

FY 2021 Environmental, Social and Governance Report

Together We Advance



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To our stakeholders

Throughout our 125-year history as one of the largest global medical technology companies, we’ve used our capabilities, expertise and scale to address critical healthcare needs for people around the world. Time and time again, BD has stepped up to make a difference by innovating faster to deliver critical products and solutions that save lives. We’ve done this to help patients no matter where they are in their healthcare journey—getting routine checks or battling chronic illness—and we’ve done this on a large, global scale to combat some of the world’s biggest health crises like polio, HIV and more recently COVID-19.

While the pandemic challenged the way every business operates, at BD, it pushed us to evolve to be more agile and efficient, using our scale and speed to create more innovative solutions faster than ever before. And now, we’re strengthening those muscles so we remain agile in the future and continue to deliver on our ambitious plans to accelerate the future of healthcare for decades to come.

As we look ahead, we’re using that same mindset as we take action to address the most relevant environmental, social and governance (ESG) issues. We’ve made commitments that build on our Purpose of *advancing the world of health™* and focus on enhancing the stewardship of our company, planet, community and human health. True to our culture, we’re delivering on these commitments today.

Together we advance

We have strong momentum behind our BD 2025 strategy, which focuses on three pillars: **GROW** through category innovations that improve customer outcomes and reinvent the future of healthcare globally; **SIMPLIFY** the company and how we do business; and **EMPOWER** our people. Centered around our durable core and transformative solutions, our portfolio delivers reliable products and solutions that serve as the backbone of healthcare, and new innovations that are advancing three irreversible forces changing the future of healthcare: smart connected care, the shift to alternative care settings and improving chronic disease outcomes.

Integral to our success is our deep commitment to improving individual and public health at a global scale. In early FY22, we launched our 2030+ ESG strategy, Together We Advance, which serves as a framework to address some of the most relevant ESG issues for our business and our stakeholders.

We’ve made commitments in five areas where we see the most opportunity to create meaningful change over the next decade: climate change, product impact, a responsible supply chain, a healthy workforce and community, and transparency. Our report details each area, our accomplishments and the steps we are taking on this journey.

Our performance

Environment

We recognize the impact of climate change on human health around the world, and as a healthcare company, we’re committed to reducing our own impact. As a result, we committed to the **UN Race to Zero** and the Science Based Targets initiative (SBTi) in September.

We’ve made progress aligned with our established targets to reduce our Scope 1 and 2 greenhouse gas (GHG) emissions, and we continue to work on setting science-based targets for Scope 3. By minimizing energy demand, we’ve achieved a 14 percent reduction and continued to increase our investment in on-site renewable energy. Currently, 13 BD locations obtain 100 percent of their electric power from renewable sources.

Product impact

Our newly formed **BD Sustainable Medical Technology Institute** will guide us in reducing the environmental impact of our portfolio, setting sustainable design standards for our products and identifying more sustainable sterilization technologies. We also established the BD Product Impact Council to support and track progress toward achieving our 2030+ product impact goals.



Tom Polen

Chairman,
CEO and President

Supplier diversity

While facing significant disruptions to global supply chains, our associates stayed true to our ESG commitments by spending over \$1.5 billion with 2,766 diverse-owned and small-business suppliers in the U.S. In FY21, we initiated a third-party desktop audit program to assess the ESG performance of our suppliers, completing 160 supplier audits, representing 15 percent of our overall spend.

Talent

We must continue to attract, retain and develop the best talent, who are passionate about bringing our Purpose to life and helping us deliver on our commitments. BD is known for our inclusive culture, which is underscored by our commitment to well-being and to empowering our associates to unleash their fullest potential.

Externally, we're pleased to have been recognized in this area and named to Forbes' Best Employers for Diversity, and America's Best Large Employers List; Bloomberg's Gender-Equality Index; The Human Rights Campaign Foundation's Best Places to Work for LGBTQ+ Equality; the Corporate Equality Index; and the Disability Equality Index® Best Places to Work for Disability Inclusion. I am also proud to have signed the Disability:IN CEO letter and joined a coalition of leaders seeking to raise awareness of the importance of disability inclusion and the benefits of an inclusive workforce where everyone is empowered.

Social investing

We play an important role in expanding access to health by collaborating with partners around the world. We have made \$30 million in philanthropic investments in free and charitable clinics and community health centers in the U.S. since 2008. In India and Indonesia, we continued our partnership with the U.S. Agency for International Development (USAID) on Strengthening TB Resistance Testing and Diagnostic Systems (STRIDES). This partnership works in close collaboration with the ministries of health to improve access to, and increase capacity for, liquid culture and drug-susceptibility testing in these regions.

In the continued fight against COVID-19, BD and the BD Foundation have issued nearly \$2.8 million in philanthropic grants and product donations to nonprofit partners that are working to protect the most vulnerable communities and individuals from the pandemic's spread and negative impacts. In addition, BD associates around the world have volunteered their time and capabilities to assist communities hard-hit by COVID-19.

Committed to accountability

Doing what is right is a core principle of our culture at BD, and we will continue to hold ourselves to the highest levels of transparency and governance as we continue on this journey. We'll do this through regular reporting such as this ESG report, our Cybersecurity Annual Report and our Global Inclusion, Diversity and Equity Report, "Together We Advance ID&E." Our transparency has garnered us external recognition from, among others, *Newsweek's* America's Most Trustworthy Companies and America's Most Responsible Companies lists; the Drucker Institute's *Wall Street Journal* Management Top 250 list, cited in the top 10 for our results in helping to achieve the United Nation's Sustainable Development Goals; and JUST Capital's America's Most JUST Companies list.

While there is more work to be done, I'm very proud of our achievements and of the more than 75,000 BD associates whose passion and dedication are helping us build a healthier, more resilient world for all.

Thank you for your unwavering support of our vision.



Tom Polen

Chairman, CEO and President



The best way to help customers and patients is to truly know them. That means understanding our customers' goals and how we can help achieve them together.

Challenges are opportunities to grow and improve.

Strong teams, inclusive collaboration and diversity of ideas will be essential to successfully achieving our ESG goals.

Keeping our goals simple and aligned with stakeholder needs and expectations will **enable innovation and agility.**

Speaking up builds trust and leads to **better outcomes faster**, for us and our stakeholders.

ESG highlights



- ✓ Joined **Race to Zero** in September 2021
- ✓ Implemented **142 efficiency** projects in FY 2021, expected to generate **\$5.1 million** in energy savings
- ✓ In FY 2021, **reduced energy consumption by 14 percent**, with 13 locations using 100 percent renewable electricity
- ✓ **Reduced** water consumption **by 23 percent**
- ✓ Diverted **79 percent** of nonhazardous waste from landfill

- ✓ Spent **\$1,399 million** on R&D in FY 2021
- ✓ Announced **creation of the Scientific Advisory Board** in FY 2021 and launched **Sustainable Medical Technology Institute** in FY 2022
- ✓ **Profiled in Science magazine**, demonstrating landmark advancement in flow Cytometry
- ✓ Deployed BD Production System (BDPS) at **over 90 percent** of manufacturing sites over 3 years, driving best-in-class operational excellence

- ✓ In FY 2021, completed **160 supplier audits**, representing 15 percent of total spend
- ✓ In FY 2021, spent **\$1 billion** with small-business suppliers, impacting **2,766 suppliers**
- ✓ **Established Scope 3 baselines** for category 1, 4 and 9
- ✓ In FY 2021, over **10,000 associates** who interact with our supply chain completed Modern Slavery and Human Trafficking training

- ✓ Achieved **95 percent improvement** in responses to questions as compared to previous Voice of Associate survey
- ✓ In FY 2021, completed **global pay equity assessment**, finding our U.S. female associates earn 99 cents for every \$1 earned by male associates
- ✓ In FY 2021, donated over **\$24 million** in cash and products
- ✓ Invested **\$30 million** in free and charitable clinics and community centers since 2008

- ✓ **Published** first Inclusion, Diversity and Equity report and second Cybersecurity report
- ✓ Scored **100 percent** on the 2021 corporate political disclosure and accountability index, from the Center for Political Accountability
- ✓ First medical technology company authorized as a **Common Vulnerability and Exposures (CVE®)** Authority by the CVE Program
- ✓ Named one of **America's Most Responsible Companies** and on the inaugural list of America's Most Trusted Companies (Health Care and Life Sciences) by *Newsweek*

About this report

This report provides information about our global ESG strategy and programs. It is issued on an annual basis to highlight our sustainability performance and progress. Unless otherwise stated, this report is current through the first half of fiscal year 2022 (March 31, 2022); performance data regarding our 2030+ commitments and goals is provided through the end of fiscal year 2021 (October 1, 2020, to September 30, 2021); and all information is provided for Becton, Dickinson and Company (BD) and our subsidiaries.

In [May 2021](#), we announced our intention to spin off the Diabetes Care business to create a new independent, publicly traded company called Embecta Corp (“embecta”). The separation was completed on April 1, 2022.

In fiscal year 2019, we began assessing our climate management program in alignment with recommendations of the Task Force on Climate-related Financial Disclosures ([TCFD](#)). The disclosures in this report follow the guidelines in the [October 2021 report “Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures.”](#) TCFD disclosures can be found in the appendices. We will continue to use this framework to advance our initiatives and disclose information where relevant. This includes our long-standing public disclosure via the [CDP](#).

This report contains standard disclosures from the Global Reporting Initiative™ ([GRI](#)) guidelines and the Value Reporting Foundation’s Sustainability Accounting Standards Board ([SASB](#)) Medical Equipment and Supplies Sustainability Accounting Standard. A [GRI index](#) and a [SASB index](#) can be found in the appendices.

Reporting and performance data includes information on our owned and operated facilities. We have processes in place to ensure that reporting on key sustainability performance indicators is as accurate and robust as possible, and we continually work to improve them. Data in this report has not been externally assured. Various data tables can be found in the appendices.

Commonly used acronyms, a glossary of terms and links to BD documents can be found in the appendices.

All monetary amounts are U.S. dollars unless otherwise stated.

We seek feedback from stakeholders each year, which informs our selection of content for sustainability reporting. For contact information, see the final page of this report.

Our previous sustainability report is available on our [website](#).



About BD

BD is one of the largest global medical technology companies in the world and is advancing the world of health by improving medical discovery, diagnostics and the delivery of care. The company develops innovative technology, services and solutions that help advance both clinical therapy for patients and clinical process for healthcare providers.

BD and its 75,000 employees have a passion and commitment to help improve patient outcomes, improve the safety and efficiency of clinicians' care delivery process, enable laboratory scientists to accurately detect disease and advance researchers' capabilities to develop the next generation of diagnostics and therapeutics.

BD has a presence in virtually every country and partners with organizations around the world to address some of the most challenging global health issues. BD helps customers enhance outcomes, lower costs, increase efficiencies, improve safety and expand access to healthcare.

For more information on BD, please visit bd.com.

Our Purpose

Our Purpose – *advancing the world of health™* – is the basis for all that we do. It motivates us and drives the decisions we make every day, because we know our work means something.

By the numbers

 **45B+**
devices made annually

 **190+**
countries served

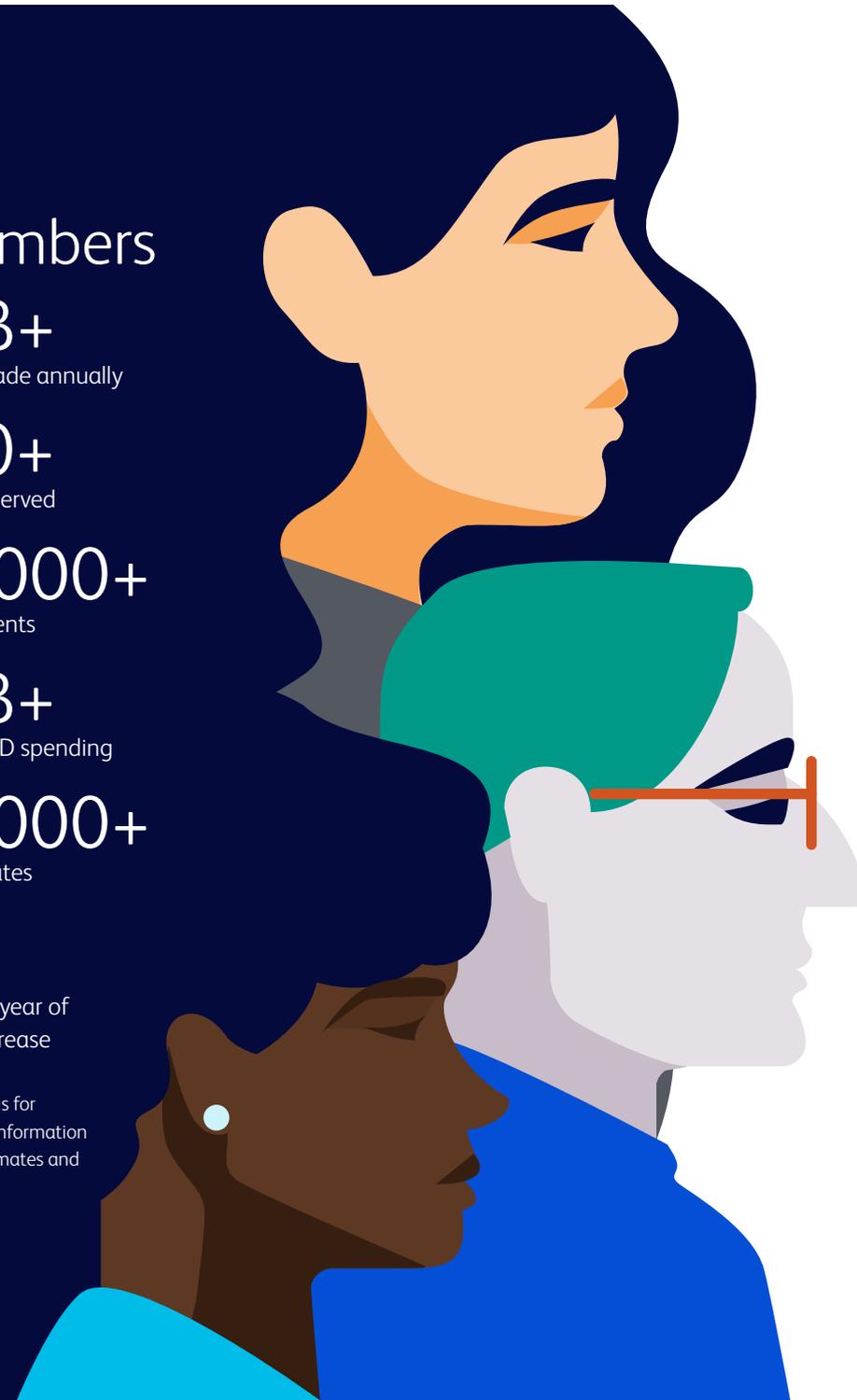
 **29,000+**
active patents

 **\$1B+**
annual R&D spending

 **75,000+**
BD associates

 **50th**
consecutive year of dividend increase

Note: BD financial information is for fiscal year 2021. Market share information and rank based on internal estimates and publicly available information.



