United Nations Sustainable Development Goals and third-party raters and rankers focused on environmental, social and governance matters.

We were one of the first companies to pilot the GRI Sustainability Reporting Guidelines, in 1999, and belong to the GRI Community. We referenced the [GRI Sustainability Reporting Standards](#) in the development of this report. See the [GRI Content Index](#) for detail.

In addition, this report includes our annual [SASB Index](#), based on the SASB Medical Equipment and Supplies Sustainability Accounting Standard. We intend to report against the framework established by the Task Force on Climate-related Financial Disclosures (TCFD) beginning later this year (likely as part of a stand-alone and subsequently published supplement to this Corporate Responsibility Report).

FEEDBACK

Readers can send comments or suggestions to: corporate_responsibility_report@baxter.com.

SCOPE OF THIS REPORT

The performance and other data in this report are from calendar year 2022 unless stated otherwise. Some examples and program descriptions may include information from 2023 as relevant.

- This report covers Baxter's global operations, including subsidiaries, unless stated otherwise. Environmental, health, safety and sustainability data include joint ventures where we have a controlling interest.
- Unless stated otherwise, the 2022 content and data in this report reflect the integration of the Hillrom business, which we acquired in December 2021.
- All currency in this report is in U.S. dollars unless stated otherwise.
- Significant restatements of data compared with prior years are noted in the sections where they appear.
- The methodologies, assumptions and estimates underlying our corporate sustainability strategy, analysis

and data continue to develop and are likely to continue to change in future periods, including as a result of regulatory or other developments or as a result of our ongoing strategic actions. As a result, the information we present in this report could differ from our prior disclosures, and information in future disclosures may differ from this report. We undertake no obligation to update any statement in this report or future disclosures except as required by law.

- Certain information in this report incorporates or otherwise relies upon data from third parties, which we have not independently verified and may be prepared in ways that are not consistent with our methodologies or practices.
- All references to "new product launches" in this report include new product launches, line extensions and geographical expansions, unless otherwise noted.
- This report is intended for global use. Please consult the appropriate country-specific Baxter website for information regarding activities in that country.
- Some statements in this report about products or procedures may differ from the licensed indications in specific countries. Therefore, always consult the country-specific summary of product characteristics, package leaflets or instructions for use. For more information, please contact a local Baxter representative.

FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements concerning Baxter, including with respect to compliance, future performance, our 2030 Corporate Responsibility Commitment and Goals and other plans and initiatives. These forward-looking statements are based on assumptions about many important factors, including the following, which could cause actual results to differ materially from those in the forward-looking statements: the company's ability to execute and complete strategic initiatives, asset dispositions and other transactions, including the proposed spinoff of the company's Renal Care and Acute Therapies product categories; the company's plans to simplify the company's operating model and manufacturing footprint and the company's proposed sale of its BioPharma Solutions product category, the timing for such transactions, the ability to satisfy any applicable conditions and the expected proceeds, consideration and benefits; failure to accurately forecast or achieve the company's short- and long-term financial improvement

performance and goals (including with respect to the company's strategic actions); the company's ability to execute on its capital allocation plans, including the company's debt repayment plans, the timing and amount of any dividends, share repurchases and acquisition proceeds and the capital structure of the public company that the company expects to form as a result of the proposed spinoff (and the resulting capital structure for the remaining company); the impact of global economic conditions (including, among other things, inflation levels, interest rates, monetary policy, financial market volatility, banking crises, the potential for a recession, the ongoing war in Ukraine, the related economic sanctions being imposed globally in response to the conflict and potential trade wars) and continuing public health crises, pandemics and epidemics, such as the ongoing COVID-19 pandemic, or the anticipation of any of the foregoing, on the company's operations and on the company's employees, customers and suppliers, including foreign governments in countries in which the company operates; downgrades to the company's credit ratings or ratings outlooks, and the related impact on the company's funding costs and liquidity; demand for and market acceptance risks for and competitive pressures related to new and existing products (including challenges with the company's ability to accurately predict changing consumer preferences and future expenditures, which has led to and may continue to lead to increased inventory levels, and needs and advances in technology and the resulting impact on customer inventory levels and the impact of reduced hospital admission rates and elective surgery volumes), and the impact of those products on quality and patient safety concerns; the continuity, availability and pricing of acceptable raw materials and component parts (and the company's ability to pass some or all of these costs to the company's customers through recent price increases or otherwise), and the related continuity of the company's manufacturing and distribution and those of the company's suppliers; inability to create additional production capacity in a timely manner or the occurrence of other manufacturing, sterilization or supply difficulties (including as a result of natural disaster, public health crises and epidemics/pandemics, regulatory actions or otherwise); product development risks, including satisfactory clinical performance and obtaining and maintaining required regulatory approvals (including as a result of evolving regulatory requirements), the ability to manufacture at appropriate scale, and the general unpredictability associated with the product development cycle; the company's ability to finance and develop new products or enhancements on commercially acceptable terms or at all; loss of key employees, the occurrence of labor disruptions or the inability to identify and recruit new

employees; product quality or patient safety issues leading to product recalls, withdrawals, launch delays, warning letters, import bans, sanctions, seizures, litigation or declining sales, including the focus on evaluating product portfolios for the potential presence or formation of nitrosamines; breaches or failures of the company's information technology systems or products, including by cyber-attack, data leakage, unauthorized access or theft (as a result of remote working arrangements or otherwise); future actions of (or failures to act or delays in acting by) FDA, the European Medicines Agency or any other regulatory body or government authority (including the SEC, Department of Justice, the Federal Trade Commission, Centers for Medicare & Medicaid Services or the Attorney General of any State) that could delay, limit or suspend product development, manufacturing, sale or reimbursement or result in seizures, recalls, injunctions, monetary sanctions or criminal or civil liabilities, including the continued delay in lifting the warning letter at the company's Ahmedabad facility; failures with respect to the company's quality, compliance or ethics programs; future actions of third parties, including third-party payers and the company's customers and distributors (including group purchasing organizations and integrated delivery networks), the impact of healthcare reform and its implementation, suspension, repeal, replacement, amendment, modification and other similar actions undertaken by the United States or foreign governments; the outcome of pending or future litigation, including the opioid, ethylene oxide and Linet antitrust litigation or other claims; the impact of competitive products and pricing, including generic competition, drug reimportation and disruptive technologies; global regulatory, trade and tax policies (including with respect to climate change and other sustainability matters); the ability to protect or enforce the company's owned or in-licensed patent or other proprietary rights (including trademarks, copyrights, trade secrets and know-how) or patents of third parties preventing or restricting the company's manufacture, sale or use of affected products or technology; the impact of any goodwill or other intangible asset impairments on the company's operating results; fluctuations in foreign exchange and interest rates; any changes in law concerning the taxation of income (whether with respect to current or future tax reform); actions by tax authorities in connection with ongoing tax audits; and other risks identified in Baxter's most recent filings on Form 10-K and Form 10-Q and other SEC filings, all of which are available on Baxter's website. Baxter does not undertake to update its forward-looking statements unless otherwise required by the federal securities laws.

Appendix: Policies and Standards

Achieve Carbon Neutrality for Direct Operations by 2040

- [Climate Change & Energy Position Statement](#)
- [Greenhouse Gas Protocol](#)

Advance Sustainable Procurement

- [Supplier Quality Standard](#)
- [Ethics and Compliance Standards for Baxter Suppliers](#)
- [Global Human Rights Policy](#)

Invest in Underserved Communities Globally

Our manufacture-to-donate product donation strategy aligns with the following:

- [World Health Organization guidelines for medicine donations](#)
- [Partnership for Quality Medical Donations guidelines](#)

Ethics and Compliance

- [Baxter Code of Conduct](#)
- [Baxter Conflicts of Interest Policy](#) (internal)
- [Baxter Global Third Party Anticorruption Policy](#)
- [Baxter Global Interactions Policy](#)
- [AdvaMed Code of Ethics](#)
- [MedTech Europe Code of Ethical Business Practice](#)

Privacy and Data Protection

- [Global Privacy Policy](#) (internal)
- [Global Privacy Policy](#) (external)
- [Digital Security Policy](#) (internal)

Human Rights

- [Global Human Rights Policy](#)
- [California Transparency in Supply Chains Act of 2010 statement](#)
- [Conflict Minerals Position Statement](#)
- [Baxter Code of Conduct](#)

Diversity, Equity and Inclusion

- [Statement of Equal Opportunity](#)
- [Equal Opportunity Employment Policy](#) (internal)
- [Non-Discrimination Policy](#) (within our [Global Human Rights Policy](#))

Environment, Health, Safety and Sustainability (EHS&S)

- [EHS&S Policy](#)
- [Proposition 65](#)
- [Registration, Evaluation, Authorization and Restriction of Chemicals \(REACH\) Regulation EC 1907/2006](#)



Appendix: Data Summary¹

Apex Companies, LLC has provided assurance on the following content in this section: Achieve Carbon Neutrality for Direct Operations by 2040; Implement Strategic Water Management Plans; Advance Sustainable Procurement; Implement Strategic Materials and Waste Management Plans; Environmental, Health, Safety and Sustainability Governance and Additional Disclosures; and Achieve Top Quartile Workplace Safety Performance.

SECTION AND INDICATOR	2020	2021	2022
Financial Performance			
Net Sales (\$ millions)	\$11,673	\$12,784	\$15,113
U.S. Net Sales (\$ millions)	\$4,878	\$5,180	\$7,223
International Net Sales (\$ millions)	\$6,795	\$7,604	\$7,890
Net Income (Loss) (\$ millions)	\$1,110	\$1,295	(\$2,421)
Stock Price (\$ at year end)	\$80.24	\$85.84	\$50.97
Dividend (\$ per share)	\$0.955	\$1.085	\$1.15
Research and Development (\$ millions)	\$521	\$534	\$605
Consistently Improve Manufacturing Capabilities			
Total Recalls: Medical Device and Drug			
Within the United States ²	12	10	22
Outside the United States	27	29	27
Recalls: Medical Device Only			
Within the United States ²	11	10	21
U.S. Food and Drug Administration (FDA) Class I Recalls ²	1	3	5
Outside the United States	17	16	17
Recalls: Drug Only			
Within the United States ²	1	0	1
FDA Class I Recalls ²	0	0	0
Outside the United States	10	13	10
Product Recall Rate ³ (% of product codes sold)	0.5%	1.6%	0.8%
FDA Inspections and Enforcement Actions ⁴			
Form 483s Received	0	2	6
Warning Letters Open	1	1	1
Warning Letters Resolved	0	0	0
Warning Letters Received	0	0	0
Product Seizure	0	0	0
Consent Decree	0	0	0
Achieve Carbon Neutrality for Direct Operations by 2040 ⁵			
Energy Usage from Baxter Operations ⁶ (thousands of MWh)			
Americas	1,587	1,670	1,812
Europe, Middle East and Africa (EMEA)	820	848	848
Asia Pacific	454	459	440
Thousands of MWh per Million Dollars of Sales ⁷	–	–	0.21
Renewable Energy Usage (thousands of MWh)	789	833	944
Facility Usage of Renewable Energy ⁸ (as a % of total energy use)	28%	28%	30%

SECTION AND INDICATOR	2020	2021	2022
Achieve Carbon Neutrality for Direct Operations by 2040 ⁵ (continued)			
Electricity Purchased from 100% Renewable Power (thousands of MWh)			
	366	432	566
Americas	132	215	352
EMEA	234	217	214
Lean Energy Program Performance (% of program criteria implemented across all manufacturing facilities, at year end)			
Prerequisite	96%	96%	96%
Bronze	90%	91%	93%
Silver	82%	83%	87%
Gold	64%	64%	64%
Manufacturing Facilities Meeting ISO 50001 Requirements	19	22	23
Manufacturing Facilities Meeting ISO 50001 Requirements ⁹ (%)	40%	47%	49%
Energy Assessments Completed ¹⁰			
Americas	–	–	7
EMEA	–	–	7
Baxter's Global Greenhouse Gas (GHG) Emissions Footprint (Scope 1, 2, and 3) (metric tons CO ₂ e). See Value Chain Energy Usage and GHG Emissions for detail.	6,107,000	5,907,000	6,794,000
GHG Emissions from Baxter Operations ¹¹ (metric tons CO ₂ e)			
Americas	349,000	339,000	328,000
EMEA	118,000	128,000	130,000
Asia Pacific	156,000	159,000	157,000
GHG Emissions from Operations per Million Dollars of Sales ⁷ (metric tons CO ₂ e)	–	–	41
Worldwide GHG Emissions from Product Transport, by Mode ¹² (metric tons CO ₂ e)			
Air (Scope 3)	116,400	95,100	88,400
Ocean (Scope 3)	45,700	54,100	56,700
Rail (Scope 3)	12,800	14,200	14,300
Road (Scope 1)	15,200	17,100	17,600
Road (Scope 3)	292,900	278,700	278,600
Worldwide GHG Emissions from Product Transport, by Region ¹² (metric tons CO ₂ e)			
Americas	300,400	268,600	289,500
EMEA	100,800	94,600	84,800
Asia Pacific	81,700	96,000	81,300

