# **Baxter: Reliable Supply for Patient Care**

Baxter understands the importance of supply reliability and continuity in planning patient care. That is why ensuring access to our lifesaving and life-sustaining products is our top priority. We are committed to supply reliability and confident in our ability to deliver, even through natural disasters and unexpected events like COVID-19.

## **Ensuring Supply Chain Continuity**



Throughout the pandemic, we have experienced unusual and unpredictable ordering patterns across our product portfolio. In cases where we can anticipate a surge in demand, we have implemented protective allocations. A protective allocation is not a shortage – it is a proactive measure that best positions us to help ensure continuous, reliable supply so you receive at least 100% of the amount of product that you have traditionally ordered, especially for critical products.

# **Manufacturing Network With Built-in Redundancy**



Our manufacturing network reduces risk by having 7 sites within North America and 13 plants globally. Our North Cove, North Carolina, plant is the largest IV plant in the U.S. We also utilize 40 distribution centers and 3 regional distribution centers within the U.S. to ensure the product you need gets to you as quickly as possible.

## **Increasing Production Output and Reducing Turnaround Time**



For high-demand products, we have increased production levels to maximum capacity and are pursuing short-, mid- and long-term solutions to meet ongoing heightened demand. We have also assessed every step of transferring these products from our facilities to your door, and wherever possible, reduced transit times.

## **Product Shipped to Mainland U.S. Immediately**



Product manufactured for mainland U.S. is immediately shipped from Puerto Rico to mainland U.S.-based distribution centers. Additionally, our logistics providers are on notice, so that if we need to activate them for additional or expedited transport, they are ready and able to prioritize movement of our essential products.

# \$1 Manufacturing Investment

\$1B INVESTMENT

We've invested **\$1** billion into our manufacturing network over the past several years, including adding new lines for key products at Baxter plants outside of Puerto Rico.

#### **Permanent FDA Approvals**



We've worked with the FDA to secure permanent approvals to allow us to bring in specific products made in our international facilities to the U.S. when the need arises. This manufacturing redundancy gives us the flexibility to respond more quickly should there be a temporary impact at one facility.

# Additional Measures to Support Clinicians in Treating COVID-19 Patients



- To manage fluctuations in staffing due to COVID, we engage temporary workers to supplement our workforce. Additionally, we have been granted Emergency Use Authorization by FDA for specific products as appropriate.
- We offer virtual trainings with technical and clinical experts to help healthcare workers.

## **Enhanced Site-Preparedness Plans Across Our Network**



This includes new contingency plans for power, additional communications equipment, and options for ground transportation. These additional measures are critical to restoring plant operations as quickly as possible, and the changes we've implemented will help us to be more self-sufficient following a storm.

# Financial Value Tied to Supply



- We have developed a program to provide financial value tied to our commitment to meet your supply needs for 9 critical IV solution codes. The products in this program include Normal Saline, Lactated Ringer's, and 5% Dextrose in 250 mL, 500 mL, and 1 L sizes.
- We have created Vendor Managed Inventory Programs for customers that are looking for more direct control of specific products.
- Baxter remains committed to working with you in the unique needs of your health system.

# **Communicating Proactively and Transparently**



We are continuing to provide transparent, frequent communication about products and deliveries, including recently introducing a supply resources section to our website. This section, updated weekly, provides access to the latest information. Visit us at our <u>Baxter Supply Resources page</u>.

We recognize what a challenging time this is for healthcare systems across the country. We are here in partnership to support you in providing the highest level of patient care while maintaining the safety of your employees and understanding evolving needs during this challenging time and always.

