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This presentation includes forward-looking statements concerning Baxter’s financial results, R&D pipeline, including planned product launches (many of which are subject to regulatory approval) and results of clinical trials, business development activities, capital structure, cost savings initiatives, Baxter’s long range plan (which includes financial outlook for 2018, 2020 and 2023) and other growth strategies. The 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: demand for and market acceptance of risks for new and existing products; product development risks; product quality or patient safety concerns; continuity, availability and pricing of acceptable raw materials and component supply; 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 or otherwise); breaches or failures of Baxter’s information technology systems, including by cyberattack; future actions of regulatory bodies and other governmental authorities, including FDA, the Department of Justice, the New York Attorney General and foreign regulatory agencies; 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; global, trade and tax policies; accurate identification of and execution on business development and R&D opportunities and realization of anticipated benefits (including the recent acquisitions of Claris Injectables and two surgical products from Mallinckrodt plc); the ability to enforce owned or in-licensed patents or the patents of third parties preventing or restricting manufacture, sale or use of affected products or technology; the impact of global economic conditions; fluctuations in foreign exchange and interest rates; any change in law concerning the taxation of income (including current or future tax reform), including income earned outside the United States; actions taken by tax authorities in connection with ongoing tax audits; loss of key employees or inability to identify and recruit new employees; the outcome of pending or future litigation; the adequacy of Baxter’s cash flows from operations to meet its ongoing cash obligations and fund its investment program; 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.
Parenteral Nutrition (PN) Market Overview

Global Market Size

Parenteral Nutrition Market Is Expected To Grow 3% - 4% Through 2023

- Macronutrients: Lipids, Amino Acids, and ready-to-use Multi-Chambered Bags (MCBs)
- Micronutrients: Vitamins and Trace Elements
- Automated Compounding: Automixers, software, disposables and compounding services

Market estimates and Baxter position based on internal estimates.

2018 - 2023 Compounded Annual Growth Rate

~$4.3B

- 3% - 4% CAGR
- 4% - 5%
- 2% - 3%

~$5.1B

#1 Baxter Position

Micronutrients

Automated Compounding

Macronutrients
Parenteral Nutrition Market Dynamics

- **70%** Critically Ill Hospitalized Patients Suffer From Malnutrition\(^1\)
  - 80% go undiagnosed

- **40%** Receive Suboptimal Nutrition\(^2\)
  - Many diagnosed patients are “underfed”

- **15 Million** Pre-term Infants Born Per Year\(^3\)
  - 35% require Parenteral Nutrition

- **1.8 Million** Cancer Patients Die From Malnutrition Annually\(^4\)
  - High prevalence in cancer patients

Potential To Optimize Therapy For Improved Clinical Outcomes

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\(^1\) See slide 13 for references.
Clinical Nutrition Portfolio

Macronutrients

- Ready-to-use MCBs: OLIMEL, NUMETA

- Amino Acids & Lipids: CLINOSOL, CLINOLEIC

Micronutrients

- CERNEVIT
- INFUVITE

Automated Compounding

2017 Sales $882M

53% 26% 21%

Broad Nutritional Portfolio To Meet The Unique Needs Of Patients
### Strategic Growth Drivers

**Portfolio Innovation**

- **~$120M**
  - 2023 New Product Revenue

  Accelerate launch cadence and expand products globally

**Market Development**

- Generate clinical evidence to show broader benefits of PN

- Drive therapy adoption through peer-to-peer educational programs

**Enter Adjacencies**

- Targeted products for pre-term infants

- Increase adoption of nutrition in Oncology

- Introduce subcutaneous administration

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1All references to “new products” in this presentation include new product launches, line extensions and geographic expansions, unless otherwise noted. 2All references in this presentation to future financial expectations assume commercial execution and regulatory approvals, as applicable, consistent with Baxter’s plans. CAGRs for years 2018-2023 assume constant foreign exchange rates.
# Clinical Nutrition Pipeline