SECTION AND INDICATOR	2020	2021	2022
Implement Strategic Water Management Plans ⁵			
Water Usage ¹³ (thousand cubic meters)			
	14,776	14,953	15,025
Americas	7,272	7,399	7,669
EMEA	4,454	4,408	4,224
Asia Pacific	3,050	3,146	3,132
Thousand Cubic Meters Water Usage ¹³ per Million Dollars of Sales ⁷	–	–	0.99
Water Usage ¹³ by Availability ¹⁴ (thousand cubic meters)			
	14,162	14,368	14,371
Extremely High Water Stress	1,325	1,302	1,281
High Water Stress	2,876	2,774	2,718
Medium-High Water Stress	1,141	1,229	1,306
Low-Medium Water Stress	2,161	1,978	1,809
Low Water Stress	6,659	7,084	7,257
Wastewater Flow ¹⁵ (total direct discharge, thousand cubic meters)			
	3,456	3,356	3,376
BOD ₅ (metric tons)	20	17	18
BOD ₅ (mg/L)	6	5	5
COD (metric tons)	52	45	45
COD (mg/L)	15	14	13
TSS (metric tons)	26	26	27
TSS (mg/L)	7	8	8
Advance Sustainable Procurement			
Spend with Suppliers ¹⁶ (United States and Puerto Rico) (approximate, dollars in billions)	\$2.3	\$2.2	\$3.3
Baxter Supplier Audits Related to Product Quality Management Systems	453	630+	630
Implement Strategic Materials and Waste Management Plans ⁵			
Total Waste ¹⁷ (metric tons)			
	80,700	79,900	78,600
Americas	42,500	41,800	42,700
EMEA	26,700	26,500	25,500
Asia Pacific	11,600	11,600	10,300
Metric Tons of Total Waste per Million Dollars of Sales ⁷	–	–	5.2
Nonhazardous Waste ¹⁸ (metric tons)			
	72,300	72,000	71,000
Americas	39,500	39,000	39,700
EMEA	21,900	22,100	21,600
Asia Pacific	10,800	10,800	9,600
Metric Tons of Nonhazardous Waste per Million Dollars of Sales ⁷	–	–	4.7
Nonhazardous Waste Recycled ¹⁹ (%)	79.5%	79.6%	80.4%

Appendix: Data Summary¹ (continued)

SECTION AND INDICATOR	2020	2021	2022
Implement Strategic Materials and Waste Management Plans ⁵ (continued)			
Regulated Waste ²⁰ (metric tons)	8,500	7,900	7,600
Americas	3,000	2,700	3,100
EMEA	4,800	4,400	3,900
Asia Pacific	700	800	700
Metric Tons of Regulated Waste per Million Dollars of Sales ⁷	–	–	0.5
Regulated Waste Recycled ¹⁹ (%)	49.6%	48.6%	53.4%
Waste Management at Baxter (% of total)			
Recycled (on-site or off-site)	59.1%	61.7%	70.8%
Incinerated with Energy Recovery	18.3%	15.2%	7.4%
Incinerated	5.0%	5.3%	3.1%
Sent to Landfill	15.7%	15.8%	13.1%
Other Disposal	2.0%	1.9%	5.6%
Electronic Equipment Recovered by Vendors in the EU on Baxter’s Behalf ²¹ (metric tons)	180	110	83
PVC and Aluminum Recycling Programs for Hospitals and Dialysis Clinics ²²			
Australia			
PVC Collected for Recycling (metric tons)	129	140	97.6
Participating Hospitals	248	–	258
Aluminum Bottles Recycled (metric tons)	1	0.5	1.8
Participating Hospitals	66	–	180
Home Dialysis Patients Participating in Program	863	–	876
New Zealand			
PVC Collected for Recycling (metric tons)	–	–	10
Participating Hospitals	39	–	23
Aluminum Bottles Recycled (metric tons)	0.1	–	0.2
Participating Hospitals	22	–	4
Home Dialysis Patients Participating in Program	110	–	106
Colombia			
PVC Recycled (metric tons)	49.6	69.4	44.5
Participating Dialysis Clinics	45	43	43
PVC Recycled from Home Dialysis Patients (metric tons)	14.7	38.4	40.1
Guatemala			
PVC and Other Plastics Recycled (metric tons)	16.5	15.3	16.9
United States			
PVC Recycled at Pilot Hospital (metric tons)	0.6	1.0	1.3

SECTION AND INDICATOR	2020	2021	2022
Environmental, Health, Safety and Sustainability Governance and Additional Disclosures			
Baxter Toxics Release Inventory Air Releases ²³ (metric tons)	19	16	–
NO _x and SO _x Emissions ²⁴ (metric tons)	584	581	590
NO _x	451	466	465
SO _x	134	115	125
Kg NO _x and SO _x Emissions per Million Dollars of Sales ⁷	–	–	39
ISO Certifications			
ISO Certified Baxter Locations	59	62	63
ISO 14001 Certified Baxter Locations	59	61	62
ISO 45001 Certified Baxter Locations	44	45	46
ISO Certified Baxter Manufacturing Locations ²⁵	45	47	46
ISO Certified Baxter Manufacturing Locations ²⁵ (%)	86.5%	78%	73%
Environmental Compliance			
Environmental Notices of Violation	5	12	7
Environmental Fines Paid (in dollars)	\$861	\$0	\$0
Product Materials			
Products Tested (cumulative)	127	173	539
Parts Tested (cumulative)	13,900+	16,500+	25,000+
Increase Representation of Women and Ethnic Minorities in Leadership Roles			
Global Workforce by Gender (as a % of total)			
Women	48.0%	48.4%	47.2%
Men	52.0%	51.6%	52.8%
Representation of Women by Region (as a % of total)			
Americas ²⁶	49.5%	49.5%	47.3%
EMEA	48.1%	48.9%	48.0%
Asia Pacific	44.9%	45.5%	46.1%
Representation of Women by Job Level (as a % of total)			
Vice President and Above	28.7%	31.6%	31.3%
Director	34.3%	37.1%	36.1%
Manager	42.5%	42.1%	40.4%
Professional ²⁷	47.2%	47.8%	48.3%
Ethnic Minority Representation (as a % of total, U.S. only)			
Asian	8.6%	8.2%	7.5%
Black/African American	9.7%	10.0%	10.2%
Hispanic/Latino	18.0%	18.8%	17.5%
White	61.9%	60.9%	62.6%
Other ²⁸	1.8%	2.1%	2.2%
Ethnic Minority Representation by Job Level (as a % of total, U.S. only)			
Vice President and Above	18.0%	17.0%	16.8%
Director	23.2%	25.3%	22.3%
Manager	27.7%	26.6%	24.9%
Professional ²⁷	30.9%	31.1%	38.9%
Vice President and Above			
Asian	10.1%	8.9%	11.0%

SECTION AND INDICATOR	2020	2021	2022
Increase Representation of Women and Ethnic Minorities in Leadership Roles (continued)			
Vice President and Above (continued)			
Black/African American	2.2%	3.3%	2.8%
Hispanic/Latino	3.4%	4.5%	3.7%
White	82.0%	82.2%	82.5%
Other ²⁸	2.3%	1.1%	0.0%
Director			
Asian	9.9%	12.4%	11.1%
Black/African American	2.8%	3.0%	2.9%
Hispanic/Latino	8.8%	8.3%	7.0%
White	76.8%	74.2%	77.2%
Other ²⁸	1.7%	2.1%	1.8%
Manager			
Asian	15.1%	14.1%	12.7%
Black/African American	3.0%	3.9%	3.7%
Hispanic/Latino	8.1%	7.6%	7.3%
White	72.3%	72.8%	74.5%
Other ²⁸	1.5%	1.6%	1.8%
Professional ²⁷			
Asian	8.6%	8.5%	6.5%
Black/African American	5.6%	5.8%	11.6%
Hispanic/Latino	14.6%	15.3%	19.7%
White	69.1%	68.0%	59.9%
Other ²⁸	2.1%	2.4%	2.3%

See the [Baxter 2020 Employment Information Report \(EEO-1\)](#) and [2021 EEO-1 Report](#) for additional workforce diversity data. The 2022 EEO-1 Report is not available at time of publication of this document.

Baxter and the Baxter International Foundation Charitable Giving ²⁹ (dollars in millions)			
Total Charitable Giving, by Category			
Investments in Underserved Communities Globally ³⁰	–	\$51.72	\$51.07
Other Charitable Giving ³⁰	–	\$4.16	\$4.31
Total Charitable Giving, by Type			
Baxter Product Donations to Aid Organizations ³¹	\$24.33	\$36.14	\$35.49
Business and Facility Cash Donations			
Within the United States (including U.S. Territories)	\$5.42	\$7.71	\$7.81
Outside the United States	\$2.05	\$4.85	\$5.35
	\$3.37	\$2.86	\$2.46
The Baxter International Foundation Contributions			
Within the United States (including U.S. Territories)	\$8.43	\$12.04	\$12.08
Grants ³²	\$7.63	\$11.48	\$11.66
Matching Gifts and Dollars for Doers	\$6.10	\$10.13	\$9.91
Scholarships	\$0.83	\$0.75	\$0.95
Prize Programs	\$0.39	\$0.47	\$0.47
Outside the United States	\$0.31	\$0.13	\$0.33
Grants	\$0.80	\$0.56	\$0.42
Scholarships	\$0.53	\$0.24	\$0.08
	\$0.27	\$0.32	\$0.34
Scholarships Awarded	222	263	281
Employee Volunteer Hours	16,900	22,000	16,800
Value of Employee Volunteer Hours ³³	\$482,000	\$659,000	\$534,000

Appendix: Data Summary¹ (continued)

SECTION AND INDICATOR	2020	2021	2022	SECTION AND INDICATOR	2020	2021	2022	SECTION AND INDICATOR	2020	2021	2022
Achieve Top Quartile Workplace Safety Performance ³⁴				Diversity, Equity and Inclusion				Additional Workforce Disclosures (continued)			
Recordable Incident Rate ³⁵	0.41	0.33	0.40	Board of Directors Diversity ⁴² (as a % of total)				Global Workforce by Region (as a % of total)			
Americas	0.57	0.45	0.53	Women	25%	31%	33%	Americas ⁴⁹	48.2%	49.0%	52.9%
EMEA	0.40	0.33	0.34	Men	75%	69%	67%	EMEA	27.4%	27.0%	26.1%
Asia Pacific	0.08	0.06	0.12	Ethnically/Racially Diverse	25%	23%	25%	Asia Pacific	24.3%	24.0%	21.0%
Cases with Days Lost Rate ³⁶	0.174	0.116	0.140	Best Place to Work Survey ⁴³ (inclusion metrics)				Best Place to Work Survey ⁵⁰ (category scores)			
Americas	0.210	0.137	0.168	Diverse perspectives are valued at Baxter	–	75%	76%	Culture	–	78%	78%
EMEA	0.255	0.171	0.177	My direct manager does a good job of managing people from diverse backgrounds	–	80%	80%	Development	–	75%	75%
Asia Pacific	0.023	0.023	0.037	I am comfortable voicing my ideas and opinions, even if they are different from others	–	76%	76%	Engagement	–	80%	79%
Days Lost Rate ³⁷	4.80	4.15	6.93	My direct manager cares about me as a person	–	78%	79%	Inclusion	–	77%	77%
Americas	5.31	6.15	9.29	I feel I belong at Baxter ⁴⁴	–	–	77%	Leadership	–	72%	70%
EMEA	7.50	3.96	5.10	Supplier Diversity ⁴⁵ (dollars in millions)				Organization	–	76%	76%
Asia Pacific	1.24	0.30	2.93	Spend with Small Businesses	\$144	\$190	\$598	Rewards	–	64%	61%
Restricted Days Rate ³⁸	3.77	3.89	5.15	Spend with Small Disadvantaged Businesses	\$27.5	\$2.3	\$401	Workplace	–	78%	78%
Americas	6.23	6.68	8.95	Spend with Minority-Owned Businesses	\$64	\$73	\$97	Total Employee Training Hours ⁵¹	950,000	2,200,000	2,530,000
EMEA	1.35	0.68	0.89	Spend with Women-Owned Businesses	\$84	\$90	\$77	Training Hours Per Employee ⁵¹ (average)	18	30	30
Asia Pacific	0.86	1.19	0.00	Spend with Veteran-Owned Businesses	\$6	\$6	\$7.5	Voluntary Employee Turnover Rate	9.2%	14.0%	15.3%
Days Away (Lost), Restricted or Transferred Rate (DART)	8.57	8.04	12.08	Spend with Service-Disabled Veteran-Owned Businesses	\$2.5	\$3.5	\$2.4	Political Contributions			
Employee/Contractor Major Incidents (total number)	12/1	4/0	17/0	Spend with HUBZone-Certified Businesses	\$0.9	\$2.6	\$7.3	See the Baxter 2022 Political Contributions Report for detailed data.			
Employee/Contractor Fatalities (total number)	0/0	0/0	1/0	Economic Impact of Spending with Diverse Suppliers ⁴⁶				Ethics and Compliance			
Health and Safety Notices of Violation Settled	2	1	3	Direct: Economic Output (\$ millions)	\$212	\$257	\$659	Items Reported to the Ethics and Compliance Helpline (see page 29)			
Health and Safety Fines Paid (in dollars)	\$3,450	\$7,802	\$14,648	Direct: Employee Income (\$ millions)	\$58	\$72	\$126	Remote Compliance Audits of Distributors	15	24	20
Sources of Recordable Injury and Serious Incidents (as a % of total)				Direct: Jobs	1,060	1,190	1,530	Europe, the Middle East and Africa	6	8	7
Ergonomic	14%	22%	22%	Estimated Indirect and Induced: Economic Output (\$ millions)	\$348	\$436	\$974	Latin America	5	7	6
Illness	18%	9%	5%	Estimated Indirect and Induced: Employee Income (\$ millions)	\$109	\$140	\$239	Asia Pacific	4	9	7
Involving the Body (nonergonomic)	5%	9%	1%	Estimated Indirect and Induced: Jobs	2,030	2,450	3,180				
Punctures	9%	7%	8%	Additional Workforce Disclosures							
Struck by Object	13%	12%	15%	Global Workforce by Job Level (as a % of total)							
Slips, Trips and Falls	18%	24%	24%	Vice President and Above	0.3%	0.3%	0.3%				
Caught In, On or Between	13%	7%	12%	Director	1.6%	1.7%	1.7%				
Forklifts and Other Vehicles	4%	2%	3%	Manager	9.2%	9.2%	9.8%				
Other	5%	8%	11%	Professional ⁴⁷	26.2%	26.1%	27.2%				
Employees Who Participated in the Exercise Challenge (%)	–	30%	30%	Technical/Clerical ⁴⁸	62.7%	62.8%	61.0%				
Employees Who Completed a Personal Wellness Profile ³⁹	35%	32%	27%								
Virtual Sessions Held Related to Monthly Wellness Days	–	–	48								
Facilities That Took Part in Healthy Eating Month (%)	83%	92%	92%								
Campuses With 25 or More Employees That Were Smoke-Free ⁴⁰ (%)	100%	100%	99%								
Employees Worldwide Who Received Free Seasonal Flu Vaccinations ⁴¹	12,000	12,000	10,000								