The BD WAY

The BD WAY embodies who we are, what we stand for and why we exist. It reflects the behaviors we're all expected to demonstrate every day, no matter what we do.

Values

Our standards of behavior

- We do what is right
- We are all accountable
- We thrive on innovation and demand quality
- We learn and improve every day
- We help each other be great

Mindset

The attitude we bring to our work

- Speaking up builds trust and gets to better outcomes faster
- Inclusion and diversity make us a stronger team
- Keeping it simple enables innovation and agility
- The best way to help customers and patients is to truly know them
- Challenges are opportunities to grow and improve

Leadership commitments

How we lead ourselves and our work

- Be bold and strategic
- Remove obstacles and empower others
- Deliver results that matter
- Debate and decide, then commit and go
- Have the courage to iterate, try new things and embrace change

Our 2025 strategy

We're focused on delivering durable growth and creating shareholder value, while making appropriate investments for the future. BD 2025, our current phase of value creation, is anchored in three key pillars—Grow, Simplify and Empower.



Read more at bd.com

Key announcements

- In [April 2021](#), we announced the investment of \$65 million to construct a state-of-the-art facility in Tucson, Arizona, that will be a hub for the company's supply chain, serving as a final-stage manufacturing and sterilization center.
- In [May 2021](#), we announced our intention to spin off the Diabetes Care business, to create embecta. The spin-off was completed in April 2022, and embecta is one of the largest pure-play diabetes management companies in the world. For more information, visit embecta.com.
- In [June 2021](#), we announced that we had become the first medical technology company authorized as a Common Vulnerability and Exposures (CVE®) Numbering Authority by the CVE Program, further demonstrating our leadership in healthcare cybersecurity. Read more about our cybersecurity program [here](#).
- In [September 2021](#), we officially signed on to the [Race to Zero](#) via the Science Based Targets initiative (SBTi) and in partnership with the [Business Ambition for 1.5°C](#). This milestone was celebrated at [Global Citizen LIVE](#).
- In [November 2021](#), we broke ground on a €165 million (\$200 million) manufacturing facility in the city of Zaragoza, located in the Aragon region of Spain. The facility, which is expected to be completed in 2023, will be a sustainable and fully automated facility incorporating the latest in intelligent and autonomous solutions. The new site is part of the [\\$1.2 billion, four-year investment that was announced in late 2020](#) to expand and upgrade BD's manufacturing capacity and technology for pre-fillable syringes and advanced drug delivery systems as part of the company's 2025 growth strategy.

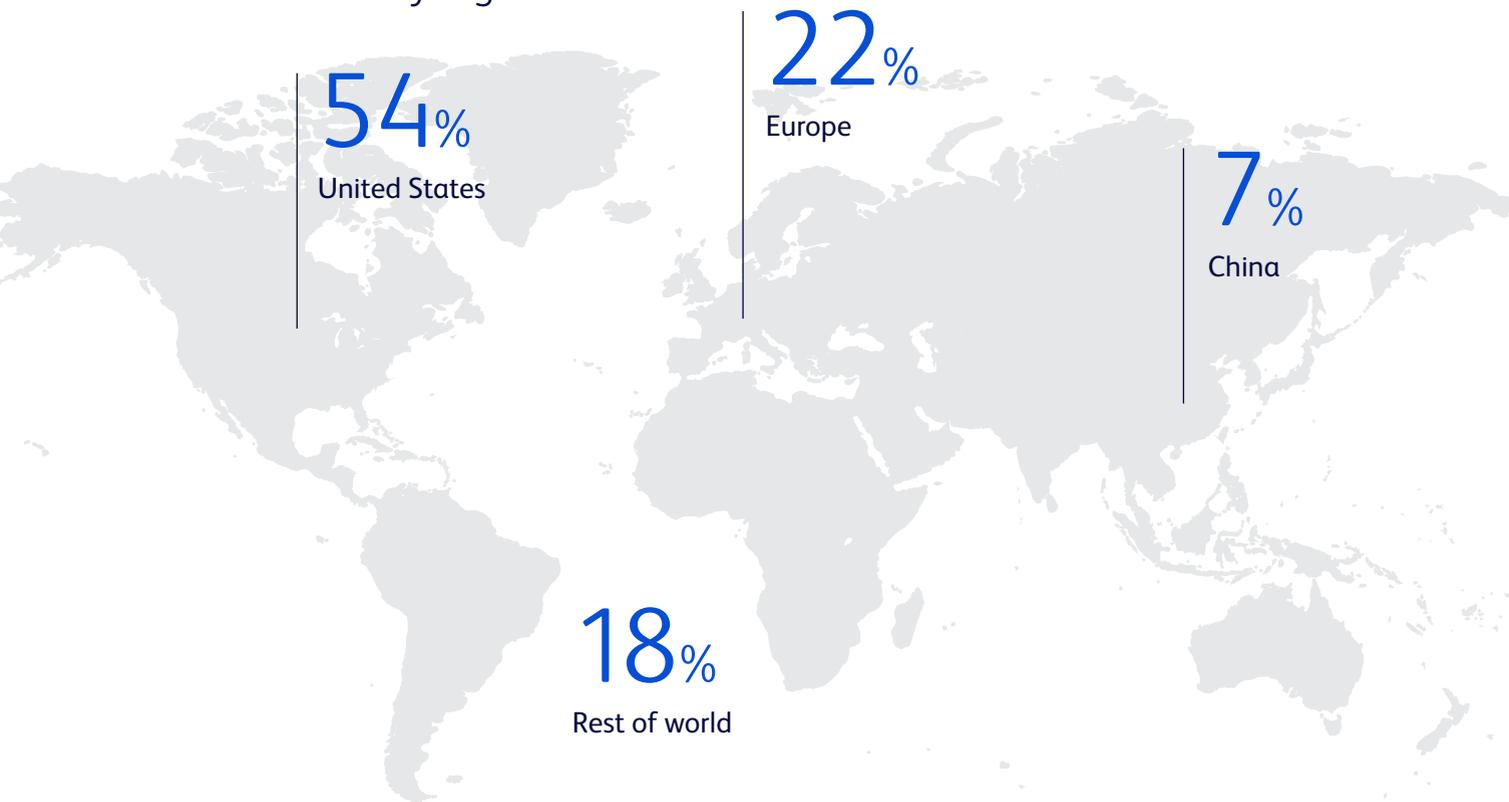
Key awards

- Named to [Newsweek's inaugural list of America's Most Trusted Companies](#) in the Health Care and Life Sciences category
- BD Ranked first in its industry in [Forbes America's Best Large Employers List](#)
- Named one of [America's Most Just Companies in the Annual JUST 100 Ranking](#)
- Named one of [America's Most Responsible Companies by Newsweek](#)
- Named to [Forbes 2022 List of Best Employers for Diversity](#)

About our business

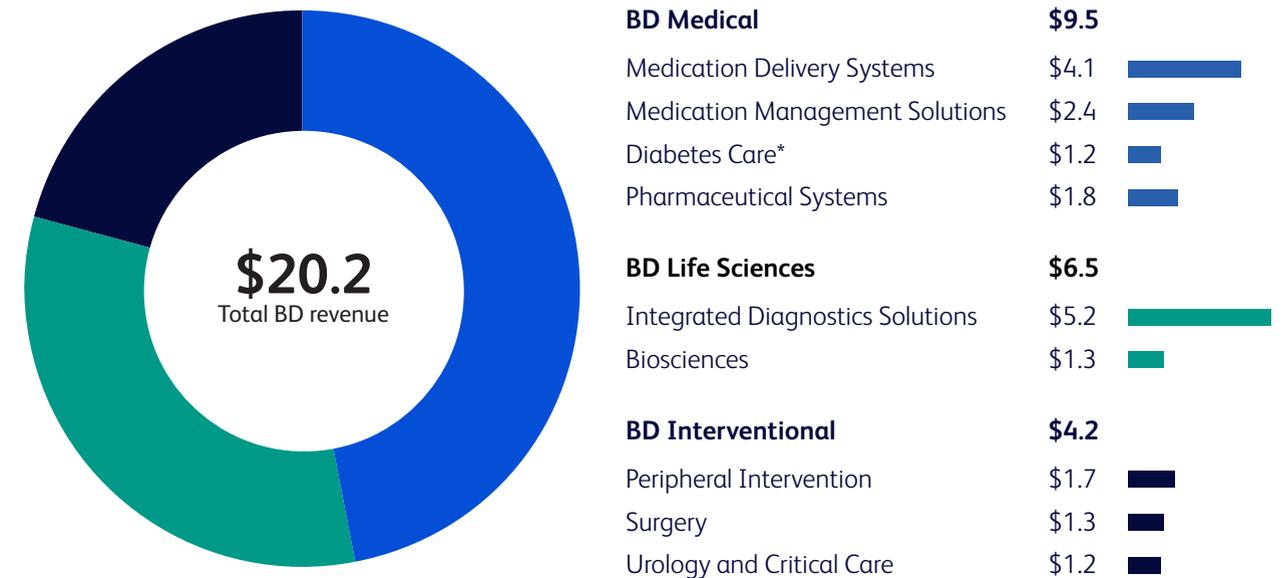


FY21 revenue by region



FY21 revenue by segment

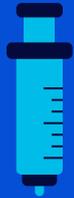
Values in this exhibit reflect rounded numbers in billions of dollars



* On April 1, 2022, BD executed the spin of its Diabetes Care business, which is now a stand-alone and publicly traded company named Embecka Corp. (NASDAQ: EMBC).

BD Medical

The **BD Medical segment** produces a broad array of medical technologies and devices that improve healthcare delivery in a wide range of settings. The primary customers served by BD Medical are hospitals and clinics; physicians' office practices; consumers and retail pharmacies; governmental and nonprofit public health agencies; pharmaceutical companies; and healthcare workers.

	Key categories	Leadership position ¹
 <p>Medication delivery solutions</p>	<ul style="list-style-type: none"> • Vascular access devices • Vascular care and maintenance • Infusion specialty disposables 	#1
 <p>Medication management solutions</p>	<ul style="list-style-type: none"> • Acute infusion • Acute dispensing • Non-acute medication management 	#1
 <p>Pharmaceutical systems</p>	<ul style="list-style-type: none"> • Prefilled syringes • Self-administered injection systems • Safety and shielding solutions 	#1

¹BD position based on management's internal estimates. Represents leadership position across majority of each business unit's portfolio.



BD Life Sciences

The **BD Life Sciences segment** provides products for the safe collection and transport of diagnostic specimens, and instruments and reagent systems to detect a broad range of infectious diseases, healthcare-associated infections and cancers. In addition, BD Life Sciences produces research and clinical tools that facilitate the study of cells, and the components of cells, to gain a better understanding of normal and disease processes. That information is used to aid the discovery and development of new drugs and vaccines, and to improve the diagnosis and management of diseases. The primary customers served by BD Life Sciences are hospitals, laboratories and clinics; blood banks; healthcare workers; public health agencies; physicians' office practices; retail pharmacies; academic and government institutions; and pharmaceutical and biotechnology companies. With the emergency use authorization approval of the BD Veritor™ At Home COVID-19 test, BD Life Sciences also serves patients directly.

	Key categories	Leadership position ²
 Biosciences	<ul style="list-style-type: none"> • Research Flow Cytometry • Clinical Flow Cytometry • Single-cell Multiomics 	<p>#1 Top5</p> <p>Flow Cytometry Single-cell Multiomics</p>
 Integrated diagnostic solutions	<ul style="list-style-type: none"> • Microbiology • Specimen Management • Molecular and Women's Health 	<p>Top2 #1 Top5</p> <p>Microbiology Specimen Management Molecular</p>
 Point of care	<ul style="list-style-type: none"> • Professional POC Diagnostics • At-Home Diagnostics 	<p>Top5</p> <p>Professional POC Diagnostics</p>

²BD position based on management's internal estimates. Includes COVID testing revenue.



BD Interventional

The **BD Interventional segment** provides vascular, urology, oncology and surgical specialty products—with the exception of the V. Mueller™ surgical and laparoscopic instrumentation products—that are intended to be used once and then discarded or are either temporarily or permanently implanted. The primary customers served by BD Interventional are hospitals, individual healthcare professionals, extended care facilities, alternate site facilities and patients via our Homecare business.

	Key categories	Leadership position ³
 Peripheral intervention	<ul style="list-style-type: none"> • Peripheral Vascular Disease • End-stage Kidney Disease • Oncology 	#1
 Surgery	<ul style="list-style-type: none"> • Hernia Repair & Reconstruction • Infection Prevention • Biosurgery 	#1
 Urology & critical care	<ul style="list-style-type: none"> • Acute Urological Drainage • Endourology • Homecare Urology • Targeted Temperature Management 	#1

³BD position based on management's internal estimates. Represents leadership position across majority of each Business Unit's portfolio.





Innovation at BD

Research and development

BD conducts its research and development (R&D) activities at its operating units and across global enterprise centers of excellence located in the United States, India, China, Singapore and Ireland. The majority of BD's R&D activities are conducted in North America. BD also collaborates with certain universities, medical centers and other entities on R&D programs and retains individual consultants and partners to support its efforts in specialized fields.

Management highlights

In [April 2021](#), we announced the appointment of Elizabeth McCombs as executive vice president and chief technology officer. She is responsible for driving the company's category innovation strategy and leading all R&D activities, including executing the current innovation pipeline and developing the future product portfolio.

In April 2021, we also announced the creation of an external Scientific Advisory Board (SAB), which will comprise key top medical opinion leaders, science and technology experts and experienced innovation leaders. The SAB will review BD's technology capabilities, innovation pipeline, tuck-in M&A (merger and acquisition) opportunities and early-stage investments. The SAB will also advise BD's leadership on its growth prioritization as well as emerging trends in healthcare, science and technology, and the potential implications for BD.

John DeFord, who retired as chief technology officer in May 2021, is the founding member and co-chair of the SAB.

The SAB is also co-chaired by BD's senior vice president and chief scientific officer, Dr. Joseph M. Smith, who joined BD in [November 2021](#). As chief scientific officer, Dr. Smith is primarily responsible for external innovation and BD's technology roadmap to deliver transformative innovations. BD announced the inaugural members of the SAB in [May 2022](#).

R&D initiatives



> 100

New product launches expected by FY25



> 25

New products with potential to generate \$50m+ per year⁴



> 20

New products with potential to generate \$30m – \$50m per year⁴



In [December 2021](#), we announced plans to invest €70 million over five years in BD's Research Centre Ireland R&D Centre of Excellence in Limerick.

