Baxter

TRANSFORM BAXTER TO TRANSFORM HEALTHCARE

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Executive VP and Chief Operating Officer

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.

Accelerating Our Transformation To Deliver Better Outcomes

Mission:	To save and sustain lives
Vision:	Transform healthcare with customer focus: improve patient outcomes, enhance workflow efficiency and enable cost-effective care

	Innovation	Market Expansion	Operational Efficiency	Capital Allocation
Strategic Value Creation Drivers:				
Catalysts:	Connected Care Acceleration	Site of Care Expansion		Portfolio Management

Transforming Baxter To Transform Healthcare

Vision: Transform healthcare with customer focus: improve patient outcomes, enhance workflow efficiency and enable cost-effective care

Portfolio Management

- Prioritizing investment in higher growth categories
- Investing in underpenetrated therapies
- Executing strategic M&A to enter new or adjacent markets

Site of Care Expansion

- Serving patients across the continuum of care
- Expanding presence in growing sites of care outside the hospital
- Building upon product and therapy overlap between Baxter and Hillrom

Connected Care Acceleration

- Calling upon Baxter's history in the hospital and broad installed base
- Entering new business models with profitable recurring revenue
- Delivering innovation to help improve patient care and drive efficiencies

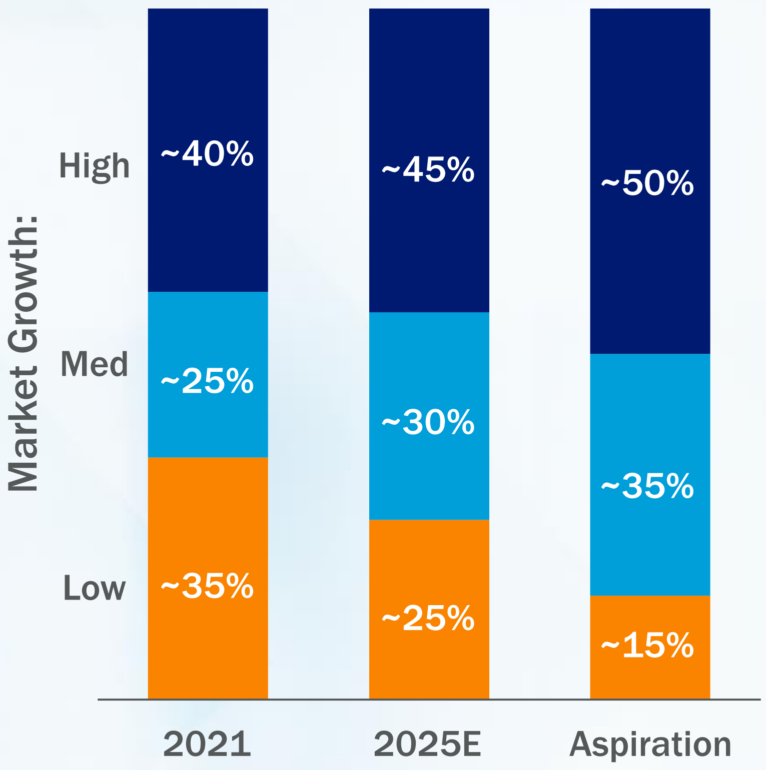
5%+
Aspirational WAMGR

2026+

Prioritizing High Growth Categories To Increase Baxter's WAMGR

Portfolio Management

Baxter Sales (% Of Total)



Market Growth	Categories	Management Approach
High Growth Categories: >5%	Care Communications, Connected Monitoring, CRRT, Drug Compounding, Hemodynamic Monitoring, Intelligent Diagnostics, PD, Respiratory Health	• Increasing investment in R&D • Investing in market development • Focusing M&A on strategic adjacencies
Medium Growth Categories: 2% - 5%	Contract Manufacturing, Hemodialysis, Hemostats & Sealants, Specialty Injectables, Surgical Solutions, Tech Service	• Maintaining stable R&D investments • Targeting selective M&A
Low Growth Categories: <2%	Clinical Nutrition, Infusion Systems, Inhaled Anesthesia, IV Therapies & Reconstitution, Patient Supports & Beds	• Investing in selective sales and marketing activities

Targeting ~50% Of Sales From High Growth Categories While Investing To Help Ensure Patient Safety & Quality

Connecting The Journey Across the Care Continuum

Site of Care Expansion

	Legacy Baxter Presence	2022 - 2025
Hospital Care	Strong	• Expand breadth of portfolio offering (Med Surg, Critical, Surgical) • Execute targeted geographic expansion
Home Care	Moderate	• Increase home therapy adoption (e.g., Cardiology, Monitoring, PD) • Explore patient therapy overlap • Utilize strong market development capabilities/home service expertise
Alternate Site Care	Limited	• Increase channel presence (e.g., primary care) • Integrate complementary products (e.g., clinics and care communication) • Pursue new partnerships (e.g., hospital at home)