Appendix: Value Chain Energy Usage and GHG Emissions

		MWH [thousands]			ENERGY COSTS [dollars in millions]			CARBON DIOXIDE EQUIVALENTS ^{1,2} [thousand metric tons]		
Units		2020	2021	2022	2020	2021	2022	2020	2021	2022
Baxter Operations ³										
Scope 1 – Stationary Sources (facilities)										
Natural Gas		1,302	1,442	1,553	\$32.5	\$36.8	\$60.7	221	245	266
Fuel Oil		66	63	79	\$3.1	\$3.1	\$4.4	16	16	20
Propane and LPG		148	149	153	\$4.9	\$6.3	\$8.1	43	43	44
Biomass ⁴		270	272	246	\$5.6	\$5.2	\$5.7	2	2	2
Subtotal		1,786	1,926	2,031	\$46.1	\$51.4	\$78.9	282	306	332
Scope 1 – Mobile Sources (Baxter-operated vehicles) ⁵										
Aviation Fuel	Million Liters	3	2	4	\$0.2	\$0.1	\$0.5	1	0	1
Gasoline	Million Liters	26	29	33	\$1.9	\$2.7	\$3.7	6	7	8
Diesel Fuel	Million Liters	88	103	103	\$6.2	\$7.8	\$12.1	22	26	26
Subtotal	Million Liters	117	134	140	\$8.3	\$10.6	\$16.3	29	33	34
Refrigerants ⁶										
Refrigerant Losses (facilities)	Metric Tons	n/a	n/a	n/a	n/a	n/a	n/a	8	7	6.5
Scope 1 Total		n/a	n/a	n/a	n/a	n/a	n/a	319	346	373
Scope 2 – Electricity and Purchased Steam										
Electricity (purchased) ⁷	Million Kilowatt-Hours	1,033	1,017	1,038	\$112.3	\$108.5	\$124.5	273	250	214
Electricity (on-site renewable)	Million Kilowatt-Hours	2	4	5	n/a	n/a	n/a	n/a	n/a	n/a
District Heating and Cooling Water		5	4	3	n/a	n/a	n/a	1	1	1
Purchased Steam	Million Kilograms	35	26	22	\$1.5	\$1.4	\$1.4	30	29	27
Scope 2 Total (market-based)		n/a	n/a	n/a	n/a	n/a	n/a	304	280	242
Scope 2 Total (location-based)		n/a	n/a	n/a	n/a	n/a	n/a	404	406	413
Baxter Operations Total		2,978	3,111	3,239	\$168.2	\$171.9	\$221.1	623	626	615
Scope 3 Emissions										
Purchased Goods and Services [Category 1] ⁸		n/a	n/a	n/a	n/a	n/a	n/a	1,418	1,380	1,802
Capital Goods [Category 2] ⁹		n/a	n/a	n/a	n/a	n/a	n/a	282	272	218
Fuel and Energy-Related Activities [Category 3] ¹⁰		n/a	n/a	n/a	n/a	n/a	n/a	163	165	161
Upstream Transportation and Distribution [Category 4] ¹¹		n/a	n/a	n/a	n/a	n/a	n/a	468	442	438
Waste Generated in Operations [Category 5] ¹²		n/a	n/a	n/a	n/a	n/a	n/a	15	15	15
Business Travel [Category 6] ¹³		n/a	n/a	n/a	n/a	n/a	n/a	18	17	27
Employee Commuting [Category 7] ¹⁴		n/a	n/a	n/a	n/a	n/a	n/a	36	36	36
Upstream Leased Assets [Category 8] ¹⁵		n/a	n/a	n/a	n/a	n/a	n/a	0	0	0
Downstream Transportation and Distribution [Category 9] ¹⁶		n/a	n/a	n/a	n/a	n/a	n/a	163	146	165
Processing of Sold Products [Category 10] ¹⁷		n/a	n/a	n/a	n/a	n/a	n/a	19	24	24
Use of Sold Products [Category 11] ¹⁸		n/a	n/a	n/a	n/a	n/a	n/a	2,754	2,644	3,141
End-of-Life Treatment of Sold Products [Category 12] ¹⁸		n/a	n/a	n/a	n/a	n/a	n/a	148	139	151
Downstream Leased Assets [Category 13]		n/a	n/a	n/a	n/a	n/a	n/a	0	0	0
Franchises [Category 14]		n/a	n/a	n/a	n/a	n/a	n/a	0	0	0
Investments [Category 15]		n/a	n/a	n/a	n/a	n/a	n/a	0	0	0
Scope 3 Emissions Total		n/a	n/a	n/a	n/a	n/a	n/a	5,484	5,280	6,178
Total GHG Emissions ¹⁹		n/a	n/a	n/a	n/a	n/a	n/a	6,107	5,907	6,794

Appendix: Facilities with ISO 14001, ISO 45001, ISO 50001 and Green Building Certifications¹

REGION/COUNTRY/ STATE/PROVINCE	CITY	ISO 14001	ISO 45001 ²	ISO 50001	GREEN BUILDING CERTIFICATION
North America					
Canada, Ontario	Alliston	X	X		
United States, Alabama	Opelika	X	X		
United States, Arkansas	Mountain Home/Midway	X	X		
United States, California	Hayward	X	X		
United States, California	Irvine	X	X		
United States, Illinois	Deerfield Office	X	X		
United States, Illinois	Round Lake, Manufacturing	X		X	
United States, Illinois	Round Lake, R&D				LEED Silver (2013) ³
United States, Indiana	Bloomington	X	X		
United States, Minnesota	St. Paul	X			
United States, Mississippi	Cleveland	X	X	X	
United States, New York	Medina	X			
United States, New York	Skaneateles				LEED Gold (2011) ⁴
United States, North Carolina	Marion (North Cove)	X	X		
Latin America					
Brazil	São Paulo	X	X	X	
Colombia	Cali	X	X	X	
Dominican Republic	Haina	X	X		
Costa Rica	Cartago	X	X	X	
Mexico	Atlacomulco	X	X		
Mexico	Cuernavaca	X	X		
Mexico	Tijuana	X			
Puerto Rico	Aibonito	X	X		
Puerto Rico	Guayama	X			
Puerto Rico	Jayuya	X			
Europe, Middle East and Africa					
Belgium	Lessines	X	X	X	
Belgium	Lessines BDCE	X	X	X	
France	Jonage-Lyon	X			BREEAM Good (2011)
France	Meyzieu	X		X	
Germany	Bielefeld	X	X	X	
Germany	Halle Westfalen	X	X	X	
Germany	Hechingen	X	X	X	
Greece	Athens (Herakleio)	X			
Ireland	Castlebar	X	X	X	

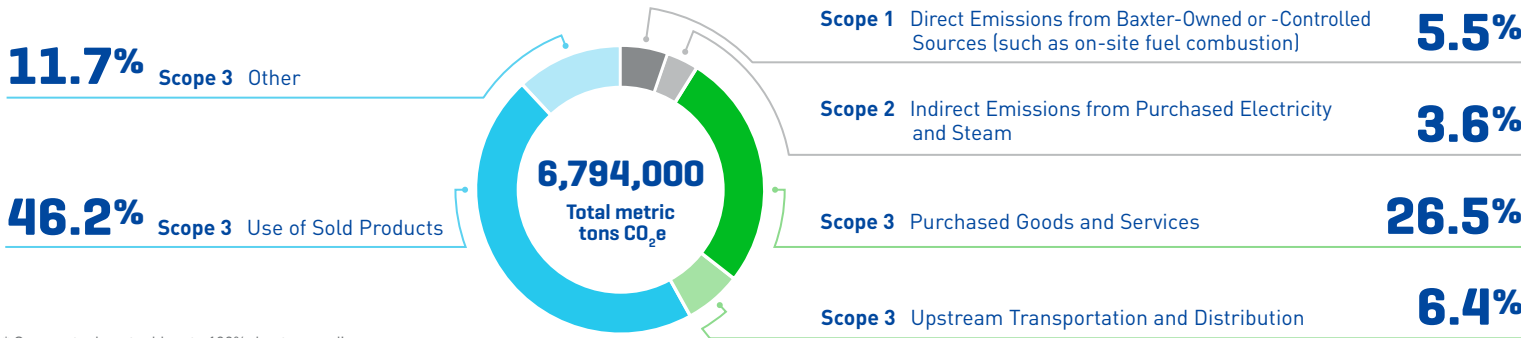
REGION/COUNTRY/ STATE/PROVINCE	CITY	ISO 14001	ISO 45001 ²	ISO 50001	GREEN BUILDING CERTIFICATION
Europe, Middle East and Africa (continued)					
Ireland	Swinford	X	X		
Ireland	Dublin/Blackrock	X			
Ireland	Dublin/Sandyford	X			
Italy	Grosotto	X	X	X	
Italy	Medolla	X	X	X	
Italy	Rome	X	X		USGBC LEED Gold (2012)
Italy	Sesto Fiorentino	X	X		
Italy	Sondalo	X	X	X	
Malta	Marsa	X	X	X	
Portugal	Sintra	X	X		
Spain	Sabiñánigo	X	X	X	
Spain	Valencia	X	X		
Sweden	Kista	X			EU GreenBuilding (2011), Returab Climate Compensation Certificate (2022)
Sweden	Lund	X			
Sweden	Rosersberg	X			BREEAM Very Good (2021)
Switzerland	Zurich				Minergie Plus (2010)
Tunisia	Oued Ellil	X	X	X	
United Kingdom	Elstree	X			
United Kingdom	Croydon		X		
United Kingdom	Northampton	X	X		
United Kingdom	Stockport	X	X		
United Kingdom	Oxford	X	X		
United Kingdom	Thetford	X	X		
Asia Pacific					
Australia	Toongabbie	X	X	X	
China	Guangzhou	X	X	X	
China	Shanghai	X	X	X	
China	Suzhou	X	X	X	
China	Tianjin	X	X		
Japan	Miyazaki	X		X	
New Zealand	Auckland	X	X		
Philippines	Canlubang	X	X		
Singapore	Woodlands	X	X	X	
Thailand	Amata	X		X	

Appendix: Additional Disclosures

Achieve Carbon Neutrality for Direct Operations by 2040

BAXTER GLOBAL GHG EMISSIONS FOOTPRINT, 2022*

We estimate our 2022 GHG emissions footprint (Scope 1, 2 and 3) at 6.794 million metric tons CO₂e, up 15% from 2021. The main factors contributing to this rise were an increase in GHG emissions from purchased goods and services and increased sales and production of certain products in 2022.