This investment will further position the facility as a hub for the development of smart, secure and connected health and infection monitoring solutions in clinical and nonclinical settings. As a result, BD will add approximately 130 new, high-quality research and development positions in engineering and scientific disciplines such as software, electronics, hardware and immunology. The expansion of the facility will include a state-of-the-art laboratory, workspaces and technologies to support cutting-edge innovation.

This project is supported by the Irish Government through IDA Ireland.

⁴Revenues are based on estimated fifth-year sales post launch, which may occur after FY25.

Product launches

Our continued commitment to and significant investment in R&D have once again enabled BD to launch new and innovative products and technologies. Here are some that launched in 2021.

[BD® AbSeq Immune Discovery Panel](#): a tool that enables researchers to uncover up to 30 immune markers in a single experiment, offering convenience, reliability and flexibility as both a multiomics-enabled and cost-efficient tool to aid in immune research and discovery.

[BD COR™ Molecular Diagnostic System](#): a new, fully automated, high-throughput molecular diagnostic platform that uses robotics and sample management software algorithms to set a new standard in automation for infectious disease molecular testing in core and other centralized laboratories in the U.S. This system allows the BD Onclarity™ HPV Assay with extended genotyping for the BD COR™ System to be made available to the high-throughput labs that process the majority of cervical cancer screening specimens in the U.S.

[BD FACSymphony™ A1 Cell Analyzer](#): a new fluorescence-activated cell analyzer that offers advanced research capabilities in a compact design, and helps improve access to instrumentation for complex scientific research for laboratories of all sizes.

[BD Kiestra™ Lab Automation System](#): U.S. launch of Urine Culture Application for use with the BD Kiestra™ lab automation, incubation and imaging system that can transform the way microbiology labs approach urine culture analysis. The application was designed using artificial intelligence.

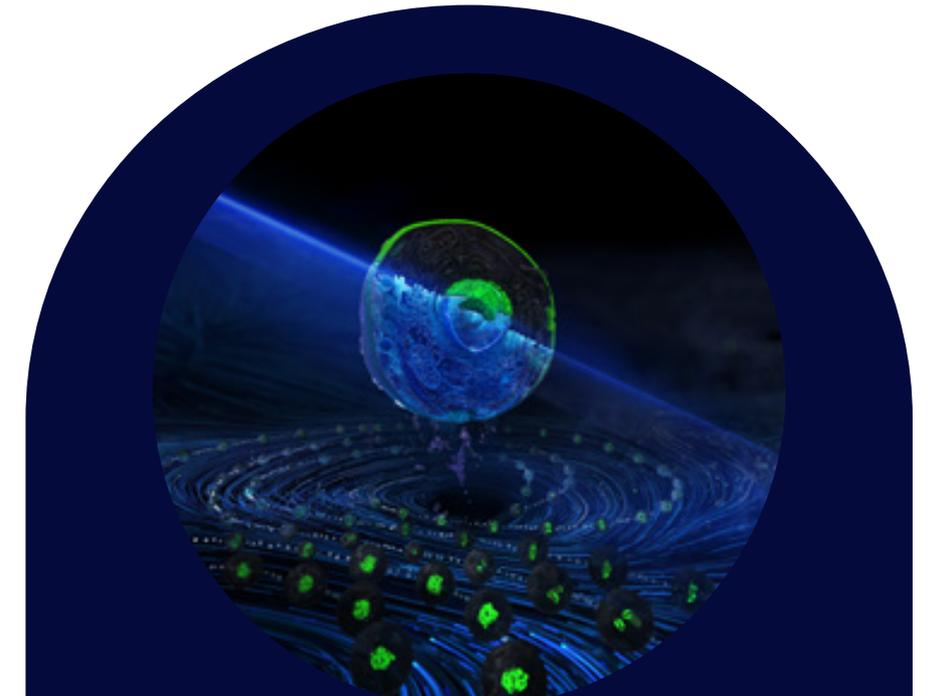
[BD Pristine™ Long-Term Hemodialysis Catheter](#): a differentiated product that received 510(k) clearance in 2021, adding to the company's diversified portfolio to support clinicians who care for end-stage kidney disease patients requiring hemodialysis.

[BD Onclarity™ HPV Assay CE marked for Self-Collection](#): an industry-first product that allows laboratories and facilities to process at-home, self-collected vaginal samples.

[BD Surgiphor™ Surgical Irrigation System](#): an industry-first, ready-to-use, iodine-based surgical irrigation system that mechanically loosens and removes wound debris.



	FY19	FY20	FY21
Research and development expense (in millions)	\$1,062	\$1,096	\$1,399
% of revenues	6.1%	6.4%	6.6%



Credit: Tobias Wuestefeld / illustratoren.de

New BD innovation in flow Cytometry

BD was profiled in a cover story of the January issue of *Science* magazine, demonstrating landmark advancement in flow Cytometry technology with potential to transform a wide range of disciplines, from immunology and genomics research to cell-based therapeutics.

Two axes of growth: durable core and transformative solutions

~\$14B⁵

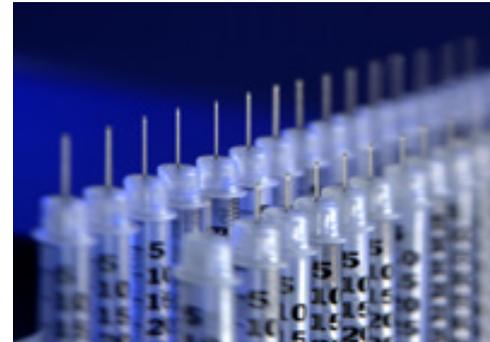
Durable core

~\$4B⁵

Transformative solutions



Backbone of healthcare

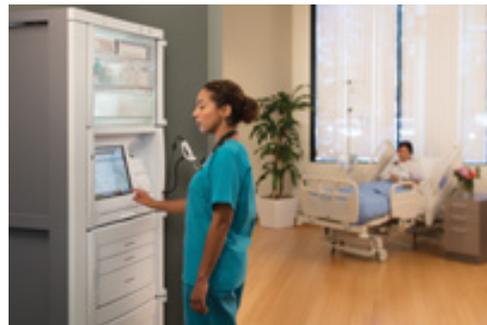


Our Durable Core—approximately \$14 billion of our FY 2021 revenue—consists of our well-known products and solutions that form the backbone of healthcare around the world: blood collection tubes, ports and catheters; syringes; urinary catheters; acute care pumps and IV sets; hernia mesh; and blood culture testing. The Durable Core touches 90 percent of people in the hospital with 45 billion medical devices each year.

The performance of our Durable Core fuels our investments in Transformative Solutions, which constitute about \$4 billion of our FY 2021 revenue. These are advances in higher-growth spaces that are transforming the future of global healthcare and that we are targeting with our R&D and M&A investments.

The future of healthcare is changing, and we see three irreversible forces that are going to be shaping healthcare in new ways.

Reinventing the future of healthcare



Smart connected care

AI, informatics and robotics will transform healthcare processes, tools and treatments.

New care settings

Shift into **new settings** creates major opportunities to **improve patient outcomes** and costs.

Chronic disease outcomes

Medical technology will have a growing role in **improving outcomes in chronic diseases**.

- **Smart connected care:** Artificial Intelligence (AI), informatics and robotics will transform healthcare processes, tools and treatments.
- **A shift to new care settings:** Care is moving increasingly to surgery centers, ambulatory centers, retail clinics and the home, a trend accelerated during the COVID-19 pandemic. This is creating significant opportunities for us to reinvent solutions that will improve patient outcomes in these settings, while lowering costs.
- **Chronic disease outcomes:** Improving outcomes in chronic disease is a leading global health priority. Although it is traditionally addressed by the pharmaceutical industry with treatment through medication, BD has tackled infectious disease challenges and looks forward to stepping up in a meaningful way, using technology innovation to positively impact chronic disease treatment.

⁵FY21 revenue excluding \$2.0 billion of COVID-only testing. Refer to the BD Q4 FY21 earnings presentation for a reconciliation back to GAAP revenue.



Stakeholder engagement

Due to our global reach and the nature of our work, we serve and rely on a wide range of stakeholders. Engaging with them through a variety of channels across many parts of our organization is critical to how we apply the principle of shared value and therefore is essential to our business success. Often, we work collaboratively with stakeholders who share our objectives and, in the process, we gain a deep understanding of their work. We listen to our stakeholders' views and suggestions, and use that feedback to improve our products, services and business practices.

Stakeholder group

Customers

To create a deep understanding of the healthcare market and its customers, and to provide education and training to expand those markets, we strategically engage with our customers in all regions where we operate. This allows us to develop and deploy products and solutions to meet customers' needs, today and in the future.

Shareholders

Our focus on shareholders is to communicate that the combination of our business and geographic diversity—our balanced capital allocation and our drive for efficiency—provides a long-term pathway toward sustainable profit growth that returns capital to shareholders.

BD associates

The attraction, development and retention of talent are critical to executing our strategy and fulfilling our Purpose. We are committed to being an employer of choice by supporting associates' well-being in all aspects of their personal and work lives.

How we conduct meaningful engagement

Engagement is carried out primarily through our Sales and Marketing teams, who are often located close to their customers. This allows them to better understand the needs and culture of our customers and the patients they serve.

Often, senior leaders and/or leaders from functions such as Sustainability, Quality and Procurement will engage with strategic customers on specific topics.

We engage with shareholders in a variety of forms, including annual shareholder meetings, quarterly calls, an annual shareholder outreach program, and other in-person meetings and investor events such as conferences. Engagement is often with more significant holders; however, we also engage with groups of smaller investors on specific topics.

We engage and develop relationships with associates through a variety of mechanisms. Our associate resource groups provide a forum for associates and their allies to drive change while fostering a deep sense of community within the company and surrounding communities we serve. Where appropriate, engagement is carried out in the local language in order to address language barriers and create inclusion. Voice of Associate surveys, skip-level meetings and town halls are used to solicit associate feedback, and our mentoring and leadership development programs focus on building leadership capabilities.

Additional ways for stakeholders to engage with us

customer_support@bd.com
1.844.8.BD.LIFE (+844.823.5433).
Or local customer support

investor.relations@bd.com
+1-800-284-6845.

Current associates can engage with BD via:

- Internal social media platforms
- Ethics Helpline, anonymous online reporting tool and email at ethicsoffice@bd.com
- HR Helpline and the Employee Relations team
- Quarterly town halls

Future associates can engage with us via:

- Our Careers website
- LinkedIn

Stakeholder group

How we conduct meaningful engagement

Additional ways for stakeholders to engage with us

Business partners

Our suppliers, distributors and other partners in the supply chain help us effectively serve our customers around the world. Our close engagement with these partners allows us to collaborate with them on critical initiatives, allowing us to build an agile and resilient supply chain.

We engage our partners through a variety of strategic programs. Engagement is primarily carried out by supplier relationship owners, category managers and procurement managers within our procurement function, as well as the Global Supply Chain, Quality, R&D functions and the central Product Stewardship team.

- supplier_diversity@bd.com
- BDResponsibleSourcing@bd.com
- New product ideas – BDTechnologiesBusDev@bd.com

Community affairs and local operations engagement

COVID-19 and evolving needs to address pandemic preparedness have highlighted the critical role community engagement plays in ensuring continuity of operations and preventing supply chain disruptions. The increasing importance of trade policy, cross-border collaboration and globalization requires alignment and cooperation with local officials who affect the well-being of BD operations. Facility leadership plays an important role in developing relationships with local stakeholders and government officials who can help BD achieve economic development, sustainability and customer engagement goals.

Deploying proactive, strategic stakeholder engagement serves to strengthen relationships with community leaders in locales where we operate and to promote associate involvement and the pipeline of talent. Strong local engagement also drives economic development, sustainability and supply chain resiliency goals.

Stakeholder group

How we conduct meaningful engagement

Governments, policymakers and regulatory bodies

We engage at the agency and legislative levels in many countries to enhance our understanding of governments' priorities. Through these engagements, we seek ways to deploy our capabilities, products and solutions to help support and achieve national health objectives. This includes participation in public-private partnerships and collaborative communities supporting product safety, cybersecurity and technical standard initiatives to support the advancement of innovation and how innovation is regulated to bring technologies to market faster while prioritizing product safety.

We engage governments and policymakers in various ways, primarily through our Global Public Affairs team. In addition, we engage on a variety of topics via trade associations and technical coalitions, where a partnership approach allows us to more effectively drive change.

International agencies and nongovernmental organizations (NGOs)

We engage with international organizations (e.g., World Health Organization), NGOs (e.g., the Global Fund) and the public sector (e.g., Institute for Safe Medication Practices) to understand unmet needs and priority challenges; to provide global humanitarian relief; to serve vulnerable populations; and to collaborate on health system strengthening initiatives in support of global public health.

We engage with international organizations through direct partnership in delivery programs as well as by providing complementary support aligned with global public health initiatives. We engage through participation in private sector constituencies, by responding to public requests for information, through publication of white papers, by witnessing the work of our humanitarian relief partners and policy briefs, and by investing BD's resources and people in support of these programs.



