

Baxter Healthcare

Modern Slavery Statement

Introduction

Our commitment to integrity is a cornerstone of Our Mission to Save and Sustain Lives. Baxter is committed to ensuring that it conducts its supply chain activities ethically and with the highest regard for human rights and dignity.

Baxter Healthcare Pty Ltd (ACN 000 392 781) and its affiliated Australian companies described below ("**Baxter**") does not in any way accept any form of modern slavery in our operations or in our supplier network. We take steps with respect to verification of our supply chain to ensure suppliers are operating in an ethical and legal manner.

This statement is Baxter's modern slavery statement pursuant to the *Modern Slavery Act 2018 (Cth)* for the financial year ended December 2024.

About Baxter

Baxter manufactures and supplies pharmaceutical products and medical devices and provides related services. Baxter's broad portfolio includes essential connected solutions, medical devices, advanced injectable technologies, sterile IV solutions, advanced infusion systems, parenteral nutrition, pharmaceuticals, advanced surgery products, anaesthetics, pharmacy compounding services and infection management software. Baxter's Hillrom and Welch Allyn portfolio of products include smart bed systems, connected monitoring, cardiology, intelligent diagnostics, care communications, respiratory health devices, and global surgical solutions.

Baxter's ultimate parent company is Baxter International Inc, listed on the New York Stock Exchange. Baxter employed 1,230 employees across its Australian operations in 2024. Baxter operates a manufacturing plant in Western Sydney, NSW, as well as a commercial business, aseptic compounding centres, and internal and outsourced warehousing facilities across Australia.

Baxter locally manufactures intravenous fluids and locally compounds pharmaceuticals. Baxter uses domestic and international supply chains for raw materials as well as finished goods. As part of a broader corporate group, Baxter is supported by global supply arrangements established by its affiliates in compliance with group policies and procedures designed to ensure responsible business operations.

In our local and global operations and supply chains, we foster a culture of compliance with all applicable laws, rules and regulations and the highest standards of ethics and business conduct, including with respect to human rights issues. We do not endorse any form of modern slavery in our operations or in our supplier network. We take a number of steps with respect to verification of our supply chain to help ensure suppliers are operating in an ethical manner.

Group companies covered by this statement

Baxter Healthcare Pty Ltd consulted the relevant Australian companies it owns or controls in the development of this statement.

The Australian Hillrom companies are Hill-Rom Pty Ltd (ACN 101 410 940) and Welch Allyn Australia Pty Ltd (ACN 062 931 462) (together, "**Hillrom**"). The Australian Hillrom entities are ultimately owned by Baxter International Inc and are integrated under local Australian management.

In early 2024 Baxter's kidney care and acute therapies businesses were moved to a separate legal entity Vantive Pty Ltd (ACN 625 652 280) which shared Baxter International Inc as its ultimate parent company until 31 January 2025. In Australia Vantive Pty Ltd commenced operations on 1 February 2024 under a separate management structure in preparation for the separation of the Vantive business globally. In August 2024 Baxter International Inc announced the divestment of the Vantive group to Carlyle, a global investment firm. The sale closed on 31 January 2025, at which time Vantive was divested.

Risk of Modern Slavery Practices

Baxter procures finished goods and raw materials from various domestic and international suppliers. As would be expected for any business supported by both domestic and international supply chains, the potential risk of modern slavery practices needs to be managed by responsible and ethical business practices. Baxter continuously monitors supply chains, and reviews existing and emerging trends that may indicate increased risk factors for modern slavery and forced labour.

Actions to Assess and Address Risks

As an organisation, we appreciate the real and global issue of modern slavery and human trafficking and foster a culture of the highest standards of ethics and business conduct with respect to all human rights issues.

Employees and Contractors

Employees

Baxter employs a robust local policy framework to prevent all illegal working, including 'right to work' checks for all employees and regular audits.

Contract workers

For contract workers, a preferred supplier list of labour hire agencies is maintained. Preferred labour hire agencies are used when engaging contractors, and these agencies are subject to Baxter's due diligence and review processes prior to contracting and throughout their relationship with Baxter. Labour hire agencies enter into contracts with Baxter that require compliance with applicable laws and Baxter policies, including the Baxter Ethics and Compliance Standards for Suppliers and contractual provisions requiring modern slavery law compliance.