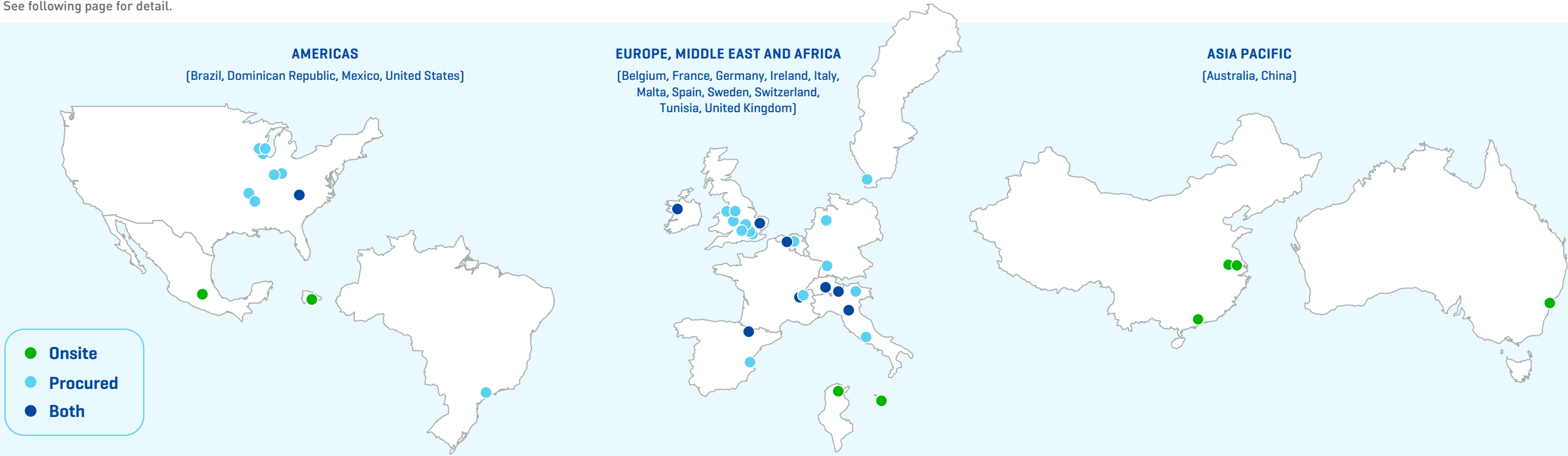
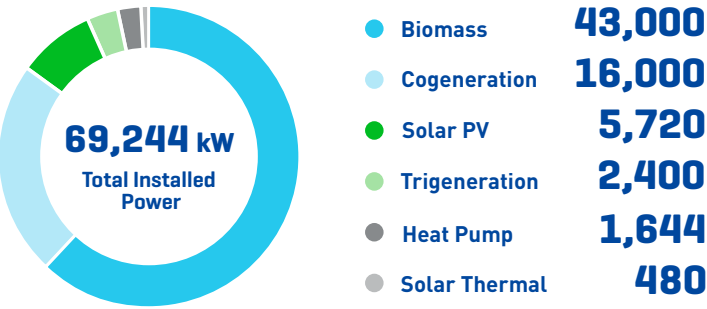


* Segments do not add up to 100% due to rounding.

RENEWABLE AND ALTERNATIVE ENERGY

See following page for detail.

ON-SITE RENEWABLE AND ALTERNATIVE ENERGY GENERATION CAPACITY



Appendix: Additional Disclosures

Achieve Carbon Neutrality for Direct Operations by 2040 (continued)

RENEWABLE AND ALTERNATIVE ENERGY, DETAILED BREAKDOWN BY SITE

REGION/COUNTRY/ STATE/PROVINCE	CITY	ON-SITE INSTALLED							Installed Power [kW]	Year Installed	PROCURED	
		Biomass	Cogeneration	Heat Pump	Solar PV	Solar Thermal	Trigeneration	Wind				
Americas												
Brazil	São Paulo											X
Dominican Republic	Haina				X				1,000	2021		
Mexico	Cuernavaca				X				135	2013		
United States, Arkansas	Mountain Home											X
United States, Illinois	Deerfield											X
United States, Illinois	Round Lake, Manufacturing											X
United States, Illinois	Round Lake, R&D											X
United States, Illinois	Waukegan											X
United States, Indiana	Batesville											X
United States, Indiana	Bloomington											X
United States, Mississippi	Cleveland											X
United States, North Carolina	Marion (North Cove)	X							35,000	1985		
United States, North Carolina	Marion (North Cove)											X
Europe, Middle East and Africa												
Belgium	Braine l'Alleud											X
Belgium	Lessines				X				1,200	2021		
Belgium	Lessines											X
Belgium	Lessines BDCE											X
France	Jonage-Lyon											X
France	Meyzieu			X					60	2009		
France	Meyzieu			X					269	2013		
France	Meyzieu			X					584	2020		
France	Meyzieu			X					466	2022		
France	Meyzieu											X
France	Meyzieu, Distribution Center											X
Germany	Halle/Bielefeld											X
Germany	Hechingen											X
Ireland	Castlebar/Swinford		X						3,100	2010		
Ireland	Castlebar/Swinford											X
Italy	Medolla				X				20	2013		
Italy	Medolla		X						200	2013		
Italy	Medolla						X		1,200	2021		

Region/Country/ State/Province	City	On-Site Installed							Installed Power [kW]	Year Installed	Procured
		Biomass	Cogeneration	Heat Pump	Solar PV	Solar Thermal	Trigeneration	Wind			
Europe, Middle East and Africa [continued]											
Italy	Medolla										X
Italy	Medolla, Distribution Center										X
Italy	Rome										X
Italy	Sesto										X
Italy	Valtellina	X							8,000	2014	
Italy	Valtellina						X		1,200	2019	
Italy	Valtellina										X
Malta	Marsa				X				850	2012	
Malta	Marsa			X					50	2013	
Spain	Sabiñánigo		X						10,000	2015	
Spain	Sabiñánigo										X
Spain	Valencia										X
Sweden	Lund										X
Switzerland	San Vittore			X					215	2021	
Switzerland	San Vittore										X
Tunisia	Oued Ellil				X				50	2022	
United Kingdom	Compton										X
United Kingdom	Elstree										X
United Kingdom	Liverpool										X
United Kingdom	London										X
United Kingdom	Northampton										X
United Kingdom	Oxford										X
United Kingdom	Stockport										X
United Kingdom	Thetford		X						2,700	2020	
United Kingdom	Thetford										X
Asia Pacific											
Australia	Toongabbie				X				50	2012	
Australia	Toongabbie				X				500	2015	
China	Guangzhou					X			480	2017	
China	Guangzhou				X				740	2022	
China	Suzhou				X				1,000	2022	
China	Shanghai				X				175	2022	

Appendix: Additional Disclosures

Implement Strategic Water Management Plans

BAXTER MANUFACTURING SITES IN LOCATIONS WITH WATER STRESS RISK, 2022 [as determined in accordance with the World Resources Institute Aqueduct Water Risk Atlas version 3.0]

See [page 12](#) for additional detail.

SITE LOCATION	MEDIUM-HIGH	HIGH	EXTREMELY HIGH
Australia	1		
Belgium			1
Brazil		1	
China	1	4	
France		1	
Germany	1	3	
India			1
Malta			1
Mexico			5
Saudi Arabia			1
Spain	1		
Thailand	1		
Tunisia		1	
UK		1	
United States	1	1	1

Advance Sustainable Procurement

SUMMARY OF SUPPLIER CORPORATE RESPONSIBILITY SURVEY SCORES, 2020-2022*

Results in 2022 included data from 1,016 Baxter suppliers, an increase from 369 suppliers in 2021. Of the 1,016 participating suppliers in 2022, 61% are from Europe, Middle East and Africa; 31% from the Americas; and 8% from Asia Pacific. Data in the table below represent the percent of participating suppliers that rated Advanced, Moderate, Partial or Insufficient in each survey category.

	Advanced			Moderate			Partial			Insufficient		
	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020	2021	2022
Environment	36%	40%	30%	43%	38%	44%	20%	19%	25%	2%	1%	2%
Labor and Human Rights	22%	28%	25%	54%	51%	57%	23%	20%	17%	1%	1%	1%
Ethics	19%	24%	22%	51%	55%	55%	27%	20%	22%	3%	2%	2%
Sustainable Procurement	17%	20%	13%	39%	37%	39%	36%	36%	42%	8%	7%	6%
Overall	27%	28%	22%	50%	53%	56%	23%	19%	21%	1%	0%	0%
Cross-Industry Average	4%	5%	7%	41%	42%	44%	51%	48%	45%	4%	4%	4%

* The performance categories presented in this table align with the EcoVadis methodology. "Advanced" indicates structured and proactive corporate responsibility (CR) approach; policies and tangible actions on major topics with significant CR reporting. "Moderate" indicates structured and proactive CR approach; policies and tangible actions on major topics with basic CR reporting. "Partial" indicates no structured CR approach; few tangible actions on selected topics; certifications related to sites and/or products are only partial. "Insufficient" indicates no engagements or tangible actions regarding CR. Data for 2020 reflect suppliers participating in Baxter's supplier sustainability monitoring program, as of March 2, 2021. Data for 2021 reflect suppliers participating in Baxter's supplier sustainability monitoring program, as of Jan. 31, 2022. Data for 2022 reflect suppliers participating in Baxter's supplier sustainability monitoring program, as of January 31, 2023. In some cases, segments do not add up to 100% due to rounding.

2022 SUPPLIER CORPORATE RESPONSIBILITY RISK PROFILE

The following table is a summary of corporate responsibility risk profiling of 38,634 Baxter suppliers, based on 2022 analysis using the **EcoVadis** IQ tool.*

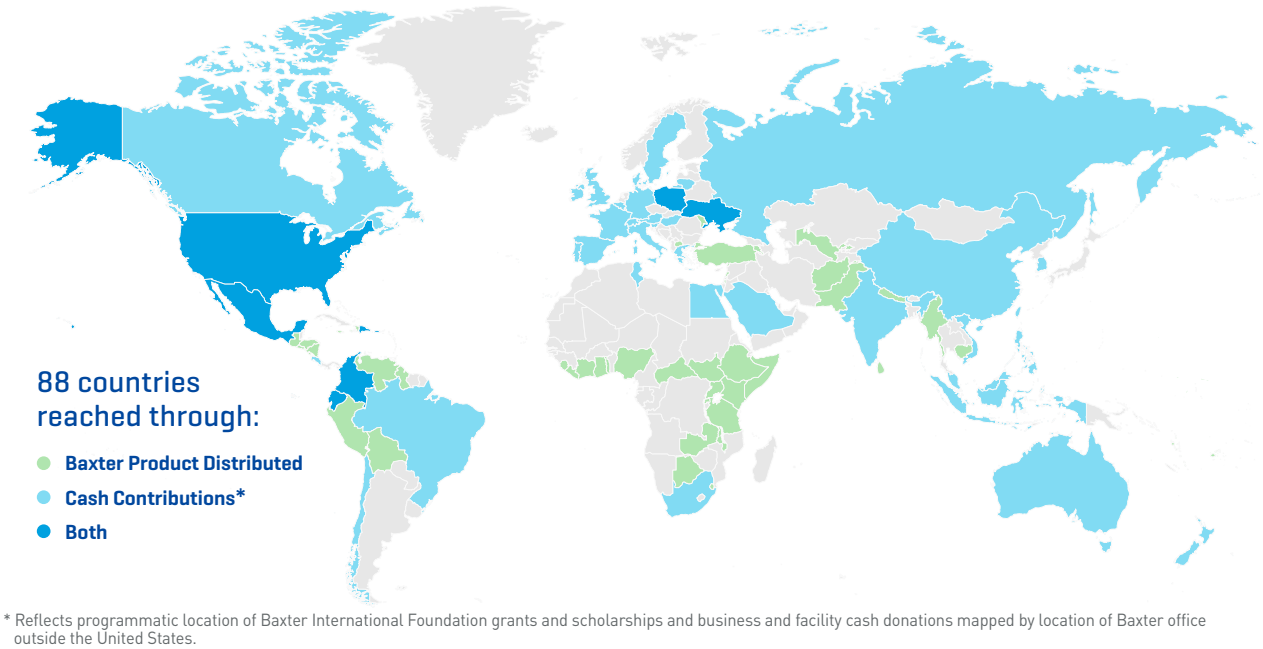
	HIGH RISK	MEDIUM RISK	LOW RISK
Environment	5%	52%	43%
Labor and Human Rights	6%	62%	32%
Ethics	15%	55%	30%
Sustainable Procurement	36%	32%	24%
Overall	2%	52%	47%
Total Partners	686	19,896	18,044

* The performance of risk categories presented in this table aligns with the EcoVadis methodology. Risk levels are based on 1) inherent risk, which is the corporate responsibility risk of a company based on its industry and country or EcoVadis rating, and 2) procurement risk, which is based on Baxter spend data. The category of Sustainable Procurement does not add up to 100% because a subset of suppliers do not have a related scorecard with EcoVadis as they go through a qualification process. Percentages in the Overall row do not add up to 100% due to rounding. Data in the Total Partners row do not add up to the total noted above because eight suppliers do not have a risk categorization.

