Baxter

PHARMACEUTICALS & BIOPHARMA SOLUTIONS

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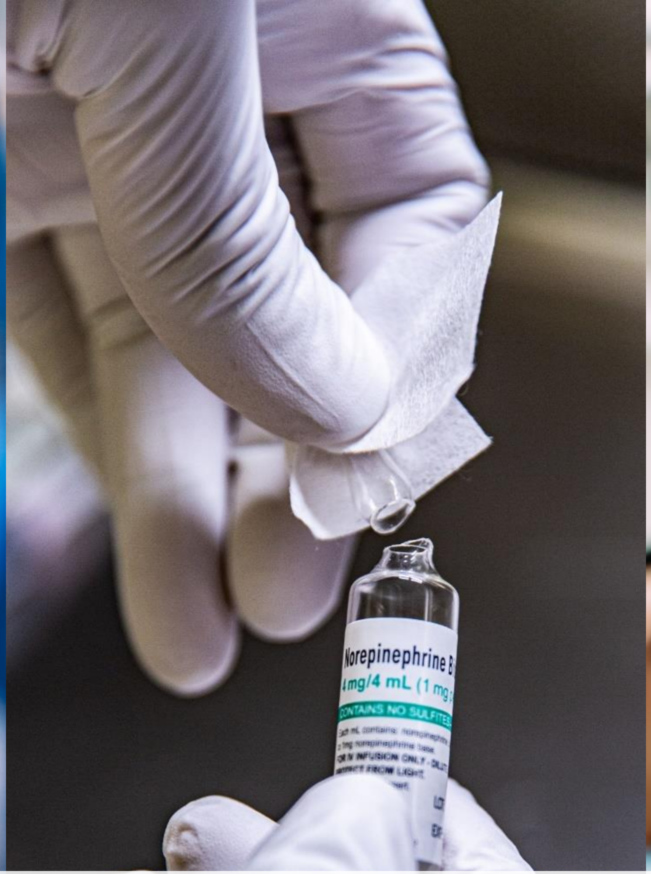
President, Pharmaceuticals & BPS (Interim)