Stakeholders can also engage with us via these channels:

- BD's External Funding Program, FundingRequest@bd.com or visit www.bd.com/en-us/about-bd/global-funding
- Media Contacts [webpage](#)
- Privacy – privacy@bd.com
- [Facebook](#)
- [Instagram](#)
- [LinkedIn](#)
- [Twitter](#)
- [YouTube](#)

ESG assessment

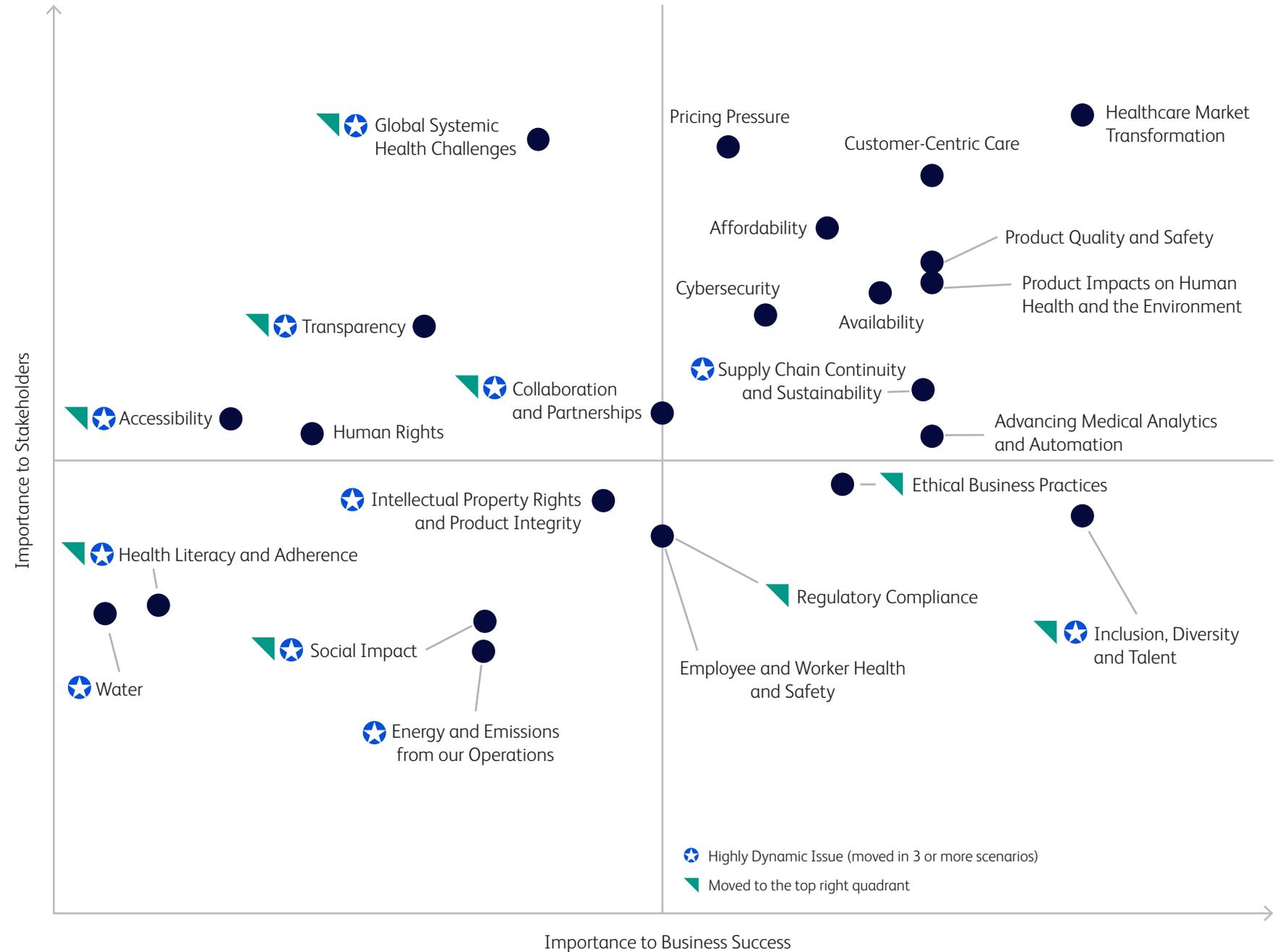
BD partnered with [Business for Social Responsibility™ \(BSR™\)](#)—a global nonprofit organization of sustainable business experts that works with its global network of the world’s leading companies to help build a just and sustainable world—to carry out an assessment of ESG issues relevant to BD and important to our stakeholders. This assessment was carried out in 2019.

A series of interviews were conducted across stakeholder groups, geographies and job levels to identify and refine relevant ESG issues for the organization. A full list of our ESG issues and how we define them can be found in the [appendices](#).

BSR™ conducted a workshop with associates to help us develop qualitative scenarios to stress-test our assessment of ESG issues for plausible future developments. This allowed us to determine which issues are likely to increase in importance, regardless of scenario, and which issues are highly dynamic—in other words, those issues that are more responsive to different scenarios—and therefore require close monitoring and a foresight-driven management approach. Further details on this approach can be found in the [Scenario Analysis](#) section.

The following graphic shows each of our ESG issues in relation to importance to BD’s success and importance to stakeholders. Also indicated are issues that were identified as highly dynamic and/or moved to the top-right quadrant (increased in importance) during our future scenario assessment. Details of how we manage our ESG issues can be found in the [appendices](#).

The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial impact of that information. For additional information regarding BD, please see our current and periodic reports with the Securities and Exchange Commission, including our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. The ESG analysis and assessment is based on our understanding of current events at the time of the assessment and is subject to change, and we undertake no obligation to update or revise this assessment and analysis. We did not interview or account for every stakeholder who may have interests in these subjects.



ESG strategy

BD created our new ESG strategy—Together We Advance—to serve as a four-pillar framework through which we address the most relevant ESG issues for our business and stakeholders. Using this strategy and the issues raised through our ESG assessment, we’ve made commitments in five specific areas where we see the most opportunity for BD to create meaningful, measurable change over the next decade.

Together We Advance

BD developed a new ESG strategy that directly supports our core Purpose—*advancing the world of health™* – and embraces the connections and interdependence between our four pillars of Company Health, Planet Health, Community Health and Human Health. When we successfully address the health of one area, we often solve for challenges in another, ultimately driving positive collective outcomes across all four pillars.



Under our Together We Advance strategy, we've made ESG commitments and set goals in specific areas where we see the most opportunity for BD to create meaningful, measurable change over the next decade and beyond. These areas are Climate Change, Product Impact, Responsible Supply Chain, Healthy Workforce and Communities, and Transparency, all of which have the potential to create lasting impact on our company, our planet, our communities and human health.

To achieve these commitments, we established goals for 2030 and beyond that we will use to track and measure our progress in meeting our commitments and to better align with the [UN Sustainable Development Goals \(SDGs\)](#).

These five impact areas allow us to simultaneously care for the long-standing ESG issues that we have managed and will continue to manage every day, while prioritizing specific areas where we are well-positioned to drive significant change in our industry, business and society into the future. These five areas connect across—and advance—the four pillars of our ESG strategy.

Further details on each of these commitment areas can be found in the relevant sections of this report.

2030+ commitments



Minimize our contribution to global emissions and utilize our capabilities to address unmet health needs for climate-vulnerable populations

Reduce the environmental impact of our portfolio and address the sustainability needs of our customers

Create a supply chain adaptable to disruption and able to contribute to strong environmental and social performance

Maintain a healthy and thriving workforce that cultivates our culture of inclusion, safety and well-being and contributes to community health

Invite trust across stakeholder groups through transparent performance reporting on ESG issues relevant to our business

ESG governance

To provide good governance, we've established Board- to management-level oversight of ESG topics. We recognize the importance of having an enterprisewide approach to work toward our ambitious ESG goals. The table below lays out the Board's and Committee's oversight of BD's 2030+ commitments and goals (indicated by ***bold italics***) and other important ESG matters.

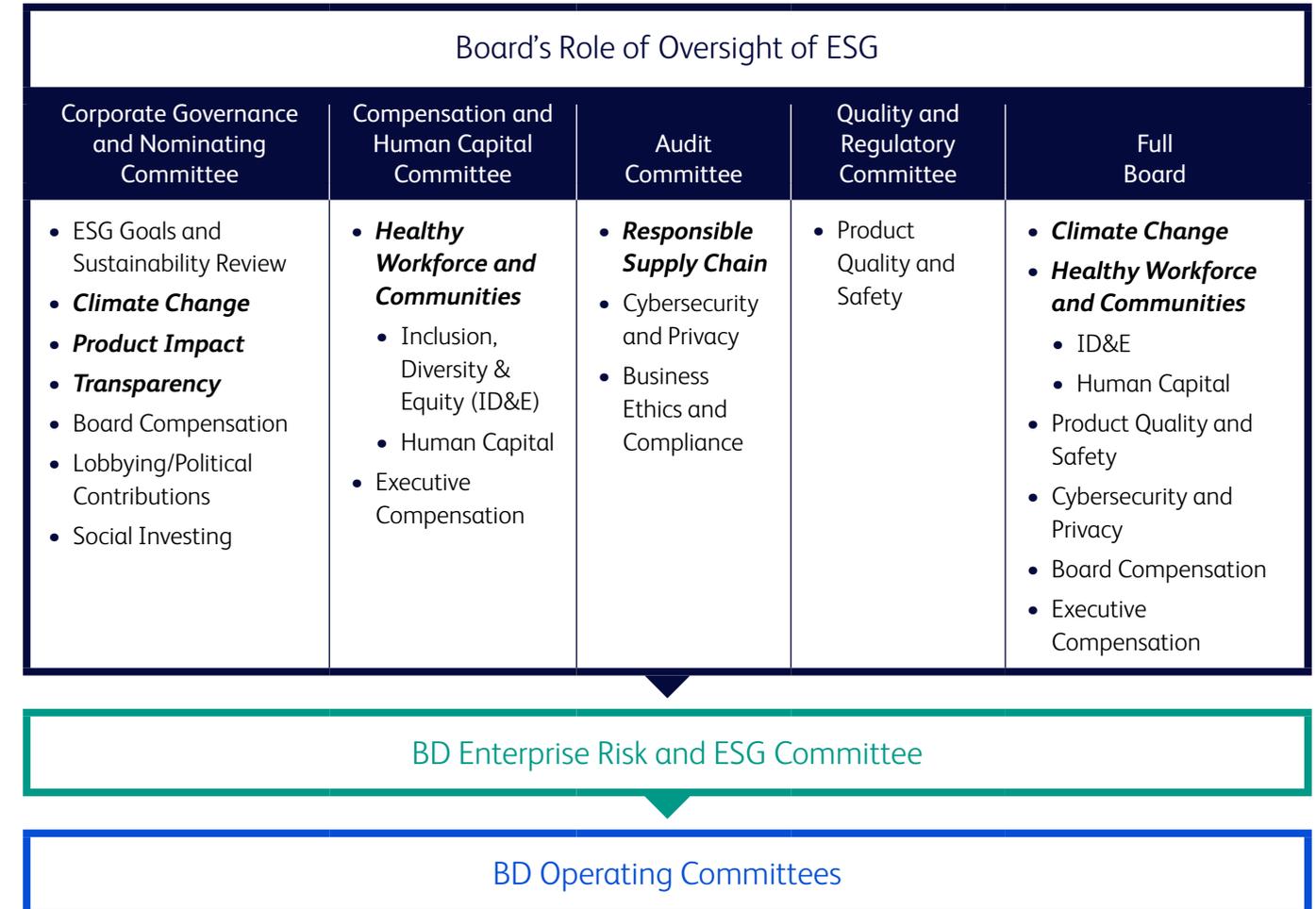
At the Board level, the Corporate Governance and Nominating Committee has oversight responsibility for the processes, policies and practices related to ESG matters. The oversight of our 2030+ commitments and goals and other important ESG matters is allocated among the Board and its four Committees—the Corporate Governance and Nominating Committee, the Compensation and Human Capital Committee, the Audit Committee, and the Quality and Regulatory Committee. The full Board also receives regular reports on topics concerning Climate Change and Healthy Workforce and Communities, among others. In 2021, the Board conducted a deep dive on Inclusion, Diversity and Equity (ID&E) and plans to conduct such reviews annually.

At the management level, we have established an Enterprise Risk and ESG Committee (ERC) that provides oversight of our Enterprise Risk Management program, our 2030+ commitments and goals, and other ESG priority matters. The ERC consists of a cross-functional group of management and works with various internal operating committees that are executing BD's ESG strategy, to monitor and ensure accountability for progress on the 2030+ commitments and goals. The ERC aims to create an enterprisewide culture that promotes open discussion regarding risk and opportunities and integrates effective risk management into our goals and objectives. The ERC is also responsible for reporting to the Board and its Committees and overseeing external and internal reporting on ESG matters.

At the corporate level, BD has an Environment, Health and Safety (EHS), Sustainability and Product Stewardship team, led by the vice president, sustainability and environment, health and safety (VP S&EHS); the VP S&EHS reports to the company's executive vice president, integrated supply chain (EVP ISC). Reporting to the VP S&EHS are the following individuals with responsibility for sustainability activities⁶:

- Director, sustainability. In addition to stakeholder engagement and development of our ESG strategy, this individual is responsible for the development of management programs for certain environmental and social issues, such as human rights, water stewardship and climate change.
- Senior director, sustainability. This individual is responsible for the development of and supports achievement of environmental targets and reductions in Scope 1 and 2 GHG emissions within our operations. This individual leads the Sustainable Operations Council.

⁶Associates with responsibility for management of specific ESG issues are noted where relevant in this report.



Alignment with UN SDGs



The global effort to achieve the bold targets set out by the UN Sustainable Development Goals (UN SDGs) will require a high level of engagement from the business sector, working in collaboration with governments, international agencies, NGOs and civil society. There is incentive for business to engage in these activities, as noted in the January 2017 report “Better Business, Better World”,⁷ which estimated that achievement of the SDGs could open up \$12 trillion in market opportunities⁸ by 2030. In addition to evaluating the UN SDGs as part of our ESG assessment, we have also carried out an assessment of the type of impact BD has on the UN SDG targets, the location of impacts within our value chain and our degree of control.

The UN SDGs provide a framework for BD to understand its material issues within a greater sustainability context and with reference to broader sustainable development conditions and goals. As a healthcare company, BD aligns most prominently with SDG 3: Ensure healthy lives and promote well-being for all at all ages. BD has many activities to support SDG 3 targets, including:

- technologies integral to the diagnosis and management of infectious diseases;
- long-standing work to protect the safety of health workers through products and partnerships;
- business units focused on addressing noncommunicable diseases, including cervical cancer
- partnerships to strengthen the capacity of health systems in developing economies.

BD has tackled infectious disease challenges and looks forward to stepping up in a meaningful way, to positively impact chronic disease treatment using technology innovation.

While BD’s activities are clearly centered on SDG 3, our 2030+ commitments and goals reflect the interdependencies that exist among the SDGs, and are also well-aligned with SDG 5 (gender equality), SDG 8 (decent work and economic growth) and SDG 9 (industry, innovation and infrastructure). Furthermore, our environmental goals support multiple UN SDGs and are inherently tied back to healthy lives and well-being for all.

An overview of how we support achievement of each UN SDG can be found in the [appendices](#).

In 2021, BD was named to [The Wall Street Journal Management Top 250 list, as ranked by The Drucker Institute](#), recognizing the best-managed companies. We also ranked in the top 10 for a new metric weighing measurable results and tangible practices that are most aligned with the UN SDGs.

⁷Business & Sustainable Development Commission, “Better Business, Better World”(January 2017).

⁸These achievements were calculated across four systems: (1) food and agriculture; (2) cities; (3) energy and materials; and (4) health and well-being.

Climate change



2030+ impact area: climate change

BD commitment and goals

Our commitment:

Minimize our contribution to global emissions and utilize our capabilities to address unmet health needs for climate-vulnerable populations

2030 goals:

- 1 We will commit to setting science-based emissions reduction targets across all scopes, in line with 1.5°C emissions scenarios and the criteria and recommendations of the Science Based Targets initiative. Reduce Scope 1 and 2 emissions by 46% by 2030 (from 2019 baseline, absolute). Be carbon-neutral across direct operations by 2040. Scope 3 emissions targets for material Scope 3 categories expected to be set within 2 years.

- 2 We will advocate for net-zero emissions.

- 3 We will achieve additional environmental efficiency targets in our direct operations.

- 4 We will use our capabilities to contribute to solutions that address unmet climate-related health needs.