Appendix: Additional Disclosures

Invest in Underserved Communities Globally

BAXTER GLOBAL CHARITABLE GIVING, 2022



BAXTER INTERNATIONAL FOUNDATION SIGNATURE PARTNERSHIPS, 2022

Partner Organization and Grant Program	Location	Duration
AMERICARES Respond to natural disasters through preparedness initiatives and immediate response support	Global	2022-2025
AMERICAN DIABETES ASSOCIATION Address health disparities in diabetes care and prevention (Learn more)	United States	2021-2023
UNICEF USA <ul style="list-style-type: none">• Improve water, sanitation and hygiene (WASH) services (Learn more)• Improve climate-smart WASH services	Colombia Egypt	2021-2023 2023-2025
DIRECT RELIEF <ul style="list-style-type: none">• Improve diabetes care in underserved communities (Learn more)• Improve nutrition and diabetes care in underserved communities	United States United States	2019-2022 2023-2025
NORTHWESTERN UNIVERSITY BAXTER CENTER FOR SCIENCE EDUCATION Provide STEM support for educators and K-12 students (Learn more)	United States	Since 2009
PARTNERS IN HEALTH Expand access to surgical care for women	Mexico	2022-2024
SAVE THE CHILDREN Support global COVID-19 pandemic recovery (Learn more)	Global	2020-2022
THURGOOD MARSHALL COLLEGE FUND Support students at Historically Black Colleges and Universities (Learn more)	United States	2022-2025
OPERATION SMILE Advance safe surgery with a community-based approach (Learn more)	India	2019-2024

Ethics and Compliance

ITEMS REPORTED TO THE ETHICS AND COMPLIANCE HELPLINE IN 2022*

In 2022, Baxter logged 673 reports from 45 countries into our Ethics and Compliance Helpline system and closed 644 cases that were received through 2022.**

CATEGORY***	% OF TOTAL
Work Environment/Employee Relations	66%
Interactions with Government Officials Including HCPs/HCOs (outside the United States)	6%
Conflict of Interest	6%
Marketing and Sales	5%
Manufacturing/EHS&S/R&D/Regulatory/Quality	5%
Financial Management and Reporting	4%
Asset of Information Misuse or Misappropriation/Confidential Data	4%
Competitive Practices	1%
Payments/Gifts/Entertainment with HCPs/HCOs (United States)	1%

* Puerto Rico is counted as part of the United States. Percentages do not add up to 100% due to rounding.
** The number of cases closed during any given year typically includes some cases opened before the beginning of the year.
*** "HCPs" are healthcare professionals. "HCOs" are healthcare organizations.

Privacy and Data Protection

BAXTER DIGITAL SECURITY CERTIFICATIONS

All information Baxter collects and uses is handled in a secure manner. We align with the NIST 800-53 framework and have obtained certifications for the following internal systems, products and services, based on the location of services and data involved.

Scope*	Certifications and Alignment
INTERNAL SYSTEMS	
Enterprise and internally developed systems environment	<ul style="list-style-type: none">• These systems are formally aligned to and internally audited against Baxter's Digital Security Controls Framework. This framework aligns with NIST 800-53 controls.• We align our data security controls with additional industry standard control frameworks such as ISO 27001, NIST CSF, and HITRUST (where applicable) and global regulatory requirements.• Baxter's cloud service providers and data center colocation providers are certified against multiple standards, including SOC 2 Availability certification.
PRODUCTS	
PrisMax v3 DCM v1.3.5	Novum IQ Dose IQ <ul style="list-style-type: none">• UL 2900 Certification
SERVICES	
Sharesource connectivity platform Epiphany RetinaVue BardyDx	<ul style="list-style-type: none">• ISO 27001 Certification• ISO 27001 Certification• Application SOC 2 Type 2• Application SOC 2 Type 2• French HDH Certification

* Not all products listed are available in all geographies and proposed certifications for these products may be subject to change prior to regulatory approval or launch.

Appendix: Independent Assurance Statement



To: The Stakeholders of Baxter International Inc.

Introduction and Objectives of Work

Baxter International Inc. (Baxter) engaged Apex Companies, LLC (Apex) to provide assurance of selected sections of Baxter's 2022 Corporate Responsibility Report. This Assurance Statement applies to the Subject Matter included within the scope of work described below.

This information and its presentation in Baxter's 2022 Corporate Responsibility Report ("the Report") are the sole responsibility of the management of Baxter. Apex was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on the accuracy of the Subject Matter. Baxter's 2022 Corporate Responsibility Report marks the 14th year for which we have provided assurance.

Scope of Work

The scope of our work was reasonable-level assurance of the following information included within the Report for the period Jan. 1, 2022, to Dec. 31, 2022 (the "Subject Matter").

- Data and information included in the following sections of the Report:
 - Achieve Carbon Neutrality for Direct Operations by 2040
 - Greenhouse gas (GHG) emissions verification is documented under a separate [verification opinion declaration](#)*
 - Implement Strategic Water Management Plans
 - Implement Strategic Materials and Waste Management Plans
 - Achieve Top Quartile Workplace Safety Performance
- Related material in the Report Appendix, including:
 - Data Summary—Achieve Carbon Neutrality for Direct Operations by 2040; Implement Strategic Water Management Plans; Implement Strategic Materials and Waste Management Plans; Environmental, Health, Safety and Sustainability Governance and Additional Disclosures; Achieve Top Quartile Workplace Safety Performance
 - Value Chain Energy Usage and GHG Emissions (Energy, Scope 1 and Scope 2 GHG emissions)
 - Facilities with ISO 14001, ISO 45001, ISO 50001 and Green Building Certifications
 - Additional Disclosures (Achieve Carbon Neutrality for Direct Operations by 2040; Implement Strategic Water Management Plans)

The scope of work also included limited-level assurance of the following Subject Matter:

- Data and information included in the following sections of the Report:
 - Achieve Carbon Neutrality for Direct Operations by 2040 (Scope 3 GHG emissions)
 - Greenhouse gas (GHG) emissions verification is documented under a separate [verification opinion declaration](#)*
 - Supplier Diversity in the Diversity, Equity and Inclusion section
 - Protecting Human Rights in Our Supply Chain in the Human Rights section
 - Advance Sustainable Procurement
- Related material in the Report Appendix:
 - Data Summary—Supplier Diversity and Advance Sustainable Procurement
 - Value Chain Energy Usage and GHG Emissions—Scope 3 emissions
 - Additional Disclosures (Advance Sustainable Procurement)

Our assurance does not extend to any other information included in the Report.

Reporting Boundaries

The following are the boundaries Baxter used for reporting sustainability data:

- Operational control
- Worldwide

Reporting Criteria

The Subject Matter needs to be read and understood together with Baxter's internal reporting requirements for facility environmental, health, safety and sustainability performance, as well as information described in the text, appendix, data tables and notes of the Report.

Limitations and Exclusions

Excluded from the scope of our work is any verification of information relating to:

- Activities outside the defined assurance period, which is the 2022 calendar year
- Positional statements (expressions of opinion, belief, aim or future intention) by Baxter and statements of future commitment
- Any financial data previously audited by an external third party
- Data and information included in sections of the Report not listed in the scope of work above

This assurance engagement relies on a risk-based selected sample of sustainability data and the associated limitations that this entails. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

Responsibilities

The preparation and presentation of the Subject Matter in the Report are the sole responsibility of the management of Baxter. Apex was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- Provide independent assurance about whether the Subject Matter has been prepared in accordance with the Reporting Criteria
- Form an independent conclusion based on the assurance procedures performed and evidence obtained
- Report our conclusions to the stakeholders of Baxter

Assessment Standards

We performed our work in accordance with Apex's standard procedures and guidelines for external Assurance of Sustainability Reports and the International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board. A materiality threshold of $\pm 5\%$ was set for the assurance process.

The work was planned and carried out to provide reasonable, rather than absolute, assurance of the Subject Matter except for the Scope 3 GHG emissions and Product Distribution in the Achieve Carbon Neutrality for Direct Operations by 2040 section; Protecting Human Rights in Our Supply Chain in the Human Rights section; Supplier Diversity in the Diversity, Equity and Inclusion section; and the Advance Sustainable Procurement section, which was carried out to provide limited assurance. We believe that our work provides an appropriate basis for our conclusions.

Summary of Work Performed

As part of our independent verification, our work included:

- Assessing the appropriateness of the Reporting Criteria for the Subject Matter
- Conducting interviews with relevant Baxter personnel who are responsible for collecting and reporting performance data and other Subject Matter
- Reviewing documentary evidence provided by Baxter
- Reviewing Baxter's systems for quantitative data aggregation and analysis during meetings with personnel in Baxter's Deerfield and Round Lake, Illinois, offices
- Assessing assumptions made and the data scope and reporting boundaries. Auditing consolidated performance data, including review of a sample of data-to-source documentation
- Auditing a selection of the Subject Matter to the corresponding source documentation
- Auditing performance data and processes during in-person audits of operating sites located in Alliston, Ontario (remote); Amata City, Thailand (remote); Guayama, Puerto Rico; Irvine, California; Lessines, Belgium; Round Lake, Illinois; and São Paulo, Brazil (remote)
- Assessing the disclosure and presentation of the Subject Matter with emphasis on principles of accuracy, accessibility, balance, clarity, comparability, reliability and timeliness and to ensure consistency with the Reporting Criteria

Conclusion

On the basis of our methodology and the activities described above, it is our opinion that the Subject Matter within assured sections including: Achieve Carbon Neutrality for Direct Operations by 2040; Implement Strategic Materials and Waste Management Plans; Implement Strategic Water Management Plans; and Achieve Top Quartile Workplace Safety Performance sections of the Report; the Environmental, Health, Safety and Sustainability Governance and Additional Disclosures section of the Data Summary; and other related material in the Report Appendix:

- Is presented in accordance with the Reporting Criteria and is, in all material respects, fairly stated
- Is presented in a clear, understandable and accessible manner
- Allows readers to form a balanced opinion of Baxter's activities and performance during calendar year 2022

Also, on the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the data and information in the following sections: Scope 3 GHG emissions in the Achieve Carbon Neutrality for Direct Operations by 2040 section; Protecting Human Rights in Our Supply Chain in the Human Rights section; Supplier Diversity in the Diversity, Equity and Inclusion section and the Advance Sustainable Procurement section of the Report are inaccurate or that the information is not fairly stated.
- It is also our opinion that Baxter has established appropriate systems for the collection, aggregation, analysis and review of the Subject Matter.

Additional Commentary

During the assurance process, Apex observed that Baxter continues to improve its overall data collection and reporting processes at the site and corporate level. Opportunities for improving facility-level data collection, reporting and procedural documentation at some facilities were noted. In addition, there are opportunities for improvements to processes for compilation of corporate environmental data.

We recommend that Baxter corporate personnel continue to support individual facility personnel with collection and consolidation of site-specific metrics that are included in reporting.

Statement of Independence, Integrity and Competence

Apex is an independent professional services company that specializes in health, safety, social and environmental management services, including assurance, with more than 30 years history in providing these services.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

No member of the assurance team has a business relationship with Baxter International Inc., or its directors or managers, beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance on health, safety, social, environmental and ethical information, systems and processes. The team has more than 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the assurance of sustainability-related assertions.

JOHN A. ROHDE
Apex Companies, LLC
Lakewood, Colorado

TREVOR DONAGHU
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Pleasant Hill, California

May 25, 2023

Appendix: Sustainability Accounting Standards Board Index

This index includes and references information related to the Sustainability Accounting Standards Board (SASB) Medical Equipment and Supplies Sustainability Accounting Standard. Data cover calendar year 2022, unless specified otherwise.

TOPIC	CODE	SASB METRIC	2022 REPORTING
Affordability & Pricing	HC-MS-240a.1	Ratio of weighted average rate of net price increases (for all products) to the annual increase in the U.S. Consumer Price Index	Baxter does not disclose this data. See Contractual Arrangements in Baxter’s 2022 Annual Report on Form 10-K for information about some factors that impact product pricing.
	HC-MS-240a.2	Description of how price information for each product is disclosed to customers or to their agents	<p>Baxter products are sold through contracts with customers, both within and outside the United States. Some of these contracts have terms of more than one year and place limits on our ability to increase prices; some contracts also specify minimum quantities to be purchased by the customer; and some contracts may include variable consideration related to rebates, sales discounts and/or wholesaler chargebacks. Our customers include hospitals, governments, kidney dialysis centers and other organizations. Both in the United States and outside, hospitals and other customers have joined purchasing entities, such as group purchasing organizations, integrated delivery networks and public contracting authorities, to enhance purchasing power.</p> <p>See the Contractual Arrangements, Competition and Healthcare Cost Containment and Revenue Recognition sections in Baxter’s 2022 Annual Report on Form 10-K.</p>
Product Safety	HC-MS-250a.1	Number of recalls issued, total units recalled	<p>In 2022, Baxter issued:</p> <ul style="list-style-type: none">• Twenty-one medical device product recalls that were reported to FDA and removed from the market or corrected¹• One medical device product recall that was not reported to FDA^{1, 2}• Seventeen medical device product recalls that were reported to non-U.S. national regulatory authorities and removed from the market or corrected <p>See Consistently Improve Manufacturing Capabilities and Data Summary for information about the company’s product improvements and recall data, inclusive of drug-related recalls.</p>
	HC-MS-250a.2	List of products listed in the FDA’s MedWatch Safety Alerts for Human Medical Products database	<p>As of Dec. 31, 2022, the MedWatch Safety Alerts for Human Medical Products database included the following five Baxter medical device products:</p> <ul style="list-style-type: none">• Baxter Issues Urgent Medical Device Correction Regarding Potential Radio Frequency Interference With Other Devices Near Beds Installed With WatchCare System• Baxter Issues Urgent Medical Device Recall of Clearlink Solution Set 2R8403 Due to Potential Risk of Leaking Complications• Baxter Issues Urgent Medical Device Correction Regarding Potential Risk of Medication Error When Using Abacus Order Entry and Calculation Software• Baxter Issues Urgent Medical Device Correction to Reinforce Important Safety Information Regarding Possible Risk of Oxygen Desaturation While Using Volara Device in Line With Ventilator in a Home Care Environment• Baxter Issues Urgent Safety Communication to Reinforce Important Safety Information Regarding Upstream Occlusion Alarms for all Spectrum V8 and Spectrum IQ Infusion Pumps
	HC-MS-250a.3	Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience	Under FDA regulations, manufacturers and device user facilities must report information that reasonably suggests a medical device may have caused or contributed to a fatality or serious injury. Manufacturers must also submit to FDA reports of certain malfunctions. Such reports for Baxter’s medical devices are available here: Manufacturer and User Facility Device Experience .
	HC-MS-250a.4	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	<p>In 2022, Baxter received:</p> <ul style="list-style-type: none">• Seven Form 483s• Zero warning letters• Zero seizures• Zero consent decrees <p>See Consistently Improve Manufacturing Capabilities, as well as Certain Regulatory Matters in Baxter’s 2022 Annual Report on Form 10-K for related information.</p>