Training

In 2024, training for Baxter personnel on human rights and modern slavery law included the following:

- Modern Slavery Act Awareness Training, a video training module specifically developed for Baxter Procurement personnel supporting the Australian business operations, focused on Australian Modern Slavery law awareness and compliance.
- Baxter's e-Learning portal included the following training modules that were available to all Baxter employees with internet access:
 - "Combating Modern Slavery" – a video-based training module focused on raising awareness of modern slavery practices in corporations. The module highlights instances of modern slavery that may be 'hidden in plain sight' such as

- recognising contingent or casual labour personnel who may be subject to a form of modern slavery, such as deceptive recruitment practices;
 - "Human Rights – Forced Labor and Modern Slavery" – a video-based training module focused on raising awareness of modern slavery practices in global supply chains. The module highlights human trafficking, involuntary servitude and debt bondage, and child labour.
- All Baxter personnel are required to complete annual training on Baxter's Code of Conduct, which defines the core principles that govern ethical employee behaviour and business conduct at Baxter.

Standards and Codes

In order to manage and address the risk of modern slavery and forced labour, Baxter, alongside its affiliates forming part of the global Baxter corporate group, complies with the requirements as set out below. Accordingly, where Baxter utilises international supply chains managed by other Baxter affiliates, those affiliates are also required to comply with the following requirements.

Baxter's Code of Conduct

All Baxter employees are required to comply with Baxter's Code of Conduct. Baxter's Code of Conduct defines the core principles that govern employee behaviour and business conduct and provides tools and resources to help employees comply with the same.

The company conducts mandatory ongoing training and a Code of Conduct intranet site to keep employees informed and aware of Baxter's ethics and compliance requirements and company expectations. Baxter's Code of Conduct can be found on our website.

Baxter's Global Human Rights Policy

Baxter complies with the Global Human Rights Policy applicable to the Baxter corporate group globally. A copy of this Policy can be found on our website.

Baxter's Ethics & Compliance Standards for Suppliers

Our commitment to fostering a culture of compliance extends to our relationships with suppliers, and we recognise our responsibility to positively influence our suppliers. As a condition of contracting with Baxter, we require our suppliers to agree to Baxter's Ethics and Compliance Standards for Suppliers, which incorporate rules against all forms of modern slavery. A copy of these Standards can be found on our website.

Specifically, the Standards prohibit our suppliers of products and services from violating laws governing workers' human rights, including human trafficking and slavery. The company requires our suppliers to comply with our standards and expectations as well as all laws governing purchasing.

Updated modern slavery compliance clause

In 2023, Baxter included enhanced contractual obligations in supply contracts to strengthen supplier modern slavery law compliance obligations and to provide uniformity of compliance obligations across relevant supply contracts. These clauses continued to be rolled out with suppliers in 2024.

Baxter's Conflict Minerals Policy and Position Statement

Baxter complies with the Conflict Minerals Policy and Position Statement applicable to the Baxter corporate group globally. A copy of this Policy can be found on our website.

Reporting Mechanisms

Baxter's Ethics and Compliance Helpline (a telephone and online complaint portal) is available worldwide to employees, suppliers and other stakeholders as a channel to report or seek guidance on any issues of concern. This reporting mechanism can assist in identifying vulnerable people and provide them with necessary support and referrals to appropriate care and services.

In Australia Baxter has a Whistleblower Policy that provides a mechanism for our employees or relevant stakeholders to report Disclosable Matters. Depending on the circumstances, a breach of modern slavery law or Baxter's human rights and ethics policies may be a "Disclosable Matter" as defined in the policy.

Assessment of Actions to Address Risks

Due Diligence & Understanding Risk in Our Supply Chains

As a global group, Baxter is integrating our supplier corporate responsibility strategy into our overall supplier management processes and conducts periodic assessments of key suppliers to evaluate cost, delivery, quality, and risk.

We recognise that our supply chain due diligence should be focused on areas of highest risk. We are therefore committed to continuously strengthening our risk assessment process, focusing on countries or materials/products of concern. This is an iterative process, and as part of our management system approach to labour standards and sourcing risks, we aim to continuously improve the quality of information we hold on supply chain risk, combining it with information from other due diligence activities, and taking appropriate action if concerns are found.

Based on a 2024 global data baseline, globally the Baxter group spent US\$9.6 billion in 2024 with a supplier base of over 50,000 suppliers across all geographic regions providing raw materials, third party finished goods, and indirect commodities. Baxter maintains a corporate responsibility risk profile for applicable Baxter suppliers¹. These profiles include in-depth corporate responsibility risk mapping based on location, performance, and goods and services provided. The profiles help us to prioritise suppliers with the greatest corporate responsibility-related risk factors for additional due diligence, corrective action plans and/or on-site audits.