<table>
<thead>
<tr>
<th>2018</th>
<th>2019</th>
<th>2020 - 2023</th>
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</thead>
<tbody>
<tr>
<td>Trace Elements Emerging Markets</td>
<td>Numeta G13 Emerging Markets</td>
<td>Olimel N12 Emerging Markets</td>
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<tr>
<td>Olimel Emerging Markets</td>
<td>Olimel N12 EMEA</td>
<td>Clinimix HP U.S.</td>
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<tr>
<td>Olicinomel China</td>
<td>Finomel EMEA</td>
<td>Clinimix SubQ France</td>
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<td></td>
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<td>Finomel SubQ ROW¹</td>
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<td>Exactamix 2.0</td>
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<td></td>
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<td>Numeta Next Gen</td>
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Delivering ~$120 Million Of New Product Sales In 2023
Key Launches

Higher protein content is associated with clinically significant improvements in patient outcomes.

Omega-3 fatty acids from fish oil have gained acceptance as a lipid source.

Innovation in Ready-To-Use MCB Portfolio Leads to Accelerated Growth

Olimel N12
Highest protein & lowest glucose content of any 3CB\(^1\) on the market.

Clinimix HP
60% more protein than any other 2CB\(^2\) on the market.

Finomel
Unique fish-blend 3CB\(^1\) complements our olive-blend portfolio.

\(^1\)See slide 13 for references.
Market Development

**Clinical Evidence Generation**
$10M investment to support therapy adoption & differentiation\(^1\)

- Optimal feeding through supplemental PN leads to faster recovery and lowers cost of care
- Higher protein in PN provides more energy & reduces ventilator days in the ICU by as much as 2 days

**Peer-to-Peer Educational Programs**
Sustained investment reaching 7,000 clinicians by 2023

- 3X increase in understanding of PN benefits after program
- 88% more likely to prescribe PN therapy as result of program participation

Clinical Evidence And Education Drive Sustainable Base Business Growth

\(^1\)Planned 2018 – 2023 cumulative investment.
<table>
<thead>
<tr>
<th>Clinical Need</th>
<th>Baxter Solution</th>
<th>Market Opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Neonatal Nutrition</strong></td>
<td>Drive standardized, ready-to-use PN as first line therapy for pre-term infants</td>
<td>Numeta G13</td>
</tr>
<tr>
<td><strong>Nutrition In Oncology</strong></td>
<td>Timely initiation of PN in oncology improves functional and clinical outcomes, and reduces cost of cancer care</td>
<td>Raise awareness of benefits of Olimel MCB in Oncology patients</td>
</tr>
<tr>
<td><strong>Subcutaneous Administration</strong></td>
<td>Hospitalized elderly patients with poor venous access can achieve optimal nutrition with subcutaneous administration</td>
<td>Clinimix SubQ</td>
</tr>
</tbody>
</table>
**Transformative Innovation**

**Novel Formulations**
Explore new formulations that deliver **superior clinical outcomes**:
Lipid & Amino Acid blends that increase recovery & improve growth

**Clinical Nutrition Innovation Roadmap**

**Improved Prep and Delivery**
Advance technology to deliver PN through **unique delivery platforms** and administration paths

**Advancements to Enhance Care**
Build a digital nutrition ecosystem to **support diagnosis and treatment of malnutrition**

**Pursuing Therapeutic Improvements With Clinical Superiority To Transform Care**
Clinical Nutrition Summary

Innovating in ready-to-use MCBs to deliver above-market growth of 4% - 5% through 2023\(^1\)

Investing in evidence generation and education to drive therapy adoption and sustained base business growth

Delivering optimal nutrition to adjacent patient populations to expand growth opportunities

Pursuing therapeutic improvements with clinical superiority to transform patient care
References

Market Dynamics (Slide 4)
2) Barker LA, National Institute of Health
4) Silva FR. et al. Nutrition Journal . 2015

Key Launches (Slide 8)
1) Represents Three-Chamber Bag
2) Represents Two-Chamber Bag