Appendix: Sustainability Accounting Standards Board Index [continued]

TOPIC	CODE	SASB METRIC	2022 REPORTING
Ethical Marketing	HC-MS-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	In 2022, Baxter had no monetary losses due to legal proceedings associated with false marketing claims that were previously reported in any company Exchange Act filings.
	HC-MS-270a.2	Description of code of ethics governing promotion of off-label use of products	Off-label promotion is strictly prohibited at Baxter. See the Baxter Code of Conduct and the Baxter Global Interactions Policy . See Ethics and Compliance for information about the company's approach in this area.
Product Design & Lifecycle Management	HC-MS-410a.1	Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	Baxter's corporate responsibility approach prioritizes compliance with product, chemical, pharmaceutical and medical device regulations. Our global strategies and programs help ensure that we meet product materials restrictions. We use a leading third-party software tool to manage and monitor our use of chemicals. We work to avoid or minimize materials of concern as part of our EHS&S product reviews and by consulting numerous regulatory lists. Working with a third party, we collect data from suppliers to determine the use of materials of high concern. We also continue to leverage third-party testing. See Sustainable Design and Materials Use in Products and Packaging for information about the company's approach in this area.
	HC-MS-410a.2	Total amount of products accepted for takeback and reused, recycled, or donated, broken down by: (1) devices and equipment and (2) supplies	See Product End-of-Life and Data Summary for information about the company's approach in this area and product recovery data.
Supply Chain Management	HC-MS-430a.1	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in third-party audit programs for manufacturing and product quality	Between 2020 and 2022, approximately 41% of Baxter's total facilities worldwide completed third-party audits based on ISO 13485 or ISO 9001 (including through the Medical Device Single Audit Program); approximately 44% completed ministry of health or equivalent audits (depending on location) related to manufacturing and product quality; and approximately 13% completed safety marking (such as Conformance Européenne [CE] marking ³) audits. As of Dec. 31, 2022, approximately 30% of Baxter's Tier 1 suppliers had obtained third-party certification. There are approximately 18% of Legacy Hillrom suppliers that had obtained third-party ISO certification. See Consistently Improve Manufacturing Capabilities and Supplier Corporate Responsibility Audits for related information.
	HC-MS-430a.2	Description of efforts to maintain traceability within the distribution chain	Baxter has a range of systems and processes designed to maintain traceability of materials throughout the product supply and distribution chain: <ul style="list-style-type: none"> • Traceability of materials from suppliers to Baxter, and throughout the manufacturing process, is maintained utilizing electronic systems. • Products manufactured by Baxter are labeled with an identifier that is traceable from the manufacturing process to the customer and may utilize barcoding and serialization technology to facilitate electronic track-and-trace capability. Enterprise resource planning (ERP) systems are used to manage traceability to the point of sale. Baxter has business agreements with our wholesalers to ensure traceability is maintained within their distribution chains, and can be retrieved as needed. • Baxter maintains a range of compliance-focused initiatives to help ensure all products are labeled as required by local and regional regulations to enable traceability. See section 7.11, Product Identification and Traceability of the Baxter Supplier Quality Standard for more information.
	HC-MS-430a.3	Description of the management of risks associated with the use of critical materials	See Baxter's Position Statement on Conflict Minerals and our most recent Conflict Minerals Report .
Business Ethics	HC-MS-510a.1	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	In 2022, Baxter had no monetary losses due to legal proceedings associated with bribery or corruption that were previously reported in any company Exchange Act filings. See Ethics and Compliance for information about the company's approach in this area.
	HC-MS-510a.2	Description of code of ethics governing interactions with health care professionals	See Baxter's Global Interactions Policy and Ethics and Compliance for information about the company's approach in this area. Baxter has adopted the AdvaMed Code of Ethics and also belongs to similar industry and professional associations around the world. See Professional Codes of Ethics and Industry Standards on Baxter's Ethics and Compliance page for information.

Appendix: GRI Content Index

Baxter has reported the information cited in this GRI content index for the period January 1, 2022 through December 31, 2022 with reference to the GRI Standards. The reported information may meet in part or in full the requirements of each GRI disclosure listed.

DISCLOSURE		2022 REPORTING
GRI 2: General Disclosures 2021		
2-1	Organizational details	Baxter's corporate headquarters is in Deerfield, Illinois. Baxter International Inc. (BAX) is a publicly traded company listed on the New York Stock Exchange. Baxter 2022 Annual Report on Form 10-K
2-2	Entities included in the organization's sustainability reporting	19
2-3	Reporting period, frequency and contact point	Reporting period: January–December Frequency: Yearly Contact point: corporate_responsibility_report@baxter.com
2-4	Restatements of information	Noted in sections as relevant.
2-5	External assurance	2
2-6	Activities, value chain and other business relationships	13, 24 , Baxter 2022 Annual Report on Form 10-K
2-7	Employees	22, 23
2-9	Governance structure and composition	Our Governance
2-10	Nomination and selection of the highest governance body	Corporate Governance Guidelines
2-11	Chair of the highest governance body	Our Governance
2-12	Role of the highest governance body in overseeing the management of impacts	7
2-13	Delegation of responsibility for managing impacts	7
2-15	Conflicts of interest	Corporate Governance Guidelines
2-16	Communication of critical concerns	Baxter 2022 Proxy Statement
2-19	Remuneration policies	Corporate Governance Guidelines , Baxter 2022 Proxy Statement
2-20	Process to determine remuneration	Corporate Governance Guidelines , Baxter 2022 Proxy Statement
2-21	Annual total compensation ratio	Baxter 2022 Proxy Statement
2-22	Statement on sustainable development strategy	6
2-23	Policy commitments	20

DISCLOSURE		2022 REPORTING
GRI 2: General Disclosures 2021 (continued)		
2-26	Mechanisms for seeking advice and raising concerns	17, 29
2-27	Compliance with laws and regulations	22, 23 , Baxter 2022 Annual Report on Form 10-K
2-28	Membership associations	We engage with external organizations to help drive progress on a broad range of issues. Examples include Advanced Medical Technology Association, Association of Corporate Citizenship Professionals, Business Roundtable, Catalyst, Ceres Company Network, Chicago United, Congressional Black Caucus Foundation, GRI Community, Healthcare Leadership Council, Healthcare Plastics Recycling Council, National Association for EHS&S Management, National Minority Quality Forum, National Minority Supplier Development Council, ORC HSE, Partnership for Quality Medical Donations, Pharmaceutical Supply Chain Initiative, Seramont, Smart Freight Center, Vinyl Council of Australia and others.
2-29	Approach to stakeholder engagement	7
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	8
3-2	List of material topics	8
3-3	Management of material topics	Included in relevant sections throughout the report.
GRI 201: Economic Performance 2016		
	Management Approach	14, 18
201-1	Direct economic value generated and distributed	14, 18, 22, 23, 29 , Baxter 2022 Annual Report on Form 10-K
201-2	Financial implications and other risks and opportunities due to climate change	Baxter CDP submission
GRI 203: Indirect Economic Impacts 2016		
	Management Approach	11, 14, 18
203-1	Infrastructure investments and services supported	11, 14
203-2	Significant indirect economic impacts	11, 14, 18, 22, 23, 29

DISCLOSURE		2022 REPORTING
GRI 205: Anticorruption 2016		
	Management Approach	17
205-1	Operations assessed for risks related to corruption	17
205-2	Communication and training about anticorruption policies and procedures	17
GRI 301: Materials 2016		
	Management Approach	13
301-3	Reclaimed products and their packaging materials	22
GRI 302: Energy 2016		
	Management Approach	12
302-1	Energy consumption within the organization	12, 21, 24
302-3	Energy intensity	21
302-4	Reduction of energy consumption	12
GRI 303: Water and Effluents 2018		
	Management Approach	12
303-3	Water withdrawal	21
303-4	Water discharge	21
GRI 305: Emissions 2016		
	Management Approach	12
305-1	Direct (Scope 1) GHG emissions	24, 26
305-2	Energy indirect (Scope 2) GHG emissions	24, 26
305-3	Other indirect (Scope 3) GHG emissions	24, 26
305-4	GHG emissions intensity	21
305-5	Reduction of GHG emissions	12
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x) and other significant air emissions	22

Appendix: GRI Content Index (continued)

DISCLOSURE	2022 REPORTING
GRI 306: Waste 2020	
Management Approach	13
306-3 Waste generated	21 , 22
306-4 Waste diverted from disposal	22
306-5 Waste directed to disposal	22
GRI 307: Environmental Compliance 2016	
Management Approach	12 , 13 , 20
307-1 Non-compliance with environmental laws and regulations	22
GRI 308: Supplier Environmental Assessment 2016	
Management Approach	13 , 28
308-2 Negative environmental impacts in the supply chain and actions taken	12 , 13 , 24 , 28
GRI 401: Employment 2016	
Management Approach	18 , Benefits
401-1 New employee hires and employee turnover	23
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	18 , Benefits All benefits are generally provided to full-time and part-time employees.
GRI 402: Labor/Management Relations 2016	
402-1 Minimum notice periods regarding operational changes	Minimum notice period varies by country. The length of the notice period is dependent on the type of change being made. Baxter is committed to providing appropriate notice and follows all relevant consultation and notice requirements.
GRI 403: Occupational Health and Safety 2018	
Management Approach	14
403-9 Work-related injuries	23

DISCLOSURE	2022 REPORTING
GRI 404: Training and Education 2016	
Management Approach	17 , 18 , Career Development
404-1 Average hours of training per year per employee	23
404-2 Programs for upgrading employee skills and transition assistance programs	Career Development
GRI 405: Diversity and Equal Opportunity 2016	
Management Approach	15 , 18
405-1 Diversity of governance bodies and employees	15 , 22 , 23 , Our Leadership
GRI 408: Child Labor 2016	
Management Approach	13 , 28 , Baxter Global Human Rights Policy , Baxter Code of Conduct , Baxter Supplier Quality Standard , Ethics and Compliance Standards for Baxter Suppliers
408-1 Operations and suppliers at significant risk for incidents of child labor	28
GRI 409: Forced or Compulsory Labor 2016	
Management Approach	13 , 28 , Baxter Global Human Rights Policy , Baxter Code of Conduct , Baxter Supplier Quality Standard , Ethics and Compliance Standards for Baxter Suppliers , Baxter California Transparency in Supply Chains Act Supplier Disclosure Statement , Baxter UK Modern Slavery Statement , Baxter Conflict Minerals Position Statement
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	28
GRI 414: Supplier Social Assessment 2016	
Management Approach	13 , 28
414-2 Negative social impacts in the supply chain and actions taken	13 , 28
GRI 415: Public Policy 2016	
Management Approach	Baxter 2022 Political Contributions Report
415-1 Political contributions	Baxter 2022 Political Contributions Report

DISCLOSURE	2022 REPORTING
GRI 416: Customer Health and Safety 2016	
Management Approach	11
416-1 Assessment of the health and safety impacts of product and service categories	11
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	31
GRI 418: Customer Privacy 2016	
Management Approach	17
GRI 419: Socioeconomic Compliance 2016	
Management Approach	17
419-1 Non-compliance with laws and regulations in the social and economic area	32 , Baxter 2022 Annual Report on Form 10-K

Appendix: Endnotes

FROM THE CHAIRMAN, PRESIDENT AND CEO

¹ Spinoff of Baxter’s Kidney Care business subject to customary conditions.

COMPANY PROFILE

¹ Unless stated otherwise, the 2022 content and data in this report reflect the integration of the Hillrom business, which we acquired in December 2021. As we continue the integration of Hillrom into our operations, we are further enhancing our ability to assess, disclose and manage the impacts of the legacy Hillrom operation. We are continuing to evaluate and refine our corporate responsibility strategy and initiatives following the acquisition, and we may make changes to our existing strategies, initiatives, methodologies, analysis and data as disclosed in this report.

CORPORATE RESPONSIBILITY COMMITMENT

¹ Our approach to the disclosures included in this report differs from our approach to the disclosures we include in other reports, including our filings with the SEC. For example, in this report, we are not using the terms “material” and “materiality” as defined for the purposes of financial and SEC reporting in the United States. Instead, the terms refer to environmental, social and economic topics that may be significant to our stakeholders and to the company, which we use to inform our corporate responsibility strategy, priorities and goals, and reporting. The topics in this table are listed in alphabetical order, grouped by Priority ESG Topics and Other Material ESG Topics. The listing within each category does not reflect the presumed importance or “materiality” of any particular topic to Baxter or our stakeholders.