Climate change management

Details of how we manage governance, strategy, and risks and opportunities can be found in the TCFD section of the [appendices](#).

Metrics and targets

2030+ goals:

Reduce Scope 1 and 2 by 46% by 2030 (from 2019 baseline, absolute)

Be carbon-neutral across direct operations by 2040

Scope 3 emissions targets for material Scope 3 categories to be set within 2 years

Current status:

Decreased by 7%—(market-based⁹, excluding unbundled REC purchase in FY 2019), increased by 23%—(market-based, including unbundled REC purchase in FY 2019).

Baselines established for category 1, 4 and 9. Project initiated to calculate baseline for category 11 and 12.

⁹Market-based approach quantifies Scope 2 GHG emissions based on GHG emissions emitted by the generators from which the reporter contractually purchases electricity bundled with contractual instruments, or by instruments on their own (e.g., utility-specific emission factors, renewable energy certificates).





At the end of 2020, we [announced](#) our first set of targets in the climate change impact area. Reaching these targets would reduce our contribution to global greenhouse gas emissions from direct operations. Our reduction target is science-based, aligned with the 1.5°C global emissions reduction pathway.

In September 2021, we strengthened our [commitment](#) to reducing emissions by joining the UN Race to Zero, via the Business Ambition for 1.5°C and Science Based Targets initiative (SBTi).

Throughout FY 2021 and 2022, we are partnering with the company [ERM](#)—the largest global pure-play sustainability consultancy—to establish baseline emissions for our significant sources of Scope 3 emissions: category 1, purchased goods and services; category 4 and 9, upstream and downstream transportation and distribution; and category 11 and 12, emissions from the use of and end-of-life disposal of our products.

We expect to have our science-based reduction targets verified by SBTi and published no later than end of FY 2023.

Additional metrics used to assess climate-related risks include the following 2030+ goals:

Transition risks	Reduce energy consumption by 25% by 2030 (from 2019 baseline, normalized to cost of products sold [COPS])
Physical risks – operations	Reduce water consumption by 40% by 2030 (from 2019 baseline, normalized to COPS)
Physical risks – upstream	ESG desktop audits for strategic, preferred and critical suppliers completed by 2023; 90% of total spend reflected in completed supplier ESG desktop audits by 2025.

As we establish science-based targets for our significant sources of Scope 3 emissions, we expect that further metrics will be identified and assessed for suitability to measure climate-related risk and opportunity.

Scope 1, 2 and 3 emissions data (including calculation methodology where relevant) can be found in the data tables within the [appendices](#). We also disclose emissions annually via the CDP.

Energy

2030+ goal:

Reduce energy consumption by 25% by 2030 (from 2019 baseline, normalized to COPS)

Current status:

Reduced by 14%

In FY 2021, 14 locations¹⁰ obtained 100 percent of their electric power from renewable sources.

Our reliance on unbundled renewable energy credits has decreased, with a focused shift to on-site solar, usage of renewable energy sources and equipment efficiency upgrades.

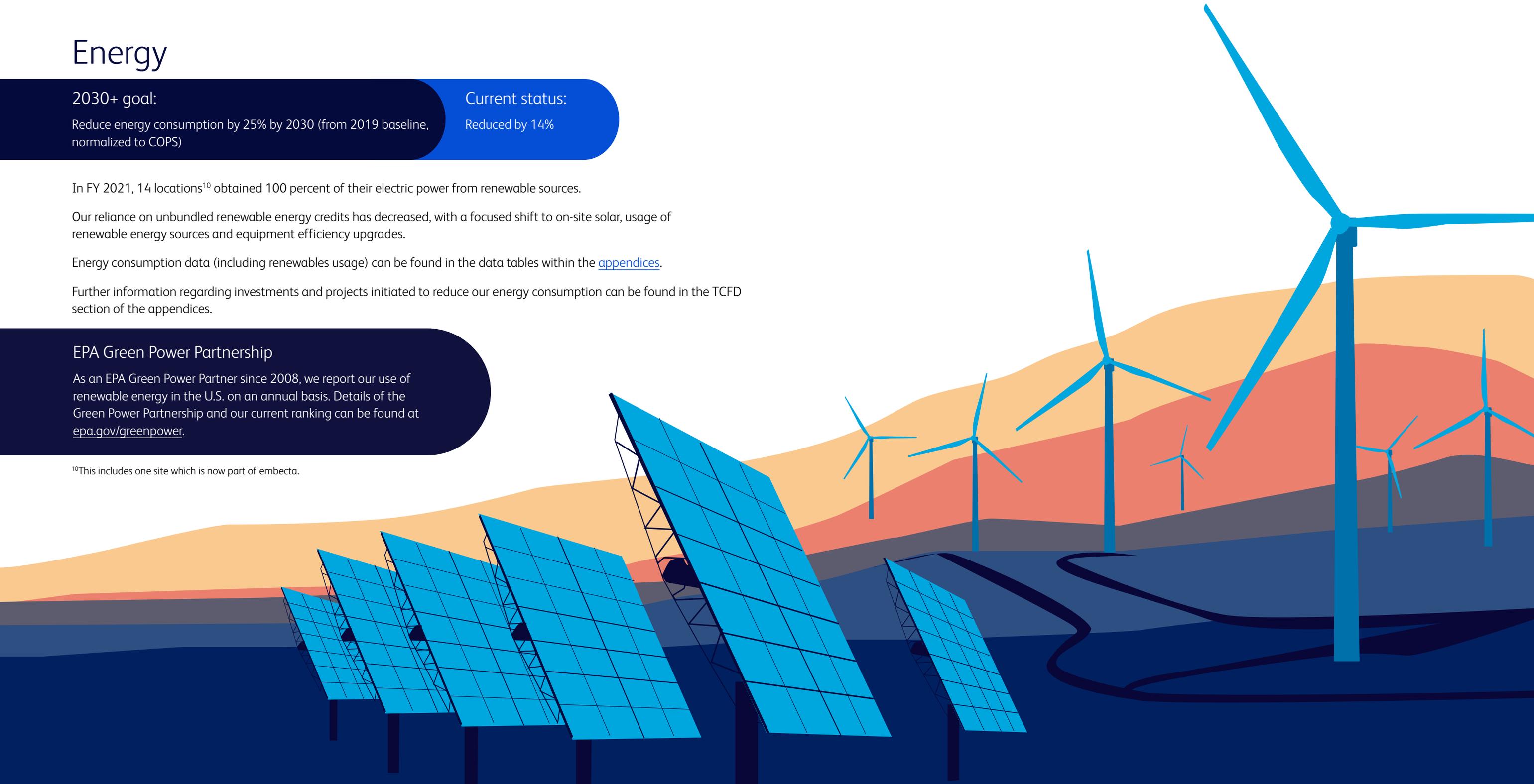
Energy consumption data (including renewables usage) can be found in the data tables within the [appendices](#).

Further information regarding investments and projects initiated to reduce our energy consumption can be found in the TCFD section of the appendices.

EPA Green Power Partnership

As an EPA Green Power Partner since 2008, we report our use of renewable energy in the U.S. on an annual basis. Details of the Green Power Partnership and our current ranking can be found at epa.gov/greenpower.

¹⁰This includes one site which is now part of embecta.



Water management

2030+ goal:

Reduce water consumption by 40% by 2030 (from 2019 baseline, normalized to COPS)

Current status:

Reduced by 23%

Operational improvements such as implementing water conservation and water reduction projects resulted in a decrease of water consumption for FY 2021. Several manufacturing sites implemented such techniques as rainwater harvesting and greywater re-use.

We continue to actively encourage and provide awareness of current and future water reduction projects as part of our regional Sustainability Operations calls. Sites have the opportunity to highlight improvements, discuss challenges and solve problems.

Water consumption data (including wastewater discharges) can be found in the data tables within the [appendices](#).

Further information regarding investments and projects initiated to reduce our water consumption can be found in the [TCFD section](#) of the appendices.

Water is vital for sustaining healthy lives and the planet. Having access to a clean and sufficient supply of water is critical for our operations and the communities where we live, work and do business.

Access to water, sanitation and hygiene is a human right.



Water quality and quantity are fundamental to ensure that the highest healthcare product safety standards are met. Water conservation is important to our operational strategy, especially for products that contain purified water. Freshwater is used in manufacturing, sanitation, sterilization, processing and cooling for our direct operations. Indirect water is used in the manufacturing and/or processing of many raw materials used in our products, such as resins, steel, packaging and electrical components.

Recycled/brackish water is used in ancillary operations, such as cooling towers, because it does not meet quality standards for most other uses.

Operating in accordance with local regulations, approximately 90 percent of water used at our facilities comes from, and is discharged to, third-party sources (such as local municipal water sources). We collect water-related data for total withdrawals from our sites worldwide through an online system. This data is monitored and reviewed on an ongoing basis.

We are committed to responsible and sustainable use of water and strive to include water sustainability considerations in business decisions. We seek to achieve efficient use of water resources at our operational locations by investing in and using new technologies when feasible and implementing water conservation and water management practices.

The central S&EHS team, led by our VP S&EHS, has direct responsibility for our water management strategy.

The central S&EHS team provides guidance and tools, develops standards and supports development of water-related projects.

Our 2030+ commitments established corporate-level water reduction targets. The central S&EHS team has established site roadmaps and site-level targets. These are tracked and monitored throughout the fiscal year. Updates are provided to integrated supply chain leadership at least quarterly and BD executive leadership semiannually.

Water risk is considered part of business continuity planning. Water-related risks within operations are identified, assessed and addressed by the central S&EHS team. We use established water risk tools to evaluate the basin risk and operational risk at the corporate level as a screening tool. The results are provided to the Sustainability Operations Council, which also sets the strategy for prioritizing projects or providing insights for how to improve overall water management programs. Mitigation activities are implemented as part of business continuity planning.

Efficiency audits are conducted at the site level to identify opportunities for reduction of water usage and consumption. These local site efficiency audits also include energy, waste and emissions to provide prioritization for conservation projects. These are projects that may reduce energy consumption along with having an impact on water reduction associated with it.

Water-related issues (such as resilience to water scarcity and internal water efficiencies) are a part of our long-term business objectives. We see opportunities to continue to improve operational efficiencies.

Further information about our water management strategy and programs can be found in our responses to the CDP (formerly the Carbon Disclosure Project).

We recognize that water scarcity and water quality issues are impediments to our Purpose of *advancing the world of health™*, because clean water plays a critical role in human health. Over the past four years, BD has worked with our NGO partner Planet Water to bring clean drinking water and hygiene education to people around the world. You can read more about our efforts on the [BD Blog](#).



Waste management

Effective waste prevention and management practices are critical for protecting human health and the environment. BD acknowledges the importance of responsible end-disposal management for the various types of waste generated from our operations. Recognizing the current and future potential consequences associated with waste disposal is necessary to safeguard our company, communities and planet.

We are committed to reducing nonhazardous and hazardous waste generation. We are examining ways to move beyond the traditional hierarchy of waste management by focusing on opportunities to prevent waste from occurring and proactively planning how to extend the life of materials that would otherwise become waste.

Through management of change processes, our manufacturing locations are required to review and assess what waste would be generated by process changes and design transfers.

Cross-functional teams will also evaluate source reduction and waste minimization opportunities and will partner with our waste disposal vendors to evaluate areas for waste reduction, reuse, redesign and recycling.

Data associated with the generation of waste is reported by each of our locations via an online system, and this data is reviewed and monitored on an ongoing basis. This enables us to assess the type and amount of material that is being generated and to identify opportunities for improvement that can occur at a local or regional level.

Risks associated with the transportation, storage and disposal of waste are identified, managed and mitigated through a series of mechanisms, such as internal governance protocols, end-disposal selection approval processes, vendor management and end-disposal site audits.

Waste performance

2030+ goals:

Reduce nonhazardous waste by 50% by 2030 (from 2019 baseline, normalized to COPS)

Increase landfill diversion to 90% by 2030 (from 2019 baseline, absolute)

Increase recycling to 80% by 2030 (from 2019 baseline, absolute)

Reduce hazardous waste by 50% by 2030 (from 2019 baseline, normalized to COPS)

Current status:

Reduced by 16%

Diversion rate of 79%

Recycling rate of 63%

Reduced by 6%

As we continue to assess and implement waste reduction projects, our efforts have resulted in a decrease in total nonhazardous waste generated in FY 2021. Facility projects implemented have included reviewing the alternatives to single-use products such as lab coats, installing upgraded technology such as combined hand-washers and -dryers to reduce paper disposal and the reuse of material-handling trays.

As our practices have become more efficient, less waste requires disposal via incineration and landfilling. The volume of hazardous waste generated decreased in FY 2021 due to a reduction in the number of “clean out” events (for example, lean manufacturing and kaizen events where unnecessary material is removed from our facilities). Regulated waste generation also decreased as a result of greater understanding of the precautions that were required to protect our associates from COVID-19.

Waste data and information on how we define categories of waste can be found within the [appendices](#).



Air emissions

2030+ goals:

Reduce volatile organic compounds (VOCs) and hazardous air pollutants (HAPs) by 30% by 2030 (from 2019 baseline, normalized to COPS)

Reduce ozone-depleting substances (ODS) by 50% by 2030 (from 2019 baseline, normalized to COPS)

Eliminate use of R22 by 2030 (absolute)

Current status:

Reduced by 32%

We saw a reduction of around 100 metric tonnes in VOC emissions, due to the installation of additional abatement equipment following a transfer of product lines between two of our manufacturing locations.

Reduced by 87%

As part of ongoing programs, we achieved further reductions in ODS emissions at our BD Medical manufacturing facilities.

A large proportion of the reduction was made in FY 2019 and FY 2020 through elimination projects at one of our manufacturing facilities. Two additional manufacturing facilities accounted for a significant proportion of the reduction in FY 2021.

R22 refrigerant (also known as R22 freon and HCFC-22 freon) is a chemical used in both air conditioners and heat pumps. It has a harmful impact on the ozone layer when released into the air and therefore has been banned from manufacture or import in many jurisdictions where BD operates.

Through FY 2021 and FY 2022, we are carrying out an audit of all our locations worldwide in order to capture the number and type of R22 units in use. For sites with multiple R22 units, we are working with external partners to conduct these studies.

Using our Replace with a Purpose approach, site-level plans will be developed that focus on compliance, reliability, redundancy and long-term capacity while optimizing efficiency. By avoiding like-for-like replacements, our Replace with a Purpose approach will ensure that the long-term needs of our sites are met.



Environmental data governance and collection

Scope 1 and 2 environmental data from all locations globally is collected via a third-party data collection and analysis platform. Our environmental inventory management plan (IMP) documents key governance and measurement processes for energy, greenhouse gas emissions, water and waste. It also defines roles, responsibilities and processes, including triggers for recalculation and restatement (for example, merger, acquisition or divestiture that results in a significant structural change to the data). The IMP seeks to provide confidence of information to support decision-making, and consistent and transparent reporting.