2026+

Targeting improved patient outcomes and lower cost of healthcare across the continuum of care

- ☑ Sensing technology
- ☑ Expansion of monitoring and diagnostics
- ☑ Integrated platforms across sites of care

Expanding Presence In High Growth Segments Outside The Hospital

Leveraging Innovation Legacy With Combined Connected Care Portfolio

Connected Care Acceleration

Legacy Baxter	Post-Hillrom Acquisition	2022 - 2025
~700K “Smart” Devices	~2M “Smart” Devices	Building Upon Connected Care Portfolio

“Smart” Devices


Smart Pumps


PD Cyclers

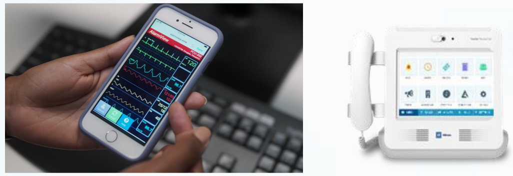

CRRT


Centrella Smart+ Bed


MacroView Plus Otoscope

Communications

Sharesource Remote Patient Management


Voalte Platform

Analytics


Sharesource Analytics


Bardy CAM Patch Intelligent Diagnostics

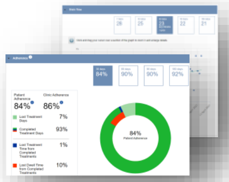

Algorithm Expertise

- Increased installed base of “smart” devices focused on improving patient outcomes and enhancing workflow efficiency
- Expect to generate ~60% of new product sales from Connected Care through 2025
- Increasing recurring revenue streams from services and analytics with enhanced value proposition of combined portfolio

Connected Care Portfolio Estimated To Grow At High Single Digits Through 2025

Connected Care Acceleration

Entering New Business Models With Profitable Recurring Revenue Opportunities

From Products		To Products & Digital Solutions	
	PD Cyclers		• Sharesource connectivity • Visualization and analytics
	Smart+ Beds	voalté	• Care Communications
	RetinaVue Diagnostic		• Remote image reading and diagnosis
	Installed base of electromechanical devices		• Remote diagnostics of devices • Tracking and proactive maintenance • Cloud-based drug library

- ☑ Creating efficiency within the healthcare system through streamlined communications
- ☑ Pursuing improved patient outcomes with more advanced analytics
- ☑ Monetizing services to create recurring revenue streams with enhanced value proposition of combined portfolio

Advancing Fluid Management With Connected Care

Connected Care Acceleration

“Smart” Devices

Communications

Analytics

Near Term

Time saved for Med Surg nurses through remote monitoring of multiple infusion pumps

IV Pump / Bed

voalte

Medium Term

Additional time saved through bi-directional communication with infusion pumps

IV Pump / Bed

voalte

Analytics

Aspiration

Strive for improved patient outcomes driven by ecosystem of connected products to manage intravenous fluid

Starling

IV Pump / Bed

CRRT

voalte

Analytics

Uniquely Positioned To Address Patients’ Needs With Portfolio Of Smart Devices, Fluids And Care Communications Platform

Reference: Sanabria M, et al. Time on Therapy in Automated Peritoneal Dialysis Patients with and without Remote Patient Monitoring Program: A Propensity Score Matching Cohort Study.
For purposes of this slide, references to Voalte include Voalte Alert & Alarm Management and Voalte Mobile.

Delivering Incremental Value With Hillrom Revenue Synergies

Anticipated Hillrom Revenue Synergies By 2025
(% Of Total)

Accelerating Combined Company Growth:

- Execute on channel optimization and cross selling opportunities
- Launch existing products in new geographies
- Monetize Technical Service offering
- Implement pan-Baxter R&D initiatives

Generating Up To $200M In Incremental Revenue Synergies By 2025 Through Strategic Execution

One Baxter Strategy Summary

Portfolio Management

- Entering and prioritizing investment in **high growth categories**
- Investing in **underpenetrated therapies**
- **Strategic M&A**

Connected Care Acceleration

- Call upon Baxter's history in the **hospital setting and broad installed base**
- Increase value proposition by **delivering innovation** to help improve patient care and **drive efficiencies**
- Expand into new business models with **profitable recurring revenue**

Site of Care Expansion

- Broaden presence in **growing sites of care**
- Build **upon product and therapy overlap** between Baxter and Hillrom
- Serve patients across the **continuum of care**

5%+

Aspirational WAMGR

2026+

Accelerating Baxter's Transformation To Deliver On Our Vision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