2030 CORPORATE RESPONSIBILITY GOALS

Reach More Underserved Kidney Patients

- ¹ Available in 22 languages and 39 countries.
- ² As of Dec. 31, 2022, there were a total of 50 PD Ambassadors, with 41 representing developing countries. Of the 30 countries with PD Ambassadors, 26 were developing countries.
- ³ Including Algeria, Bahrain, Brazil, China, Colombia, Egypt, Ireland, Japan, Korea, Mexico, Morocco, Oman, Poland, Slovenia, South Africa, Sudan, Tunisia, Turkey and UAE.

Consistently Improve Manufacturing Capabilities

⁴ Parametric release is an innovative sterile product release program based on demonstrated control of validated manufacturing processes. Through this program, we can get products to patients quickly, without sacrificing quality.

Achieve Carbon Neutrality for Direct Operations by 2040

- ⁵ Scope 1 emissions are direct GHG emissions from sources we own or control, such as on-site fuel combustion. Scope 2 emissions are indirect GHG emissions associated with purchased electricity and steam for owned/controlled facilities. Baxter’s Scope 1 and Scope 2 emissions have been verified by a third party to a reasonable assurance level (see [verification statement](#)). The market-based method is used for Scope 2 unless otherwise stated. See [Value Chain Energy Usage and GHG Emissions](#) for additional detail.
- ⁶ This includes electricity, fuel and purchased steam consumed by Baxter-managed and Baxter-operated facilities; it excludes energy related to company-operated vehicles.
- ⁷ Estimated energy and financial savings as well as GHG emissions avoidance include savings from 2021 projects that carried over into 2022 in the 12 months following project implementation.
- ⁸ In 2022, biomass fuel for boilers at two of our locations (one in the United States and one in Italy) accounted for 7.9%, and the renewable energy component of our purchased electricity and renewable energy certificates together represented 22.5%. On-site geothermal, solar photovoltaic and solar hot water systems also contributed a small amount. During the year, emissions from the Baxter operated biomass boilers equaled 152,000 metric tons CO₂. In accordance with the GHG Protocol, these are not included in reported Scope 1 and Scope 2 emissions. However, also in accordance with the GHG Protocol, we include CO₂e emissions from the CH₄ and N₂O components of biomass combustion in our reported Scope 1 emissions.
- ⁹ Estimated energy savings as well as GHG emissions avoidance are calculated for the 12 months following project implementation.
- ¹⁰ Baxter’s Scope 3 emissions relate to activities within the company’s value chain, but outside of our direct control. These emissions are based on various assumptions and estimates and are verified by a third party to a limited assurance level (see [verification statement](#)).

Implement Strategic Water Management Plans

- ¹¹ The survey did not include former Hillrom manufacturing sites.
- ¹² One cubic meter equals 1,000 liters or 264 gallons.
- ¹³ The savings described are calculated on an annualized basis (12 months from each project completion date), though savings should continue beyond one year.
- ¹⁴ The WRI water tool defines baseline water stress as total annual water withdrawals (municipal, industrial and agricultural) expressed as a percentage of total annual available flow. Higher values indicate more competition among users.
- Low: Less than 10% of the water available to agricultural, domestic and industrial users is withdrawn annually.
- Low-Med: Between 10 and 20% of the water available to agricultural, domestic and industrial users is withdrawn annually.
- Med-High: Between 20 and 40% of the water available to agricultural, domestic and industrial users is withdrawn annually.
- High: Between 40 and 80% of the water available to agricultural, domestic and industrial users is withdrawn annually.
- Extremely High: More than 80% of the water available to agricultural, domestic and industrial users is withdrawn annually.

Advance Sustainable Procurement

¹⁵ Applicable suppliers are those that have a Data Universal Numbering System (DUNS) number and with which we have historical spend.

Implement Strategic Materials and Waste Management Plans

- ¹⁶ The product portfolio Baxter acquired as part of the Hillrom integration was not included in this assessment process during 2022.
- ¹⁷ Savings are calculated on an annualized basis (12 months from each project completion date), though savings should continue beyond one year.
- ¹⁸ Baxter policies require facilities to dispose of all hazardous or other regulated waste at disposal sites that Baxter has inspected or from which the company has otherwise received sufficient assurance of acceptable performance.
- ¹⁹ Savings for Cuernavaca, Mexico; San Vittore, Switzerland; and Valtellina, Italy, are from 2022. Savings for Marsa, Malta, are calculated for 12 months following project implementation (beginning in 2022 and ending in 2023).

2030 CORPORATE RESPONSIBILITY GOALS (CONTINUED)

Invest in Underserved Communities Globally

- ²⁰ Baxter donates a broad portfolio of medical products, supplies and therapies for acute and chronic conditions. The valuation of these donated products originating in the United States is reported by recipient nonprofit partners at wholesale acquisition cost (WAC). Value of donated products originating outside the United States is reported by recipient partners at fair market value (FMV) for the country where the products are sourced. Value of medical devices and equipment is reported at list price where products are sourced.
- ²¹ Baxter’s Global Interactions Policy provides guidance for corporate charitable giving to help ensure compliance with the law and with Baxter policy. We have local Contributions Management Committees in select countries, clusters of countries or regions. Where they exist, those local committees have decision-making authority for contribution requests from educational institutions, not-for-profit or charitable healthcare organizations, and patient organizations. The Baxter International Foundation, the philanthropic arm of Baxter International Inc., is a separate legal entity governed by its own board of directors and distinct grantmaking guidelines that govern its charitable contributions to nonprofit organizations.

Achieve Top Quartile Workplace Safety Performance

- ²² Injuries Baxter is targeting to reduce in the near term include ergonomics, slips/trips/falls, and cuts/lacerations.
- ²³ Work-related injuries or illnesses requiring medical attention beyond first aid, including cases with days lost. All rates based on 100 full-time employees working one year, which equals 200,000 work hours. For tracking purposes, Baxter follows U.S. Occupational Safety and Health Administration recordkeeping requirements worldwide. Thus, in cases where an injury occurs and conflicting medical opinions arise as to the number of days away and/or restricted days that should be recorded, we record on the basis of the most authoritative physician’s opinion. We include occupational diseases and illnesses, such as hearing loss and ergonomic disorders, within our broader categories of cases, but do not track or report those items separately. Due to privacy regulations in our Europe, Middle East and Africa region, we do not classify or report injuries by gender. Supervised contracted employees are included in the injury statistics reported and are not tracked separately. Independent contractors are not included in Baxter’s injury data, because they are supervised by other organizations.
- ²⁴ Rates include COVID-19 cases. Public health guidance varies around the world concerning isolation and quarantine days for COVID-19. Probable work-related COVID-19 cases average 10 days lost per CDC guidance and account for days away from work due to the illness.
- ²⁵ Major incidents are defined as those that result in death of a Baxter employee, contractor or visitor associated with work being performed at a Baxter facility, or directly caused by visiting a Baxter facility, or associated with work or travel activities while a Baxter employee is away on company business. Severe incidents are defined as those that result in amputations, debilitating injuries that result in permanent loss of use of a body part or other disease to the human body, severe burns, severe fractures (overnight hospitalization or surgery, major leg or arm bones, multiple fractures to hand or foot, fracture of skull), as well as reportable exposure events. Recordable and lost time incidents which result in hospitalization with medical treatment are also classified as severe incidents, regardless of injury type.
- ²⁶ Each year, profiles untouched for the previous three years are removed from the active database.

Increase Representation of Women and Ethnic Minorities in Leadership Roles

- ²⁷ “Ethnic minorities,” within the context of our 2030 goal, refers to the United States EEO Categories, which include Black/African American, Latino/Hispanic, Asian American, Native American and two or more races.
- ²⁸ Our 2030 goals related to increasing the representation of women and ethnic minorities in leadership roles are based on assumptions about labor market conditions. “Labor market conditions” refers to the availability of talent in the marketplace in the communities where we operate and serve, and specifically looks at census data, as well as our internal pipeline. These labor market conditions can change over time so we will continue to monitor and adjust our goals as needed.

CROSS-CUTTING COMMITMENTS

Ethics and Compliance

¹ In 2022, this included Chile, Colombia, Ecuador, France, India, Italy, South Korea, Thailand and our U.S. Advanced Surgery business.

Privacy and Data Protection

² Training is applied according to valid Baxter email. Employees without a Baxter email address, such as those in manufacturing, do not participate.

Diversity, Equity and Inclusion

- ³ Underrepresented groups: employee populations that may be inadequately represented and disproportionately lower than in the general population (e.g., gender, race/ethnicity, disability, LGBTQ+, generation, veteran status).
- ⁴ Jan. 1, 2022, through Dec. 31, 2022. “Economic output” includes revenues earned by suppliers and businesses in the company’s supply chain and their communities. Data does not include economic impacts in Puerto Rico.

DATA SUMMARY

- ¹ Some metrics in this Data Summary relate to the company’s 2030 Corporate Responsibility Goals. Other metrics relate to other ESG topics.
- ² Differences compared with data on FDA websites may be due to timeframe (the date Baxter takes an action may differ from the date FDA classifies that action), definition of “recall” (FDA data includes actions taken even if the product is not removed or corrected), and classification by product group vs. product code (FDA counts each impacted product code within a product family as a distinct recall).
- ³ Product Recall Rate is defined as the number of unique product codes corrected or removed from the market per total Baxter-owned unique product codes sold globally.
- ⁴ As of 2022, Baxter had 75 FDA-registered establishments available for inspection.
- ⁵ The regional breakdown of the data included in this section reflects the structure of the Environmental, Health, Safety and Sustainability (EHS&S) organization and the categorization of data in the EHS&S global information management system through 2022. Some data for 2020 and 2021 are updated from data reported in the Baxter 2021 Corporate Responsibility Report to reflect the Hillrom acquisition, to combine the segments North America and Latin America into the segment Americas, to improve accuracy and in the case of GHG emissions, to reflect updated GHG emission factors. Some totals vary from sum of items in category, due to rounding.
- ⁶ Excludes energy consumption associated with Baxter-operated mobile sources and renewable electricity generated on-site.
- ⁷ 2022 data for this metric reflects the integration of the Hillrom business, which Baxter acquired in December 2021. Data for 2020 and 2021 are not included, due to lack of comparability.
- ⁸ Excludes energy consumption associated with Baxter-operated mobile sources.

Appendix: Endnotes (continued)

DATA SUMMARY (CONTINUED)

⁹ Legacy Hillrom sites are excluded.

¹⁰ In 2020 and 2021, we were unable to perform on-site energy assessments due to COVID-19–related travel restrictions.

¹¹ In some cases, segments do not add up to 100% due to rounding. Data may differ slightly from the totals stated in the Baxter Operations Total line of the [Value Chain Energy Usage and GHG Emissions table](#) due to rounding.

¹² Number includes Scope 3 emissions plus Scope 1 emissions for product transport. Some totals vary from sum of items in category, due to rounding.

¹³ “Water usage” aligns with the definition of “water withdrawal” in GRI 303: Water and Effluents 2018: “Sum of all water drawn from surface water, groundwater, seawater, or a third party for any use over the course of the reporting period.”

¹⁴ Water usage from Baxter’s 60 manufacturing sites with the most significant water use, representing 96% of the company’s total annual water usage. The WRI water tool defines baseline water stress as the total annual water withdrawals (municipal, industrial and agricultural) expressed as a percentage of the total annual available flow. Higher values indicate more competition among users.
Low: Less than 10% of the water available to agricultural, domestic and industrial users is withdrawn annually.
Low-Med: Between 10 and 20% of the water available to agricultural, domestic and industrial users is withdrawn annually.
Med-High: Between 20 and 40% of the water available to agricultural, domestic and industrial users is withdrawn annually.
High: Between 40 and 80% of the water available to agricultural, domestic and industrial users is withdrawn annually.
Extremely High: More than 80% of the water available to agricultural, domestic and industrial users is withdrawn annually.

¹⁵ Estimated total water pollutant levels for treated wastewater discharged directly into waterways. Data do not include one facility that operates zero-discharge systems in accordance with local regulatory requirements. BOD₅ refers to five-day biological oxygen demand; COD refers to chemical oxygen demand; TSS refers to total suspended solids. When actual performance data were not available, estimates are based on performance at similar facilities or on other measured performance indicators.

¹⁶ Fiscal year basis (Oct. 1 through Sept. 30 of the year noted).

¹⁷ Excludes waste associated with U.S. Renal Home Care operations, since patients dispose of unused product rather than returning it to Baxter for disposal. Also excludes construction and demolition debris, remediation waste, wastewater treatment sludge and discarded manufacturing and process-related machinery or equipment. Removing these waste categories from the company total allows for more consistent evaluation of facility performance and trends over time.

¹⁸ Excludes production by-products reused on-site, construction and demolition debris, wastewater treatment and discarded manufacturing and process-related machinery or equipment. Includes discarded/returned products (such as intravenous solution, dextrose solution, etc.) that are nonhazardous in nature but may be classified as regulated in some countries. Excludes waste associated with U.S. Renal Home Care operations, since patients dispose of unused product rather than returning it to Baxter for disposal.

¹⁹ Incineration with energy recovery is considered recycling.

²⁰ Excludes waste recycled on-site, remediation waste, construction and demolition debris, and wastewater treatment sludge. Includes certain waste streams (such as waste oils, batteries, fluorescent lamps, light ballasts and asbestos) not classified as regulated in some locations.