An operational control approach is used for the purpose of setting inventory boundaries. These boundaries include facilities where BD has at least a controlling interest from an operational perspective or, at most, facilities owned entirely by BD. In cases where BD has operational control but does not wholly own facilities, these facilities will be included in the inventory. This approach is consistent with the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol (GHGP) and general sustainability reporting protocols and guidance.

Facilities within BD's boundaries include main offices, manufacturing facilities, R&D facilities, laboratories and distribution centers (DCs). A screening approach is applied every year to determine sites that should be excluded from the operational boundary based on an established material threshold. The threshold values are updated every three to four years, or when significant acquisitions happen.

Improvements in our operational practices and improved visibility to environmental performance metrics have encouraged emissions reduction and facilitated identifying water and waste reduction opportunities. Sites report on data completion and provide operational insight to our regional Sustainability Operations team throughout the year.

Updates are provided frequently to our Sustainability Operations Council, and of the integrated supply chain leadership at least quarterly. At the company level, progress on overall sustainability performance is reviewed with the ERC.

Environmental justice

The goal of environmental justice is to address the inequitable exposure of poor and marginalized communities to harm to their health and environment. The pattern of inequitable exposure to environmental harms—especially in communities of color in the U.S.—has been documented in multiple studies. Exposure to these harms has led to higher rates of chronic health problems, disease and mortality among poor and marginalized communities.

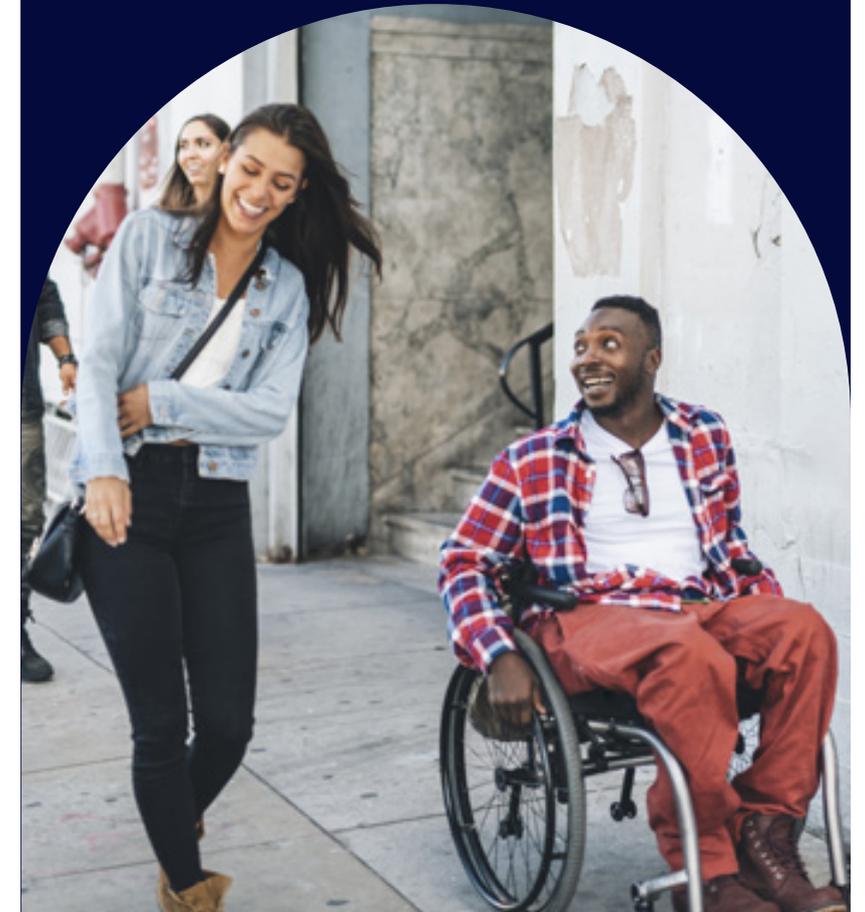
Efforts are continuing globally to implement policies and legislation to ensure the fair treatment and meaningful involvement of all people with respect to the development, implementation and enforcement of environmental laws, regulations and policies. An example includes the [2020 Environmental Justice Law](#) in BD's home state of New Jersey, U.S., which requires the evaluation of the environmental and public health impacts of certain facilities on overburdened communities when reviewing certain permit applications.

We have established environmental and health & safety management systems at our facilities globally that help identify, manage and mitigate environmental and safety risks, as part of our continuous improvement efforts.

Oversight of identified environmental justice issues would be carried out via our established [ESG governance structures](#).

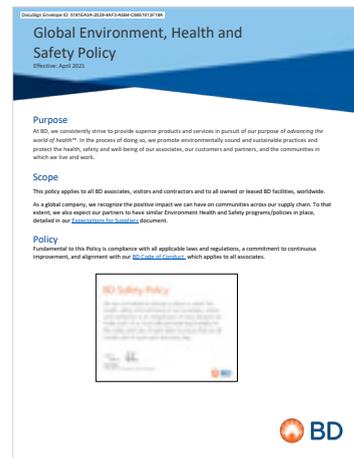
We are in the process of carrying out an initial screening of our U.S. operations using publicly available tools to determine if they are located in impacted communities. The results of this screening will be used to determine next steps.

Our Human Rights Policy states that we are “committed to operating in a way that respects all human rights of associates and the communities in which we operate our business.”



Environment, health and safety management

We set expectations for environmental, health and safety (EHS) management via three key documents:



Our EHS Policy



Our Expectations for Suppliers



Our Code of Conduct

EHS governance

At the corporate level, BD has an EHS team led by the VP S&EHS; the VP S&EHS reports to the company's EVP ISC. Reporting to the VP S&EHS is the senior director, EHS governance and compliance. This individual is responsible for governance and compliance activities, including our company's internal EHS audit program, remediation, due diligence, mergers and acquisitions, EHS standards and training programs. In addition, this person communicates EHS matters that are relevant to stakeholders throughout the organization and oversees the Global EHS Advisory Council. In FY 2021, we continued to solidify and streamline our standards and practices across 90+ facilities with a focus on sites gained through recent acquisitions. The Global EHS Advisory Council, with representation from all BD businesses, provides a unified direction in establishing global objectives and strong collaboration efforts across the organization to streamline processes and work as one team.

EHS management systems

To foster continuous improvement of environmental performance at a facility level, BD is implementing ISO 14001-certified environmental management systems EMS at our manufacturing sites around the world. Currently, 45 BD sites have ISO 14001-certified EMS. Most of these sites are manufacturing locations, but HQ offices and some sales offices in Europe are also certified. In total, about 32 percent of BD manufacturing sites are certified to the ISO-14001 EMS standard. In 2022, two additional manufacturing sites, in Puerto Rico and Nebraska, U.S., are in the process of obtaining their certifications.

Around two-thirds of these certified locations are part of a group certificate, where we have established standardized procedures and methods for program implementation. This standardized approach allows sites to work together in a collaborative way with extensive sharing and interaction to enhance program effectiveness. For example, all corrective actions are logged and shared with all sites in the respective group certificates to facilitate learning from each other's experience and to take proactive actions to prevent similar issues from happening at other sites. Furthermore, every EMS-certified site sets environmental improvement objectives on an annual basis, and they are reviewed for progress quarterly. Our plan is to continue ISO 14001 certification of remaining BD manufacturing plants over the coming years.

The ISO 50001 energy management standard provides a framework of requirements to measure and use data for better understanding of energy use, set objectives for energy use reduction and continually improve energy management. Many BD facilities have a strong focus on energy management and reduction and are pursuing many aspects of a responsible energy management program. We currently have two facilities, in Spain and Hungary, that have implemented energy management systems that are certified to ISO 50001.

All BD manufacturing locations maintain a strong focus on occupational health and safety (OHS) management for injury reduction and prevention. Significant OHS risks associated with our activities are identified and reviewed for elimination and/ or control to minimize their potential effects on our employees. Two BD sites, in Spain and China, are certified to the OHSAS-18001 occupational health and safety management standard. The OHSAS-18001 standard is currently being replaced by ISO-45001, and both of our sites have converted to this new standard. Although our other sites are currently not certified to a third-party OHS management standard, their on-site OHS programs follow many of the elements included in the OHSAS-18001/ISO-45001 standards.

For additional details on work carried out in FY 2021 related to associate health and safety, please see the [Healthy workforce and communities](#) section of this report.

Training

The central EHS team provides new-hire orientation that is customized to roles and responsibilities. It encompasses a comprehensive EHS curriculum that is delivered to business leaders, EHS professionals, and other applicable roles. This orientation includes training on all applicable EHS management information system platforms that allow us to track progress against performance measures.

In addition, the central EHS team conducts a training needs assessment that is based on current incident trends, audit results and regulatory requirements. A BD EHS training matrix defines training assignments based on the roles and priorities identified, and training is assigned accordingly.

EHS Corporate Standards contain requirements on training frequency and curriculum. Training completion is evaluated as part of the corporate audit program. Upon deployment of new or revised corporate EHS standards, training is an integral part of the process for adherence. The central EHS team deployed People Leaders training in FY 2021 to enhance leadership knowledge, reinforce roles and responsibilities, and drive engagement through all levels of the organization.

The central EHS team uses a variety of training mediums, including classroom training, webinars and on-demand compliance training via our company's online training system. Individual sites are responsible for identifying site-specific EHS training needs and implementing training programs on a variety of EHS topics, taking into consideration the risks that are present and any local regulatory requirements.

In FY 2021 a Learning and Development leader joined the central EHS team. This investment strengthens the central team's capabilities and processes for delivering training and development across BD.

EHS training is also provided at a site level, with subjects and frequency determined by job role and local requirements, in addition to requirements set by Corporate EHS Standards.

EHS management information systems

In FY 2021, we implemented a new EHS management-of-information system across the company. This eliminated multiple instances of the legacy platform, allowing us to establish uniform and efficient processes and reduce cost. The platform was implemented over two phases and allows us to track these items at a site level:

- EHS incident management
- EHS audits
- Risk assessments
- Compliance tracking
- Waste management
- Environmental aspects & impacts
- Permits
- Inspections

EHS subject-matter experts from across BD were brought together to configure the new system to meet BD's requirements. All users received training on how to use the platform, and guidance tools are available within it.

In addition, we use a platform provided by a third party to manage Safety Data Sheets (SDSs) within our operations.

Internal audits

We have a global EHS audit program covering all BD manufacturing, R&D, distribution center and major office locations. Audits are typically carried out by a third party and a representative from the central EHS team who leads and monitors audit performance and outcomes. In FY 2020, the BD EHS team implemented a new risk-based audit model that evaluates facilities on three main components: inherent risk, changes and performance. The inherent-risk factors include the type and size of the facility and take into consideration any high-hazard processes¹¹. The change factors include new regulations, new

processes and changes to site management or EHS personnel. Performance factors include the site's performance in EHS over the past 12 months, including the outcome of any inspections by relevant authorities. This enabled a more deliberate focus for the selection of sites to be audited during the year.

Audits are typically three full days and consist of an opening meeting, a site tour, document examination and finally, a closing meeting. Findings are included in the audit tool, and the site is responsible for ensuring that all actions are closed out. Four different levels of findings are potentially recorded: repeat findings where an issue was raised previously in an audit and deemed to be open again; high-level findings where there is a serious potential environmental or health-and-safety impact; medium-level findings in which there is a systemic issue; and low-level findings in which the issue is administrative or an isolated one-off.

Executive summaries from each audit are provided to site management, operational leaders, EHS business team leaders, VP S&EHS, EVP ISC and the CEO. All corrective actions are tracked to closure with follow-up audits carried out approximately six and 12 months later to verify completion.

Once findings are verified and closed, the site will be issued a closure confirmation from the central EHS team to document that the findings are effectively closed out. In FY 2022, all findings that remain open after the follow-up audit are tracked on a monthly basis and are communicated to top management and the CEO.

As a result of the ongoing pandemic, in FY 2022, the audit team launched a hybrid approach to auditing at several high-hazard facilities. These sites must submit relevant documentation for review in advance of an in-person audit later in the year. This allows us to begin auditing sites despite travel restrictions.

With a shift to virtual audits and a transformation of methodologies to address this new platform, we were able to continue to audit facilities to provide an effective level of governance oversight and address new challenges during these unprecedented times. Additionally, the updated closure and extension process provides visibility to leadership and helps all sites document the complete closure of outstanding findings.

¹¹BD has defined high-hazard processes as those that meet the definition per local regulations of high hazard, or those that exceed 50 percent of the threshold quantity value in a process per OSHA 1910.119, Process Safety Management. Other processes including large boilers, autoclaves, radiation hazards, toxic chemicals, etc., are also defined as high-hazard.

Product impact



2030+ impact area: product impact

BD commitment and goals

Our commitment:

Reduce the environmental impact of our portfolio and address the sustainability needs of our customers.

2030+ goals:

1

We will address plastic and packaging material consumption in our product portfolio through considerations in product design, including:

- chemical elimination/replacement;
- material reduction;
- safe product reuse models;
- closed-loop recovery; and/or
- open-loop recovery.

2

We will apply minimum environmental and human health criteria (based on customer EPP standards) to new products and product changes to ensure meaningful and sustainable product improvements across the life cycle.

- Publish BD minimum environmental standards for products by end of FY 2022.
- Establish medium- and long-term targets for products to meet minimum environmental standards within 6 months of publication of the standard.

3

We will work to address the impact of plastics through existing and new strategic partnerships that work across the value chain

BD Sustainable Medical Technology Institute (BD SMTI)

Strategic partnerships

Building on our continued engagement with the [Healthcare Plastics Recycling Council \(HPRC\)](#) in both the United States and the European Union, and the [Sustainable Healthcare Coalition \(SHC\)](#) in Europe, we will develop strategic partnerships to help achieve our commitment to reducing the environmental impact of our products.



In FY 2022, BD announced the formation of the BD SMTI, which will develop and support programs to achieve our 2030+ Product Impact goals.

Focused on sustainability, the institute will help guide the environmental impact reduction of our portfolio and address the sustainability needs of our customers. It will be composed of members from the R&D and ISC functions of BD, both centrally and within our business units.

By focusing on three key areas—addressing Materials of Concern (MOC), new and more sustainable sterilization technologies, and sustainable product design—BD SMTI and its community of practitioners will support efforts to reduce the carbon footprint and environmental impact of our products.

BD SMTI is led by the director of sustainability research and development, a new role that was established in early FY 2022. This individual reports to the senior vice president, enterprise R&D, with dotted-line reporting to the VP S&EHS.

Throughout FY 2022, our central R&D team will be working with the company [ERM](#) and our business teams to calculate the greenhouse gas emissions that are generated during the use and end-of-life disposal of our products. The results will be used to set science-based targets, in line with our commitment to the UN Race to Zero.

