

2018 Political Contributions Report

Baxter obeys all laws regarding engagement in the political process everywhere we operate. Our <u>Code of Conduct</u>, which states the core principles that govern Baxter's business practices, contains a section on Public Affairs and Political Activities, including rules governing participation in the political process.

The Quality, Compliance and Technology Committee of our Board of Directors oversees our government affairs program. The committee reviews Baxter's positions on pending legislation and political advocacy efforts.

This report provides information about corporate contributions made in the United States by Baxter, as well as contributions made by the Baxter Political Action Committee (BAXPAC). It also includes information about our lobbying expenses and membership in trade and industry groups.

This report includes:

- Corporate Contributions
- Baxter Political Action Committee
- Lobbying Expenses
- Certain Memberships

Corporate Contributions

The U.S. Supreme Court decision in the Citizens United case in 2010 broadened the ability of corporations to make independent political expenditures in the context of federal elections (although not the ability to make direct contributions to federal candidates). We make contributions to candidates who champion and protect

the legislative interests of the company, our patients and our employees, without regard for the private political preferences of Baxter's directors, officers and executives. In 2018, we did not participate in any ballot measures and it is not generally Baxter's practice to do so.

In the United States, Baxter contributed \$33,750 to state candidates and other candidate political organizations in 2018 after approval from the BAXPAC Board. U.S. law does not allow companies to make contributions to federal candidates. Contributions to federal candidates may be made by BAXPAC.

BAXTER CORPORATE CONTRIBUTIONS TO U.S. STATE CANDIDATES, 2018

Member	District	Party	Amount
Arkansas			
STAR PAC			\$2,000
California			
Atkins, Toni	S39	D	\$1,000
Harper, Matthew	A74	R	\$1,000
Hernandez, Ed	S22	D	\$1,000
Mitchell, Holly	S30	D	\$1,000
Moorlach, John	S37	D	\$1,000
Nguyen, Janet	S34	R	\$1,000
Quirk, Bill	A20	D	\$1,000
Vidak, Andy	S14	R	\$1,000
Wieckowski, Bob	S10	D	\$1,000
Wood, Jim	A2	D	\$1,000



BAXTER CORPORATE CONTRIBUTIONS TO U.S. STATE CANDIDATES, 2018 [continued]

Member	District	Party	Amount
Georgia			
Cooper, Sharon	H43	R	\$500
Unterman, Renee	S45	R	\$500
Illinois			
Burke, Kelly	H36	D	\$250
Bush, Melinda	S31	D	\$1,000
Cullerton, John	S6	D	\$1,250
Durkin, Jim	H82	R	\$750
Feigenholtz, Sara	H12	D	\$400
Gabel, Robyn	H18	D	\$300
Harmon, Don	S39	D	\$500
Harris, Gregory	H13	D	\$300
Lang, Lou	H16	D	\$500
Link, Terry	S30	D	\$1,000
Madigan, Michael	H22	D	\$1,250
Mayfield, Rita	H60	D	\$750
Morrison, Julie	S29	D	\$1,000
Yingling, Sam	H62	D	\$750
Zalewski, Mike	H23	D	\$500
Indiana			
Brown, Tim	H41	R	\$500
Crider, Mike	S28	R	\$500

Member	District	Party	Amount
Indiana (continued)			
Davisson, Steve	H73	R	\$500
Grooms, Ron	S46	R	\$500
Kirchofer, Cindy	S89	R	\$500
Mississippi			
Gunn, Phillip	H56	R	\$500
Kirby, Dean	S30	R	\$500
Mims, Sam	H97	R	\$500
Ralston, David	H7	R	\$500
Read, John	H112	R	\$500
Reeves, Tate	LTG	R	\$500
Shafer, David	S48	R	\$250
New York			
Gottfried, Dick	S75	D	\$1,000
Hannon, Kemp	S6	R	\$1,000
Hawley, Steven	A20	D	\$500
Ortt, Robert	S34	R	\$1,000
Valesky, David	S53	D	\$1,000
Total			\$33,750

Baxter Corporate Contributions to 501(C)(4) and 527 Organizations, 2018

Baxter also engages to advance the company's interests and those of our patients through membership in 501(c) (4) and 527 organizations.

BAXTER CORPORATE CONTRIBUTIONS TO 501[C][4] ORGANIZATIONS, 2018

Third Way		\$32,500
Total*		\$32,500

BAXTER CORPORATE CONTRIBUTIONS TO 527 ORGANIZATIONS, 2018

Democratic Governors Association	\$10,000
Republican Governors Association	\$25,000
Total*	\$35,000

^{*}Only includes organizations for which Government Affairs pays the annual dues.