²¹ In compliance with the EU Waste Electrical and Electronic Equipment (WEEE) Directive. Data excludes Hillrom.

²² During 2020, PVC collection through our program in New Zealand was on hold due to COVID-19. During 2021, PVC Collected for Recycling and Aluminum Bottles Recycled data for Australia also includes New Zealand. In Australia and New Zealand, Baxter’s Home Patients PD Recycling Program was suspended in some locations during 2020 due to COVID-19, and re-instated during 2022. Some other data in this section are not available for 2021 due to different presentation in past reports.

²³ Values correspond to the U.S. Environmental Protection Agency Toxics Release Inventory (TRI) Program data reported for reporting 2020 and 2021. It includes facilities in the continental United States and Puerto Rico only. Data for 2022 are not available as of report publication date.

²⁴ Includes air emissions associated with on-site energy generation. Emission factors from the U.S. Environmental Protection Agency publication “Compilation of Air Pollutant Emission Factors,” AP-42, Fifth Edition, Volume 1: “Stationary Point and Area Sources.”

²⁵ For the purpose of this calculation, manufacturing includes pharmaceutical locations; and our sites in Sondalo and Grosotto, Italy, and Castlebar and Swinford, Ireland, are counted separately. Outside of manufacturing locations, the balance of 17 ISO certified sites also includes compounding (6), offices (5), and planning and fulfillment (6).

²⁶ Americas includes the United States (with Puerto Rico), Canada and Latin America.

²⁷ “Professional” includes individual contributors.

²⁸ “Other” includes American Indian/Alaska Native, Native Hawaiian/Other Pacific Islander and two or more races.

²⁹ In some cases, segments do not add up to total due to rounding.

³⁰ This breakdown was not calculated prior to 2021.

³¹ Includes product donations as well as Patient Assistance Programs. Variations in Baxter’s annual product donations are due to fluctuations in community needs, the need and volume of disaster relief response, the regulatory environment, product availability, manufacturing processes and changes in product mix and marketing. We identify opportunities to donate and respond to community and humanitarian aid partner requests as appropriate. Value of products donated (provided at no cost) is provided by partners based on wholesale acquisition cost at the time of donation. This number may be greater or less than the value of Baxter products distributed during the year by our relief partners. See [Invest in Underserved Communities Globally](#).

³² Contributions to U.S.-based 501(c)(3) organizations for programs within and outside of the United States.

³³ Based on hourly rates of \$28.54 per volunteer hour for 2020, \$29.95 per volunteer hour for 2021, and \$31.80 per volunteer hour for 2022 (as of April 2023), as estimated by [Independent Sector](#); volunteer hours are self-reported by Baxter employees.

³⁴ The regional breakdown of the data included in this section reflects the structure of the Environmental, Health, Safety and Sustainability (EHS&S) organization and the categorization of data in the EHS&S global information management system through 2022. Some data for 2020 and 2021 are updated from data reported in the Baxter 2021 Corporate Responsibility Report, to combine the segments North America and Latin America into the segment Americas.

³⁵ Work-related injuries or illnesses requiring medical attention beyond first aid, including cases with days lost. All rates based on 100 full-time employees working one year, which equals 200,000 work hours. For tracking purposes, Baxter follows U.S. Occupational Safety and Health Administration recordkeeping requirements worldwide. Thus, in cases where an injury occurs and conflicting medical opinions arise as to the number of days away and/or restricted days that should be recorded, we record on the basis of the most authoritative physician’s opinion. We include occupational diseases and illnesses, such as hearing loss and ergonomic disorders, within our broader categories of cases, but do not track or report those items separately. Due to privacy regulations in our Europe, Middle East and Africa region, we do not classify or report injuries by gender. Supervised contracted employees are included in the injury statistics reported below and are not tracked separately. Independent contractors are not included in Baxter’s injury data, because they are supervised by other organizations.

³⁶ Work-related injuries or illnesses that cause an employee to lose at least one full day after the date of the incident.

³⁷ The number of days lost (including weekends and holidays) recommended by the most authoritative physician’s opinion due to work-related injuries or illnesses. We do not count the date of injury and date of return to full duty as lost days.

³⁸ The number of days recommended by the most authoritative physician’s opinion that an employee or supervised contractor is unable to work full duty (including weekends and holidays) due to a work-related injury or illness. We do not count the date of injury and date of return to full duty as restricted days.

³⁹ Each year, profiles untouched for the previous three years are removed from the active database.

⁴⁰ Where smoke-free status is allowed by law.

⁴¹ Data include vaccinations given September of the year noted through January of the following year, aligned with the typical flu season for North America.

⁴² 2020 Board of Directors diversity data are as of the end of 2020. 2021 data are as of June 27, 2022. 2022 data are as of June 23, 2023.

⁴³ Scores indicate the percentage of survey participants who responded favorably to statements related to each of the items listed. Baxter did not administer a Best Place to Work survey in 2020 due to impacts related to the COVID-19 pandemic. Data for 2022 reflect the acquisition of Hillrom.

DATA SUMMARY (CONTINUED)

⁴⁴ New item on Best Place to Work survey in 2022, included in the overall Inclusion index.

⁴⁵ United States and Puerto Rico. Data for 2020 are fiscal year basis (Oct. 1 through Sept. 30 of the year noted). Data for 2021 and 2022 are calendar year. Accounts payable data are sent to a third party, which categorizes spending. HUBZone is a U.S. Small Business Administration program for small companies that operate and employ people in Historically Underutilized Business Zones. Spending with suppliers that qualify for more than one category may be included in the totals for each of the relevant categories.

⁴⁶ Data for 2020 and 2021 include United States and Puerto Rico. Data for 2022 includes United States. 2020 data are October 1, 2019, through September 30, 2020. 2021 and 2022 data are calendar year. “Economic output” includes revenues earned by suppliers and businesses in the company’s supply chain and their communities. “Indirect” includes impacts at the businesses from which suppliers (and their suppliers) purchase goods and services. “Induced” includes impacts generated in the communities of the suppliers’ employees associated with purchases made by these employees and jobs supported through those purchases.

⁴⁷ “Professional” includes individual contributors.

⁴⁸ “Technical/Clerical” includes employees in operational and administrative/clerical roles.

⁴⁹ Americas includes the United States (with Puerto Rico), Canada and Latin America.

⁵⁰ Scores indicate the percentage of survey participants who responded favorably to statements related to each of the categories listed. Baxter did not administer a Best Place to Work survey in 2020 due to impacts related to the COVID-19 pandemic. Data for 2022 reflect the acquisition of Hillrom.

⁵¹ These data do not represent all employee training and development but do capture a large portion of training for most employees.

VALUE CHAIN ENERGY USAGE AND GHG EMISSIONS

¹ Baxter used the World Resources Institute and World Business Council for Sustainable Development Greenhouse Gas Protocol to calculate emissions data from fossil fuel use. We used country electricity emission factors published by the International Energy Agency and AIB (for residual mixes), and the U.S. Environmental Protection Agency (EPA) E-Grid U.S. and Canada NIR regional electricity emission factors to calculate GHG emissions related to electricity consumption.

² Apex Companies, LLC verified to a reasonable level Baxter’s Scope 1 and Scope 2 GHG emissions. Apex Companies, LLC also verified to a limited level Baxter’s methodology for determining Scope 3 GHG emissions.

³ Data for 2020 and 2021 are updated from data reported in the Baxter 2021 Corporate Responsibility Report to include operations that were previously part of Hillrom. Some data are also updated for accuracy and to reflect updated GHG emission factors.

⁴ We used the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition to determine GHG emissions associated with using biomass fuel, principally wood/wood waste, as a boiler fuel at two Baxter locations. These emissions were calculated as 167,000, 169,000 and 152,000 metric tons CO₂ in 2020, 2021 and 2022, respectively. CO₂e emissions from CH₄ and N₂O components of biomass combustion are included in reported Scope 1 emissions.

⁵ Baxter used the Greenhouse Gas Protocol to calculate GHG emissions associated with reported fuel usage by company-managed sales and distribution fleet vehicles and other vehicles. We estimated fuel usage for international sales vehicles based on regional sales information.

⁶ Refrigerant emissions represent reported CFC, HCFC and HFC refrigerant losses by each Baxter location. We calculated associated GHG emissions using emission factors for each reported refrigerant.

⁷ Includes the purchase of electricity generated from 100% certified renewable electricity (Belgium, Brazil, France, Germany, Ireland, Italy, Spain, Sweden, Switzerland, UK and United States).

⁸ Estimated based on global expenditures by category and emission factors from Table 13—Indirect emissions from the supply chain, UK Government Department for Environment, Food & Rural Affairs, 2012 (updated 2019). We updated the methodology for this report; in previous reports we estimated based on an environmentally extended input-output model from an independent third party and Baxter’s revenue and sector of operation.

⁹ Estimated based on capital expenditures and the machinery and equipment emission factor from Table 13—Indirect emissions from the Supply Chain, UK Government Department for Environment, Food & Rural Affairs, 2012 (updated 2019).

¹⁰ Estimated based on Baxter’s actual yearly energy usage by energy type and GHG emission factors for each energy type per GaBi life cycle assessment software.

¹¹ Estimated based on shipment of products to our customers using the EcoTransIT World Software that is compliant with the GHG Protocol and the Global Logistics Emissions Council Framework.

¹² Estimated emissions for wastewater treatment by municipalities and off-site waste recycling and disposal based on Baxter’s waste generation by type, UK Government GHG Conversion Factors for Company Reporting and the U.S. EPA WARM model.

¹³ Estimated based on domestic and international air mileage, rental vehicle CO₂e emissions or mileage, hotel room stays provided by Baxter’s global travel providers and personal vehicle mileage. Emission factors from UK Government GHG Conversion Factors for Company Reporting, U.S. EPA, and Carbonfund.org Business Travel Calculator.

¹⁴ Estimated based on the number of Baxter employees by country and statistics on commuting time and transport mode split into public transport, passenger cars, taxi and motorcycle and walking or bicycling. Emission factors for each mode were obtained from Defra.

¹⁵ Emissions associated with upstream leased assets are included in Baxter’s Scope 1 and 2 emissions.

¹⁶ Estimated based on previous Baxter product LCAs as well as the company’s revenue by product type. Category 1 emissions were extrapolated to other categories depending on the product type.

¹⁷ Estimated based on revenue from Baxter’s contract services business and the basic pharmaceutical products and pharmaceutical preparations emission factor from Table 13—Indirect emissions from the supply chain, Department for Environment, Food & Rural Affairs, 2012 (updated 2019). Multiplied by 10%—assuming final packaging is 10% of pharma product footprint.

¹⁸ Estimated based on production quantities and global warming potential information for certain types of products. Emissions for certain other products estimated based on previous Baxter product LCAs as well as the company’s revenue by product type. Category 1 emissions were extrapolated to other categories depending on the product type.

¹⁹ Totals do not include CO₂ emissions from Baxter-owned wood-fired boilers. See endnote 4 above for detail.

FACILITIES WITH ISO 14001, ISO 45001, ISO 50001 AND GREEN BUILDING CERTIFICATIONS

¹ As of Dec. 31, 2022.

² Facilities transitioned to ISO 45001 from OHSAS 18001.

³ The building with green certification noted is one of several buildings at the designated location.

⁴ The building with green certification is an extension of an existing building at the designated location.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD INDEX

¹ Differences compared with data on FDA websites may be due to timeframe (the date Baxter takes an action may differ from the date FDA classifies that action), definition of “recall” (FDA data includes actions taken even if the product is not removed or corrected), and classification by product group vs. product code (FDA counts each impacted product code within a product family as a distinct recall).

² One medical device product recall was not reported to FDA due to the product not being a U.S.-registered device.

³ Conformite Europeenne (CE) marking appears on products traded on the extended Single Market in the European Economic Area (EEA).

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The Baxter International Foundation’s partnership with UNICEF is improving access to safe water, sanitation and hygiene for vulnerable communities in Colombia.

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RECOGNITION

Baxter is proud to be recognized by numerous organizations and publications globally. These examples of our recent accomplishments highlight Baxter as an employer of choice, as a company that works to nurture a diverse, equitable and inclusive workplace, and as a socially and environmentally responsible business. In addition, the company receives many regional and country-specific recognitions around the globe that are not listed here.

SELECT RECOGNITION HIGHLIGHTS (AS OF JUNE 2023)

- **100 Best Corporate Citizens**
3BL Media
- **Climate Change, Score B**
CDP
- **Water Security, Score B**
CDP
- **Best Place to Work for Disability Inclusion**
Disability:IN & the American Association of People with Disabilities
- **Gold Sustainability Rating**
EcoVadis
- **FTSE4GOOD Index Series**
FTSE Russell
- **Corporate Equality Index**
Human Rights Campaign Foundation
- **America’s Most JUST Companies**
JUST Capital
- **Workforce Equity & Mobility Ranking**
JUST Capital
- **Dow Jones Sustainability Indices (DJSI)**
S&P Global
- **100 Best Companies**
Seramount
- **Best Companies for Dads**
Seramount
- **Global Inclusion Index**
Seramount
- **Inclusion Index**
Seramount
- **Top Companies for Executive Women**
Seramount
- **Best Companies for Multicultural Women**
Seramount
- **Management Top 250**
The Wall Street Journal