2022 Investor Conference

Forward-Looking Statements

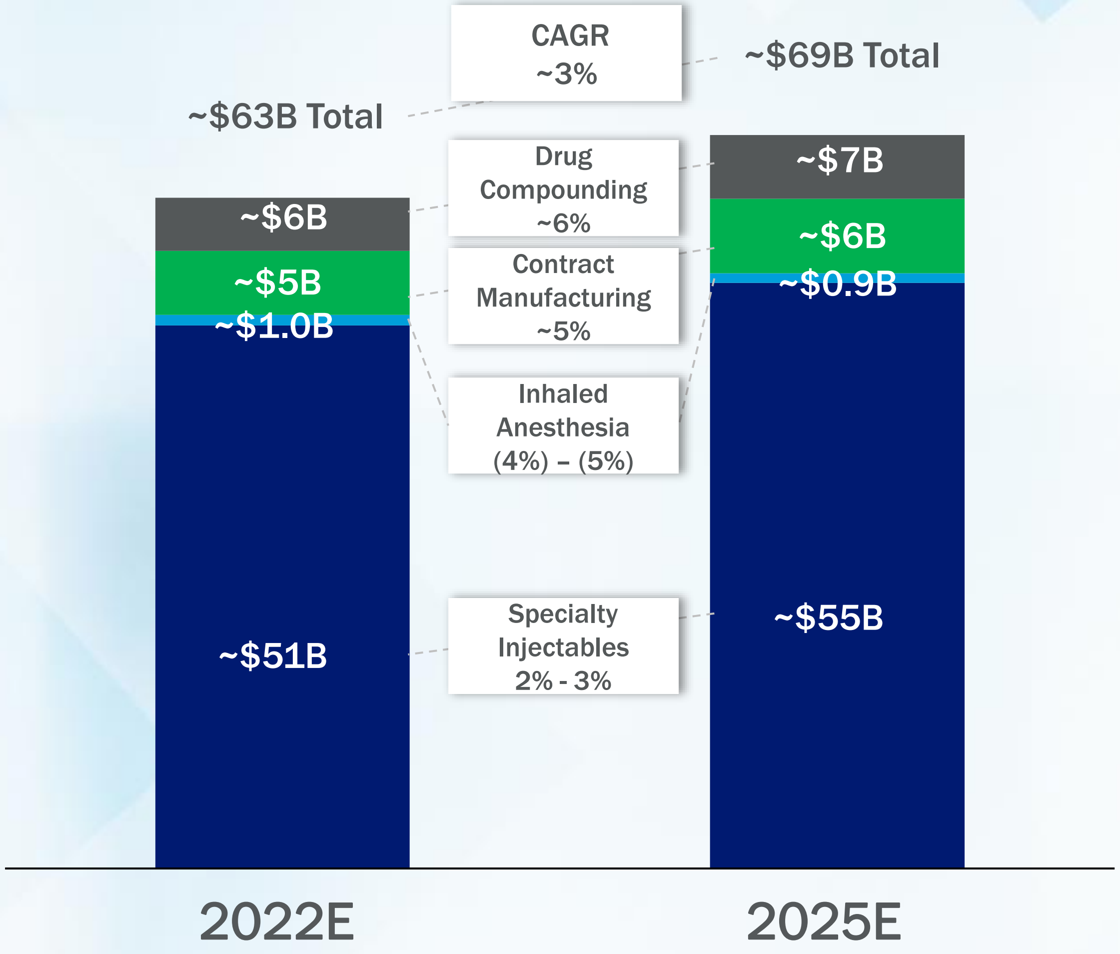
The presentations being made on May 25, 2022 include forward-looking statements concerning Baxter's financial results, R&D pipeline, including planned product launches (many of which are subject to regulatory approval and may require additional investment) and results of clinical trials, business development activities (including anticipated cost and revenue synergies), capital structure, cost savings initiatives, Baxter's long range plan (which includes financial outlook for 2022 and 2022-2025) and other growth strategies. 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 impact of global economic conditions (including the ongoing war in Ukraine and the related economic sanctions being imposed globally in response to the conflict and potential trade wars) and public health crises and epidemics, such as the ongoing coronavirus (COVID-19) pandemic, on the company and its employees, customers and suppliers, including foreign governments in countries in which the company operates; demand for and market acceptance of risks for new and existing products; product development risks (including satisfactory clinical performance and obtaining required regulatory approvals); product quality or patient safety concerns; continuity, availability and pricing of acceptable raw materials and component supply (including impacts from COVID-19); inability to create additional production capacity in a timely manner or the occurrence of other manufacturing or supply difficulties (including as a result of a natural disaster, public health crises and epidemics/pandemics, geopolitical crises, regulatory actions or otherwise); accurate identification of and execution on business development and R&D opportunities and realization of anticipated benefits (including the acquisitions of Cheetah Medical, Seprafilm Adhesion Barrier, specified OUS rights to Caelyx/Doxil, full U.S. and specific OUS rights to Transderm Scop, PerClot, Hillrom and certain rights to Zosyn in the U.S. and Canada); breaches or failures of Baxter's information technology systems or products, including by cyberattack, unauthorized access or theft; the adequacy of Baxter's cash flows from operations and other sources of liquidity to meet its ongoing cash obligations and fund its investment program; loss of key employees or inability to identify and recruit new employees; future actions of regulatory bodies and other governmental authorities, including FDA, the Department of Justice, the SEC, the New York Attorney General and foreign regulatory agencies, including the continued delay in lifting the warning letter at Baxter's Ahmedabad facility; the outcome of pending or future litigation, including the opioid litigation and current and future ethylene oxide litigation or other claims; proposed regulatory changes of the U.S. Department of Health and Human Services in kidney health policy and reimbursement, which may substantially change the U.S. end-stage renal disease market and demand for the company's peritoneal dialysis products, necessitating significant multiyear capital expenditures, which are difficult to estimate in advance; failures with respect to compliance programs; future actions of third parties, including payers; U.S. healthcare reform and other global austerity measures; pricing, reimbursement, taxation and rebate policies of government agencies and private payers; the impact of competitive products and pricing, including generic competition, drug reimportation and disruptive technologies; fluctuations in foreign exchange and interest rates; the ability to enforce owned or in-licensed patents or the prevention or restriction of the manufacture, sale or use of products or technology affected by patents of third parties; global, trade and tax policies; any change in laws concerning the taxation of income (including current or future tax reform), including income earned outside the United States and potential taxes associated with the Base Erosion and Anti-Abuse Tax or the Build Back Better framework; actions taken by tax authorities in connection with ongoing tax audits; and other risks identified in Baxter's most recent filing on Form 10-K and other Securities and Exchange Commission filings, all of which are available on Baxter's website. Baxter does not undertake to update its forward-looking statements.