Baxter Political Action Committee

Eligible U.S. employees can make voluntary individual contributions to Baxter's Political Action Committee, BAXPAC, to support U.S. federal and state candidates. BAXPAC is overseen by the BAXPAC Chairman, Vice Chair and Treasurer/Secretary, as well as its Contribution Advisory Board. All BAXPAC officers and members of the contribution Advisory Board are Baxter employees from various business groups, regions and franchises. BAXPAC operates in accordance with all relevant federal and state laws. More information about these laws and regulations is available on the Federal Election Commission website. BAXPAC contributes to candidates who champion and protect the legislative interests of Baxter, our employees and our patients. Contributions by BAXPAC are made without regard for the private political preferences of Baxter's directors, officers and executives. BAXPAC made \$38,500 in Federal and State contributions in 2018.

BAXPAC CONTRIBUTIONS TO U.S. FEDERAL AND STATE CANDIDATES, 2018

Member	Federal House	Federal State Senate Candidat	District e	Party	Amount
Berger, Philip		•	NC-26	R	\$500
Blackwell, Hugh	า	•	NC-86	R	\$500
Blue, Daniel		•	NC-14	D	\$500
Diaz, Manny		•	FL-103	R	\$1,000
Dobson, Josh		•	NC-85	R	\$750
Dollar, Joseph		•	NC-36	R	\$500
Grant, James		•	FL-64	R	\$1,000
Grassley, Char	les	•	IA	R	\$1,000
Hise, Ralph		•	NC-47	R	\$750
Hollingsworth,	Trey •		IN-9	R	\$2,000
Hooper, Ed		•	FL-16	U	\$1,000
Jackson, Darrei	า	•	NC-39	D	\$500
McConnell, Mito	ch	•	KY	R	\$2,500

BAXPAC CONTRIBUTIONS TO U.S. FEDERAL AND STATE CANDIDATES, 2018 [continued]

Member	Federal House	Federal Senate	State Candidate	District	Party	Amount
Meadows, Mark	•			NC-11	R	\$1,000
Moore, Timothy			•	NC-111	R	\$500
Nelson, Jane			•	TX-9	R	\$1,000
Pallone, Frank	•			NJ-6	D	\$2,500
Pate, Louis			•	NC-7	R	\$500
Patrick, Dan			•	TX	R	\$1,000
Powell, Bobby			•	FL-30	D	\$500
Price, W. Four			•	TX-87	R	\$1,000
Raymond, Richa	ırd		•	TX-42	D	\$1,000
Rodrigues, Ray			•	FL-76	R	\$1,000
Rommel, Bob			•	FL-106	R	\$1,000
Roskam, Peter	•			IL-6	R	\$5,000
Schneider, Brad	ley •			IL-10	D	\$2,000
Schwertner, Cha	arles		•	TX-5	R	\$3,000
Sheffield, J.D.			•	TX-59	R	\$250
Tillman, Jerry			•	NC-29	R	\$500
Trumbull, Jay			•	FL-6	R	\$2,000
Walden, Gregor	y •			0R-2	R	\$1,500
Zerwas, John			•	TX-28	R	\$750

OTHER BAXPAC CONTRIBUTIONS, 2018

Total

Payee	Amount
Democratic Congressional Campaign Committee	\$5,000
Moderate Democrats PAC	\$5,000
New Democrat Coalition PAC	\$5,000
National Republican Congressional Committee	\$15,000
National Republican Senatorial Committee	\$5,000

\$38,500

Lobbying Expenses

In 2018, Baxter spent approximately \$2,420,570 on federal lobbying-related activities in the United States, to promote policies that support the company's objectives. This includes the salaries and overhead expenses of our employees in this area, the value of time and related expenses of internal partners (such as corporate counsel), payments to external consultants and lobbyists, and trade association dues used for lobbying. We adhere to all U.S. federal, state and local laws in this area, as well as applicable laws and regulations outside the United States.

Certain Memberships

Baxter maintains memberships in numerous industry and trade groups including organizations that engage in lobbying activities. The table below includes the amount that we have been notified was spent on U.S. federal lobbying activity during 2018 by any organization to which, to the best of our knowledge, we paid more than \$50,000 in dues or otherwise during the year. We believe that membership in these organizations is generally consistent with the company's interests as well as those of our shareholders, customers and patients. Even when Baxter does not share all of the views of one of these organizations, membership is worthwhile because such organizations encourage dialogue on important policy issues and help to move the industry toward consensus in these areas.

FEDERAL LOBBYING EXPENDITURES BY CERTAIN U.S.-BASED TRADE ASSOCIATIONS, 2018

Payee	Amount
AdvaMed	\$70,289
Alliance for Home Dialysis	\$127,585
Association for Accessible Medicines	\$54,000
Kidney Care Partners	\$68,465
The Pharma & BioPharma Outsourcing Association	\$6,918