Management of materials of concern

Our materials of concern list guides the way we address the reduction of MOCs across our portfolio. The list contains both regulated and nonregulated substances that we consider to be of concern and is updated twice a year.

BD considers the potential impact of the materials we use in our products and packaging, and reviews customer preferences related to materials of concern in finished goods. In order to monitor the changing landscape around materials of concern among customers, regulatory bodies and advocacy groups, BD established a Chemical Review Board in 2013. This internal board, led by our director of product stewardship compliance, includes representation from R&D for each of our business units and functional expertise from toxicology. This group is equipped to evaluate the feasibility of alternative materials, provide guidance to R&D within the company, and leverage material expertise across the organization to accelerate our work to reduce MOCs from the portfolio.

At the corporate level, BD has a central Product Stewardship team, led by the director of product stewardship compliance. This central team reports to the VP S&EHS.

The central Product Stewardship team is in place to monitor changing global environmental regulations affecting our product portfolio, including materials of concern, and to provide governance over compliance activities carried out by our business units. The Product Stewardship team also administers our system of collecting information from suppliers through a dedicated team of supply-base compliance associates. The team also maintains our MOC list and the central database used to manage chemical information.

The Product Stewardship team, and in turn our central S&EHS team, is accountable for the company's overall system of chemicals management. They are responsible for governance over compliance with environmental regulations of products, such as REACH and RoHS.

Our MOC list and additional materials for suppliers are available on our [website](#).

Product takeback

Where required by law, we participate in compliance schemes to ensure the responsible collection, management and disposal (including recycling) of packaging, batteries, and electrical and electronic waste.

BD actively engages in dialogue with our customers and advocacy groups to discuss the use of safer chemicals for consideration in our work to reduce priority MOCs. This engagement includes our continued response to the [Chemical Footprint Project](#) (CFP). The mission of the CFP is to transform global chemical use by measuring and disclosing data on business progress toward safer chemicals. It provides a tool for benchmarking companies as they select safer alternatives and reduce their use of chemicals of high concern. As in previous years, we have chosen to make our response public and, as such, have been recognized as a CFP 2020 Disclosure Leader.

We continue to manage the end-of-life disposal of products from the BD Pyxis™ Portfolio at our San Diego, California, facility by recovering materials and components for refurbishment or recycling.

In FY 2021, 20,771 units were processed through our facility, representing 1,855 metric tonnes of materials that were either refurbished, reused or recycled. No materials were disposed of via landfill.



Product safety

Product safety means patient and customer safety. We create value for our patients and customers through the predictable delivery of high-quality, safe and effective products and services. We develop innovative solutions that advance the world of health and do so with compliance to global regulatory laws, worker safety and product performance. Safety, quality and service are at the heart of how we design, manufacture and deliver products.

Inspire quality

Quality is the foundation of customer and patient trust; it is embedded in THE BD WAY values: “We thrive on innovation and demand quality.”

We are on a multiyear journey to simplify the delivery of high-quality products and services to our customers and patients in a way that values compliance, helps reduce enterprise risk and makes it easier to do business with us.

Join our quality journey

Working together to deliver our best

Quality is the foundation of patient and customer trust.



But we've grown, and healthcare is changing.



So, we've created a plan called Inspire Quality.



Everyone has a role to play.



Together, we'll be recognized as best-in-class in healthcare quality.



OUR ROLE



Provide products and services that are safe, reliable and effective

TODAY'S COMPLEXITIES



EVOLVING global regulatory requirements



21,000 policies and procedures



120+ quality management systems (QMS)

OUR GOAL



DECREASE risk



SIMPLIFY processes



ENSURE compliance

OUR ASSOCIATES ARE EMPOWERED TO:



Put patient **SAFETY FIRST**



LIVE THE BD WAY



SPEAK UP and listen in

WE WILL



GROW customer trust and quality



MEET global regulatory requirements



INVEST more in innovation



Together, we'll deliver **SAFE, RELIABLE AND EFFECTIVE** products and services

OUR ASSOCIATES GET



MORE training and education when needed



MORE time to do their best work



LESS opportunity for errors and risk

OUR ASSOCIATES INSPIRE

confidence in BD

BD 2025

OUR QUALITY POLICY

“We will consistently provide superior products and services in pursuit of our Purpose of *advancing the world of health*™. This will be achieved through customer-focused continuous improvement and maintaining an effective quality system which complies with regulatory requirements.”

Tom Polen

Chairman, CEO and President

David Shan

EVP and Chief Quality Officer

GPOL-001 ENG

Our Quality Management System journey

We are delivering meaningful enhancements to our quality management system (QMS) and renewing our commitment to a culture of quality across the organization. By doing so, we will bring to life our harmonization, simplification and compliance goals consistently for all businesses and regions in BD and engage our associates on our journey toward best-in-class quality.

Our QMS simplification is intended to ensure that each site maintains certifications throughout the harmonization process and enables other BD sites to move toward certification status.



117 sites



24 sites



5 sites

Ninety-six percent of manufacturing sites and 93 percent of design centers have a certified QMS.

Inspiring quality culture

While the QMS redesign is critical to simplifying and enhancing quality at BD, equally key to our transformation success is the culture of quality itself for all of our 75,000+ associates. In 2021, we undertook our first culture-of-quality audit through a benchmarking exercise with [Gartner](#)—an organization that delivers actionable, objective insight to executives and their teams—to better understand our culture-of-quality baseline and how our associates engage in quality-producing behaviors.

We were pleased with our associates' engagement—as 72 percent participated in the survey—as well as with our placement within the 80th percentile in terms of performance against similarly benchmarked companies. These results reflect our associates' deep, caring commitment to quality, personal accountability and comfort in speaking up when there are issues. We will continue to use these insights to drive targeted action planning at the local-site, business and regional level.



Suzhou II, China – 2021 H.P. Becton Gold Award Winners

Across BD, we continue to engage our associates through the education, training and celebration of a culture of quality. In November, BD celebrated World Quality Day with a Global Inspire Quality Week that included an 18-Day Quality Culture Commitment Challenge, engaging and education activities, panel forum discussions and customer-centric videos specific to the role quality plays in our COVID-19 pandemic support efforts.

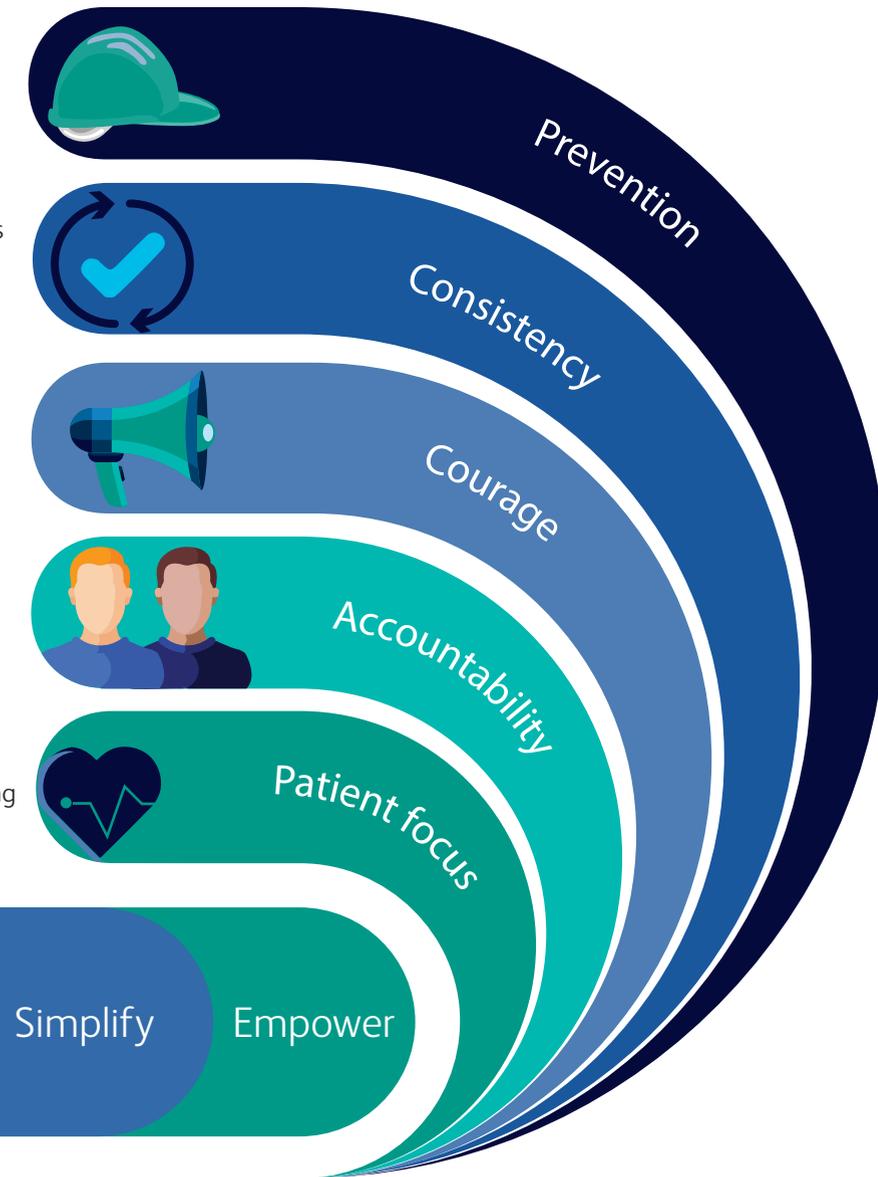
Develop a learning organization that proactively innovates to avoid issues.

Less variability and enhanced simplicity means fewer mistakes and better service of patients' needs.

Promoting a blame-free environment encourages everyone to speak up and listen in.

Every BD associate and team is responsible for meeting customers' expectations.

Patients and healthcare providers come first; there is a patient at the beginning and end of everything we do.



Grow

Simplify

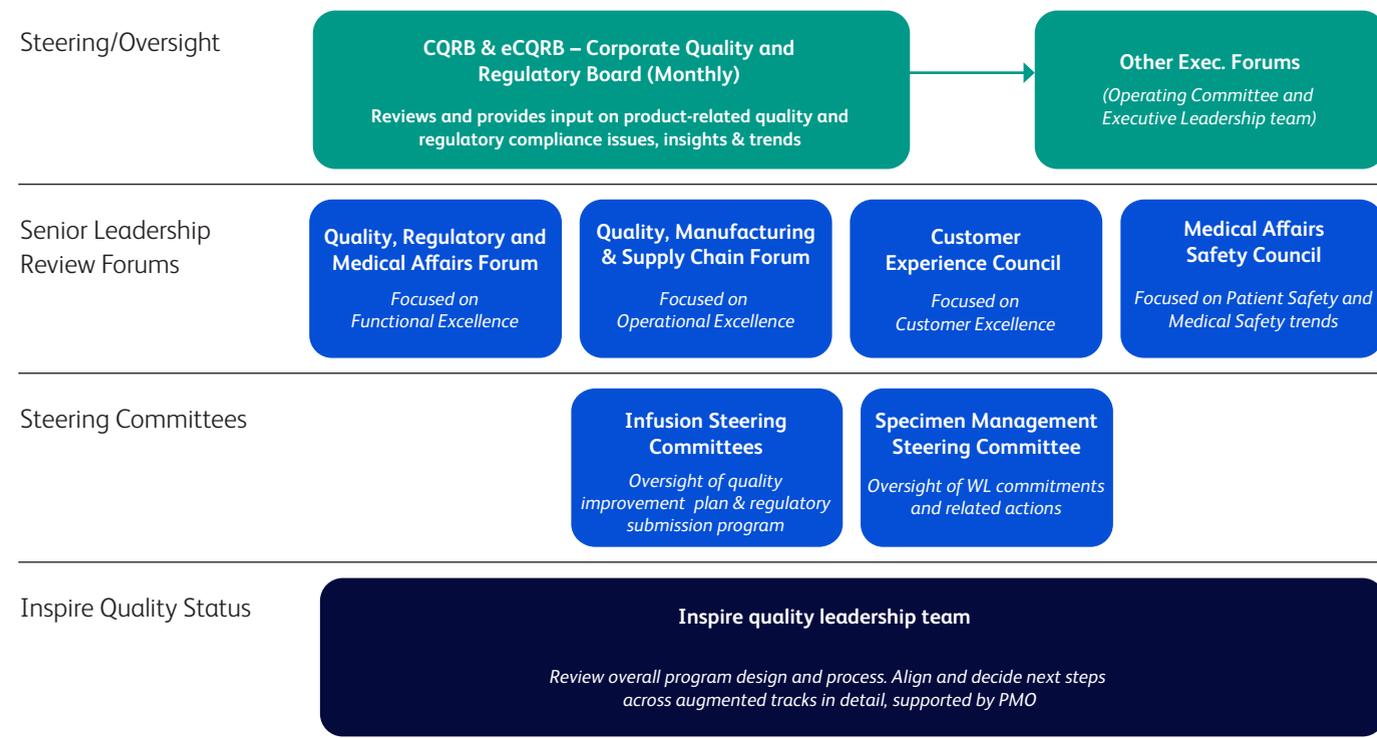
Empower

Inspiring quality embedded in our governance

To provide continued quality oversight and governance for key quality, regulatory and medical matters, in FY21 we maintained our cross-functional governance mechanisms. This enhanced system has empowered our leaders across functions (including regulatory affairs, medical affairs, integrated supply chain, and R&D) with management responsibility for quality matters to be more proactive, transparent and engaged in the process. We continue to leverage data-driven insights to address potential quality deviations sooner and with greater accuracy, and to align on joint goals and initiatives. The Quality and Regulatory Committee provides oversight of matters relating to regulatory compliance and the quality and safety of BD's products and services. Additionally, the Board receives periodic updates on product quality and patient safety risks.