Baxter Pharmaceuticals: Who We Are

- 80+ year legacy in pharmaceutical injectables
- Recognized expert in ready-to-use premixes and complex formulations
- Global leader in inhaled anesthesia
- Safe and reliable compounding pharmacy services
- Quality contract manufacturer leveraging our complex manufacturing capabilities

Global Market Expected To Grow ~3% Through 2025



Market Dynamics

Opportunities

- Stable or growing demand for complex and differentiated products
- Shift of care outside the hospital drives increased demand for ready-to-use injectable products
- Contract manufacturing growth driven by strategic shift of large pharma towards commercialization and away from manufacturing

Challenges

- Shift to biologics and oral therapies resulting in fewer new injectable molecules entering the generic market
- Increasing competition, particularly from new entrants willing to accept lower margin profiles
- Declines in inhaled anesthesia driven by shift towards injectable anesthesia in addition to new competitors

Market-Leading Portfolio

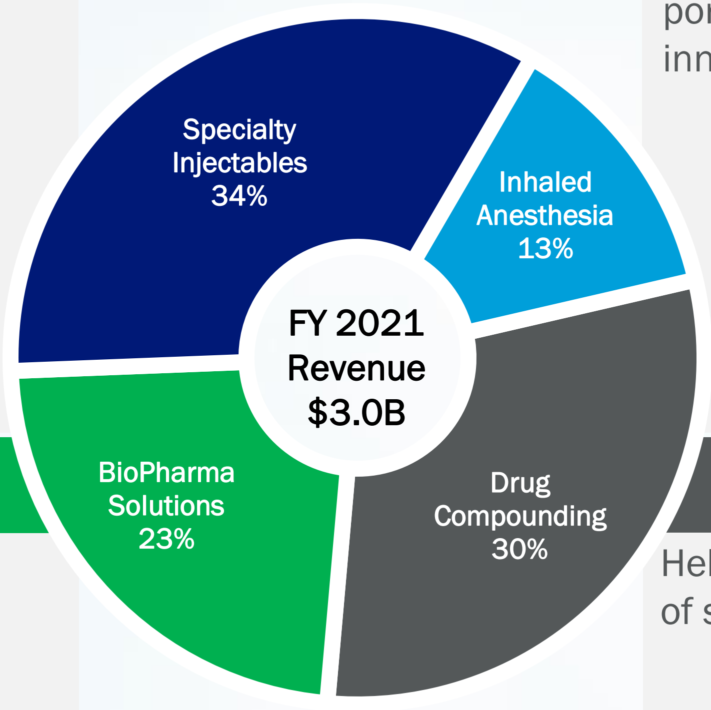
Specialty Injectables

Expand portfolio and global reach of differentiated and complex products, including opportunities in alternate sites of care and new geographies

Norepinephrine

Doxil

Myxredlin



Inhaled Anesthesia

Provide customers robust options from complete portfolio of inhaled agents and drive adoption of innovative gas capture technology