One significant way Baxter advances respect for human rights, with regards to all forms of modern slavery, is through its well-established supplier sustainability program. In 2024 Baxter Healthcare as a global group continued to collaborate with EcoVadis, a globally recognised assessment platform that rates businesses' sustainability practices, to conduct an annual survey of the corporate responsibility programs and performance of Baxter suppliers on the EcoVadis platform, including in the areas of labour and human rights, ethics, environment, and sustainable procurement. Particularly, this survey assesses whether these suppliers have policies and programs to address human rights, including human trafficking and slavery (child, forced or bonded labour). Baxter can access detailed supplier scorecards with information about strengths, benchmark comparisons, and improvement areas, via the EcoVadis platform. 86% of Baxter suppliers on the EcoVadis platform in 2024 earned either Moderate or Advanced scores in the labour and human rights category of our supplier corporate responsibility survey.

Baxter also leverages 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. The data EcoVadis provides helps suppliers manage risk in their operations. It is also an important tool in our work to track and mitigate risk within our supply chain and will contribute to our future risk-based supplier audits.

¹ Applicable suppliers are those that have a Data Universal Numbering System (DUNS) number and with which we have historical spend.

In 2024, we continued maturing our ability to audit suppliers' corporate responsibility management systems and performance. Our Global Supplier Standards Manual is a foundational part of this ongoing work to develop a supplier audit practice and includes a centralised set of standards, against which we will measure performance.

Continuous Improvement to Ensure Compliance & Ethical Frameworks

A Global Approach

Each year, as a global group Baxter provides supply chain transparency statements in response to legislation from Australia, Canada, Germany, Norway and the UK, among others, related to human rights and fair working conditions. We also have position statements related to the California Transparency in Supply Chains Act and conflict minerals, and we publish an annual Conflict Minerals Report. Baxter continues to monitor the evolving global regulatory landscape regarding human rights reporting.

Conflict Minerals Policy

As part of Baxter's commitment to sustainability, including its policy on protecting human rights in our own operations along with our supply chain, as a global group Baxter's goal is to source raw materials that require the use of tin, tantalum, tungsten or gold (known as 3TG) from conflict-free sources.

Baxter expects its suppliers to have appropriate policies and due diligence measures in place that will allow us to reasonably determine if products and raw materials containing conflict minerals originate from conflict-free sources, including those from the Democratic Republic of the Congo (DRC) and its surrounding areas.

Baxter's parent company launched its Conflict Minerals Program back in 2015, and as of today Baxter continues to survey key suppliers in its supply chain and completes an annual Baxter Conflict Minerals Reporting Template (CMRT) (available to customers upon request at: Baxter_Compliance_Support@baxter.com) where we continue to successfully grow suppliers' responsiveness in the program.

In support of this, Baxter (in conjunction with Baxter affiliates globally) has and will:

- Exercise due diligence of its relevant suppliers consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and expect those suppliers to do the same with their own suppliers;
- Engage and collaborate with its suppliers to work toward a DRC conflict-free supply chain for Baxter's products;
- Continue to collaborate with suppliers to help Baxter demonstrate measurable improvement in ensuring that the company is sourcing 3TG responsibly and from conflict-free sources;
- Through its affiliated company Baxter Healthcare Corporation, support responsible sourcing of 3TG by participating as a member of the Responsible Minerals Initiative and donating to this organization's smelter audit program; and
- Continue to monitor, adapt, and modify our due diligence practices to conform to the recognized industry best practices.

Baxter's ultimate parent company, Baxter International Inc, filed a Form SD and Conflict Minerals Report with the U.S. Securities and Exchange Commission for the year ended December 31, 2024.

Conclusion

Baxter complies with its obligations under the **Modern Slavery Act**, and we acknowledge that this is an important area of compliance for our customers. Baxter is committed to continuous improvement in our approach to managing supply chain risk. Responsibility for ensuring we meet our obligations requires cross-functional collaboration involving many internal commercial and functional business units, including Procurement, Human Resources, EHS & Sustainability, and Legal, and has the sponsorship of Baxter's Australia and New Zealand Senior Leadership Team.

Baxter continues to monitor and review its compliance processes, to ensure transparency and anti-slavery compliance across its Australian business and supply chain.

This statement was reviewed and approved by the Board of Directors of Baxter Healthcare Pty Ltd on 25 June 2025.

Signature



Name

Brendan Cummins

Position

Director

Date

25 June 2025

Baxter Healthcare Pty Ltd

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