Suprane

Sevoflurane

CONTRAfluran

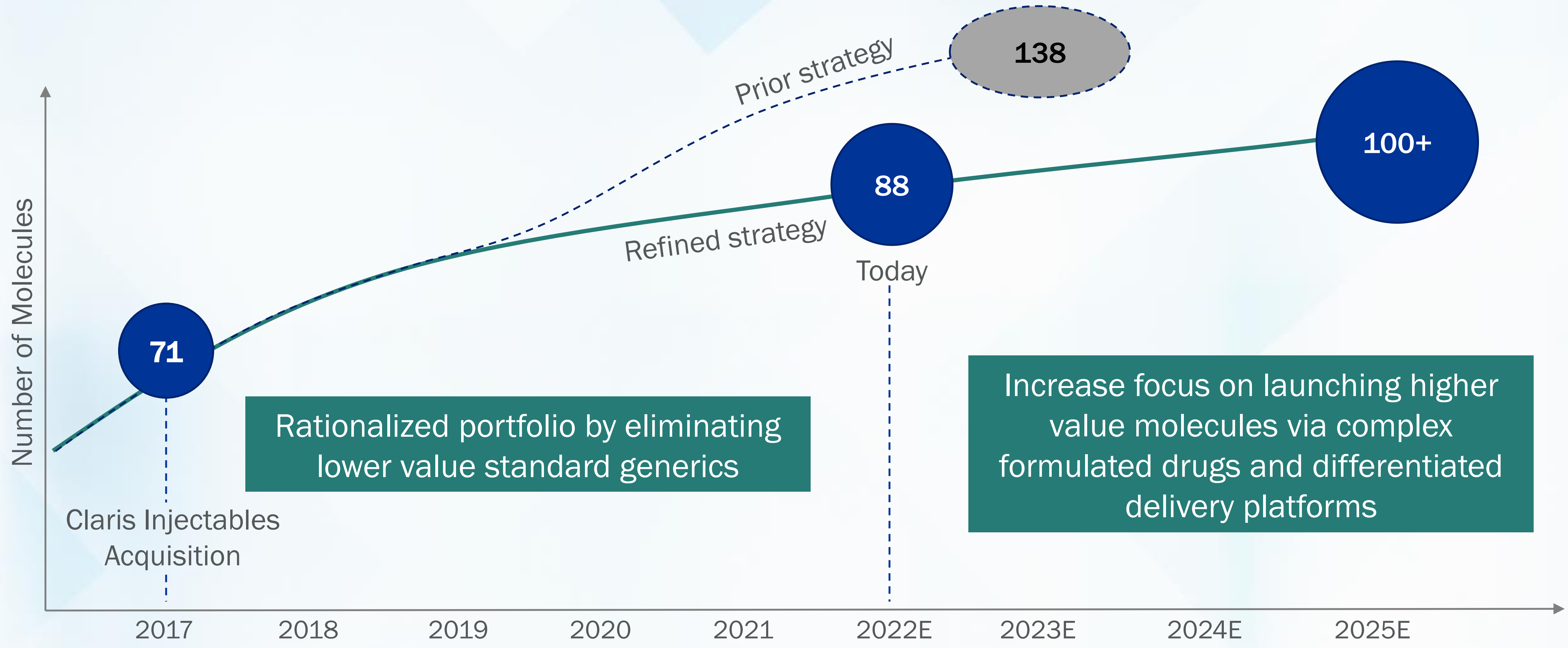
BioPharma Solutions (BPS)

Investments in state-of-the-art clinical and commercial contract fill/finish manufacturing facilities to expand syringe and vial capacity

Drug Compounding

Help improve profitability while maintaining culture of safety and quality

Refined Strategy To Address Changing Market Dynamics



Selectively Launching Higher Value Products And Driving A More Sustainable Portfolio

Strategy To Drive Above-Market Growth Of 3% - 4% Through 2025

Innovation

Core Therapies:

- Focus on differentiated and complex molecules
- Selectively add standard generics to augment portfolio
- Target inorganic partnership opportunities
- Innovate in Anesthesia gas recapture and implement gas recycling capabilities

Market Expansion

Geographic Expansion:

- Expand in targeted markets: Canada, ANZ, Western Europe, Japan

Channel Expansion:

- Augment capabilities in alternate site sales & marketing, including home healthcare

Operational Efficiency

Drive Efficiencies:

- Enhance execution of development pipeline for on-time product launches
- Invest in high quality fill/finish capacity in BPS
- Improve Drug Compounding profitability
- Support resolution of Ahmedabad warning letter

Steady Cadence of New Launches Drives Innovation Pipeline

	Recent Launches		Near Term Launches	Future Launches
Differentiated Drug Delivery		Norepinephrine Cardene Mag Sulfate Acetaminophen	 Frozen Zosyn Insulin (EU) 3 Additional Premixes	10+ Additional Products
Complex Formulations		Doxil / Caelyx	Propofol (US)	5+ Additional Products
Standard Format Products (Vials, Amps)		Bortezomib Ketorolac Ropivacaine 	Naloxone Additional Vial Products	10+ Vial Products, including First-to-Market Generic Opportunities
Inhaled Anesthesia		Sevo Integrated Valve Transdermal Scopolamine	Gas Capture Technology (EU) 	
BioPharma Solutions		Clinical Scale Lyophilizer	New Lyophilizer and Clinical Line	Installation of New Vial & PFS Lines

Pharmaceuticals Summary

- Launching **differentiated and complex products** with a balanced mix of organic and inorganic investments
- Expanding the **global reach of our existing portfolio** and entering alternate sites of care
- **Investing in contract manufacturing capacity and compounding** efficiency for growth and profitability
- Ongoing **commitment to quality** and meeting our regulatory commitments

Targeting Above Market Revenue Growth
With Accretive Profitability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