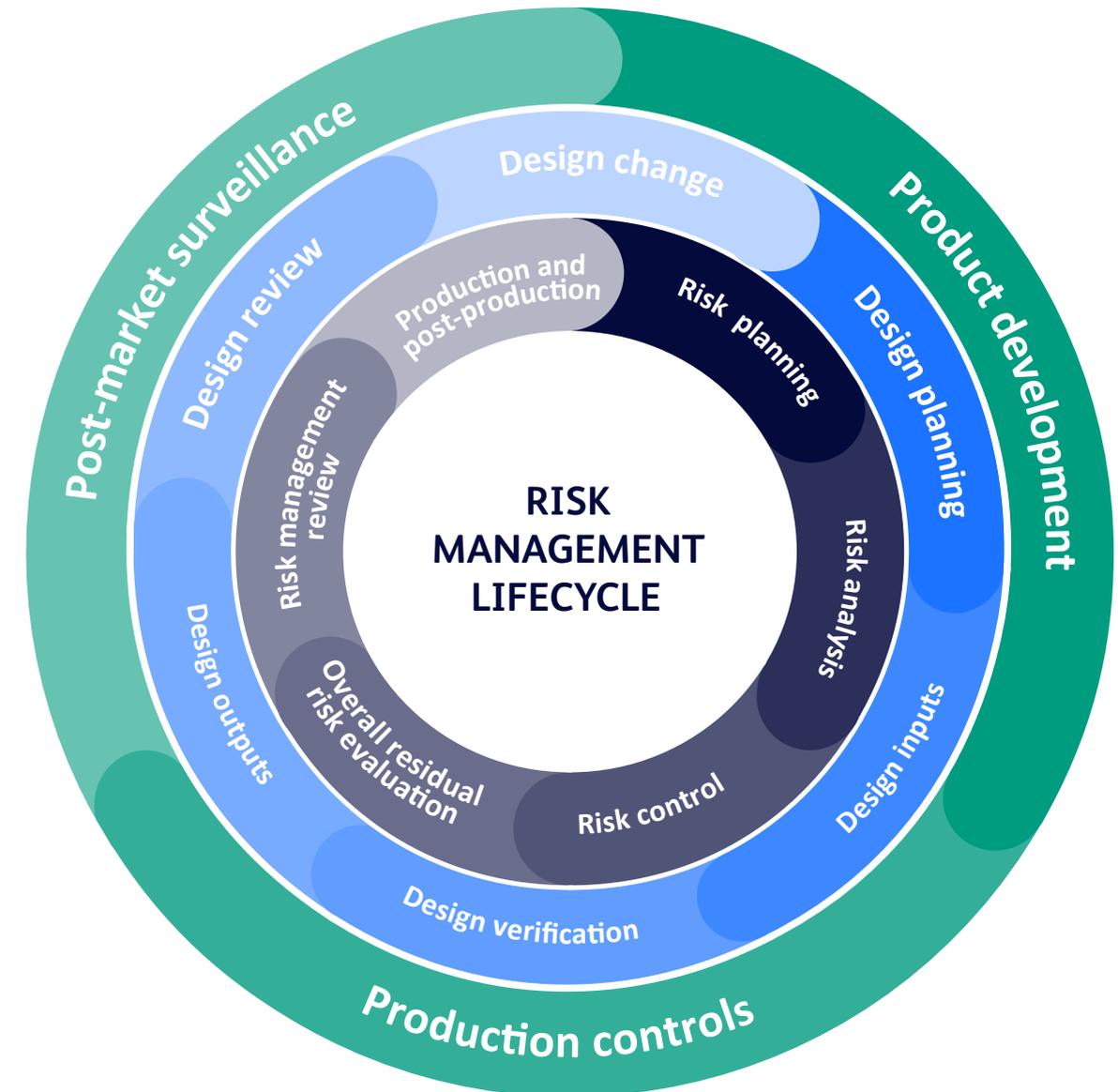
BD's management, through its Inspire Quality program, has established tiered governance forums for improved oversight of key quality, regulatory affairs and medical matters.

Core governance of key quality, regulatory and medical matters



Inspiring quality by design

Part of THE BD WAY is driving product quality through innovation. At every step of the BD product development process, we innovate the design and drive risk reduction. BD accomplishes this through interweaving the risk management process with product development.



BD production system

The size and complexity of our manufacturing and supply chain network call for a consistent approach by every associate to identify and eliminate waste in every part of our operation and supply chain activities. The BD Production System (BDPS) is the application of LEAN principles, practices, tools and techniques designed to optimize quality, delivery and cost while improving safety. It is a systematic approach to eliminating the sources of loss from entire value streams to close the gap between actual performance and the requirements of customers and shareholders.

The BDPS provides performance visibility, control, management practices and mechanisms that are designed to drive culture change and greater effectiveness across the entire organization, increasing customer value. The deployment of the BDPS in FY21 extended to more than 50 manufacturing sites actively involved in the implementation. The expansion of BDPS principles also continued in FY21 with initial deployment outside of manufacturing to the rest of the integrated supply chain to drive a consistent end-to-end approach.

Inspiring quality in manufacturing

Like many companies around the world, BD is experiencing unprecedented supply chain challenges resulting in limited availability of, and access to, raw materials, as well as shipping and transportation delays, labor shortages and back-order situations. These impacts are felt across almost every industry and in our everyday lives. We are working diligently to mitigate the challenges, both at BD and across our supplier base, while continuing to invest in innovations and technologies to address demand surge and market dynamics. We remain committed to delivering the highest level of quality, transparency and continuity as we work in close partnership with our customers, suppliers, transportation providers and government stakeholders to minimize the impact of the supply chain crisis, so healthcare providers can continue to deliver uninterrupted patient care.

Our approach to risk management includes the constant monitoring of the quality of our products using quality tools, statistical trends, quality-control data and automated high-speed inspections and manufacturing execution system (MES) data monitoring. These data points are integrated into our single, unified operating system, the BDPS, as a framework for high-quality operational excellence. The use of this system is taught through our global LEAN Academy with over 90 percent of our worldwide manufacturing sites actively using this approach.

At BD, we believe quality is everyone's responsibility. Our 40,000+ manufacturing associates are committed to a culture of quality that empowers each associate to be accountable to stop production if they see any problem with a product. We are proud of our global supply chain associates for their continued commitment to quality customer and patient care, which has helped us to ensure business continuity and a high level of quality care throughout the global COVID-19 pandemic.

Inspiring quality through our suppliers

A strong supplier quality program is key to ensuring that BD products meet the highest standards of quality. The Quality team partners with the Procurement team so that systems and controls are in place to select, qualify and monitor suppliers. Key aspects of the program include qualification of suppliers based on risk, auditing and monitoring of supplier performance, and managing supplier changes.

In 2021, BD focused on developing harmonized global processes for managing supplier quality to improve efficiency. The new harmonized global processes will be launched in 2022. BD also released version 2.0 of the Supplier Change Request Portal, which enables suppliers to directly communicate potential changes to BD and receive responses from BD. Key updates were made based on user feedback to improve the overall experience of the Supplier Change Request Portal.

Inspiring quality through performance monitoring

One of our core values is "we do what is right." When an issue has been identified, initiating a field action, such as recalling a product from the marketplace, we do what is right for our patients and end users. In FY 2021, we launched a new digital communication pathway in North America designed to streamline and simplify the way we inform our customers of product field actions with greater transparency, real-time updates and a simple, intuitive user interface.

Post-market surveillance data is key to delivering patient safety and is a valuable data point in our product development life cycle which incorporates quality performance inputs into any future product development or enhancement activities.

Key Quality Indicators

	FY19	FY20	FY21
Number of FDA Class I recalls	4	10*	3
Number of FDA Class II recalls	33	25	25
Number of FDA Class III recalls	7	11	10
Products listed in FDA MedWatch Safety Alerts	See FDA's MedWatch: The FDA Safety Information and Adverse Event Reporting Program		
Number of serious injuries and deaths related to BD products	See FDA's About Manufacturer and User Facility Device Experience (MAUDE)		
Number of FDA warning letters received	0	0	0
Number of FDA warning letters resolved	1	0	0

*Increase in FDA Class I recalls in FY 2020 (7 of 10) related to BD Alaris™ System.

Inspiring quality compliance

BD continues to drive increased transparency in quality & regulatory compliance across the organization. By evaluating external regulatory trends, BD has been able to provide insights and to work to establish best practices for regulatory compliance, while enabling BD businesses to proactively identify potential improvement opportunities. For example, as we continue the QMS redesign, the Quality & Regulatory Compliance team collaborates with the cross-functional teams to incorporate these insights into the development of the newly harmonized processes and procedures.

The Quality Audit Network (QAN), a consortium of quality auditors across BD, is leveraged to identify and drive the resolution of potential compliance gaps. In FY 2021, there was also a focused effort to enhance auditor competency by improving training and establishing uniform auditor qualifications. This has helped BD to drive consistency in audits and compliance assessments across the BD businesses and regions.

Additionally, BD has participated in the FDA Remote Regulatory Assessment (RRA) program, a voluntary program for medical device manufacturers. Through this participation, the compliance at three BD facilities was assessed by an FDA investigator. Participation in this program not only provides a review of the site's regulatory compliance posture, but also strengthens BD's rapport with the FDA.

	FY19	FY20	FY21
Number of inspections by worldwide regulatory agencies	34	41	42
Percentage with zero observations	59%	81%	69%
Number of FDA inspections	15	6	4
Percentage with zero observations	73%	50%	50%
Number of corporate audits	35	47	65

Inspiring quality with registration excellence

Global health authorities are modernizing and evolving their standards of care to keep pace with the challenges of managing public health. Regulations, standards and policies must also change to meet these standards.

As these transformations occur at a significantly increasing rate, the Regulatory Affairs team has become more agile and efficient in identifying, advocating for and assessing these changes to ensure we have registrations that comply with current health authority expectations.

BD Regulatory Affairs has centralized regulatory intelligence monitoring and linked this activity to BD's global standards process to ensure a structured approach to conducting risk assessments, identifying gaps, remediating and ultimately updating our regulatory filings as needed. In 2021, 44 draft regulations and 125 new and revised regulations were monitored for impact to BD products.

At BD, we are also empowering cross-functional teams within each business unit and region to drive accountability for incorporating new requirements from standards and regulations into our new-product development process as well as legacy products, re-baselining historical regulatory submissions for products that have evolved over time, and enabling future innovation by refreshing product data on file with regulatory authorities. In addition to working on significant initiatives like compliance with new EU medical device and in vitro diagnostic medical device regulations (MDRs and IVDRs), we are also focusing on countries that have seen significant changes to their product regulatory framework.

To that end, the BD Regulatory Affairs team and partnering functions—R&D, Manufacturing, Quality, Cybersecurity, Sterilization, EHS, Medical Affairs, Clinical Development, Marketing, and Compliance—work together to ensure that our product registrations are compliant with global laws, regulations, standards and policies. We are also digitizing and connecting registration-related processes and content management to enable efficient global registrations that are compliant and will positively impact public health.

Enforcement action

While we have implemented, and continue to improve upon, programs and management systems addressing product quality and safety, we are, on occasion, subject to enforcement action. For a description of certain enforcement matters, see our Form 10-Q for the quarterly period ended March 31, 2021, and our subsequent SEC filings.

Inspiring quality in industry

We are committed to enabling healthcare providers deliver the best possible patient care. Through our memberships in organizations and trade associations such as [AdvaMed](#), [the Medical Device Innovation Consortium](#) (MDIC) and [the Association for the Advancement of Medical Instrumentation](#) (AAMI), BD works to drive quality and shape the external environment through industrywide standards and initiatives consistent with our Purpose of *advancing the world of health™*.



Laboratory animal welfare

BD is committed to animal welfare across the BD Research Animal Program. We follow federal animal welfare regulations and laws that are designed to ensure the responsible use of research animals for patient safety. Our corporate policy is available on bd.com and applies to all BD associates whose responsibilities involve the handling, care and/or use of animals. It includes responsibility and oversight, as well as provisions for the handling, care and use of animals.

Our mission is to provide for the well-being of all research animals that are purpose-bred to support important medical device development and testing that helps both human and veterinary patients.

The BD Research Animal Program undergoes voluntary accreditation by the Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC) International every three years. The program has been accredited since 1975 and includes site visits by credentialed veterinarians and animal care professionals to ensure we are following the *Guide for the Care and Use of Laboratory Animals* 8th edition. This includes a Program of Veterinary Care, Institutional Animal Care and Use Committee (IACUC), a Program of Occupational Health and a gold-standard animal facility that promotes animal health and welfare with environments that promote natural behavior. BD is highly committed to providing research animals with care. Good animal welfare leads to good scientific data in support of product safety.

BDs institutional official and attending veterinarian provides oversight to a corporate committee known as the Animal Welfare and Oversight Policy committee. This dedicated committee of professionals working with animals across BD routinely meets to share best practices and discuss animal regulation updates and application of the 4Rs: replacement, refinement, reduction and retirement. BD supports replacement by using in vitro testing when possible; refinement by following veterinary gold-standard practice across all animal studies; reduction of animal numbers by reviewing the extensive literature of previous studies; and an active retirement program that provides adoption opportunities to BD research animal heroes.

BD is a member of the National Association of Biomedical Research and the European Animal Research Association, both of whom help educate the public about the importance of laboratory animal research and support advancements and best practices in laboratory animal medicine.

The BD Research Animal Program veterinarians conduct animal welfare audits across all animal vendors to establish that they provide the same level of care as the BD standards. The audits are combined with our Quality Assurance program.

We require that all third parties who carry out animal testing on our behalf are covered by our Expectations for Suppliers (EFS) and our company policy. AAALAC-accredited third parties are preferred as they ensure the same level of commitment to the animal regulations and gold standards.

BD will continue to host a BRAD (Biomedical Research Awareness Day) event each year as part of an international effort to celebrate the contributions of research animals in biomedical research. This effort helps to further educate the BD community on the significant, lifesaving medical contributions research animals have made to improve both human and veterinary medicine. BD is committed to ensuring that our medical devices are safe for veterinary, as well as human, patient use.

Medical Affairs

Medical Affairs is a human health-focused organization serving as the bridge between the clinical practice of medicine and BD. The organization consists of a team of experts with hands-on clinical experience across a range of medical areas and specialties. This clinical expertise is leveraged to understand and evaluate how our products work in the clinical settings where they are used. This includes understanding unmet medical needs, translating these insights into innovation, and determining the need for evidence that defines the clinical value of our products. It also includes communicating the evidence that defines our products through conversations, publications and presentations. Being the only organization at BD that consists of clinicians with a clinical remit, the Medical Affairs organization is also responsible for oversight of the safety of human subjects when conducting research and evaluating product issues that may threaten the health and well-being of those who use our products.

As part of the BD Inspire Quality initiative, Global Medical Safety and Governance is involved in restructuring how Medical Affairs will support quality—specifically, product risk management file review and approvals across BD. This is fundamental to consistent product benefit–risk assessments throughout the BD portfolio of products. Global Medical Safety and Governance has been directly involved and has served as the Medical Affairs representative for several of the BD Inspire Quality initiative efforts, which are redefining the BD quality process.

The Global Medical Safety and Governance (GMS&G) organization is a dedicated and specialized independent medical safety organization that maintains a constant and proactive monitoring process that encourages a consistent and efficient means for product safety as well as Quality, Regulatory, and Ethics & Compliance alignment. It is also intended to provide a neutral and independent assessment and objective means for escalation, independent of the BD business unit.



Medical Safety Officers in the Global Medical Safety and Governance Organization are in place to work closely with Medical Safety Specialists (MSS) in each Medical Affairs business team and with each Medical Affairs regional team. This process provides an independent but shared accountability model for medical safety.

The Medical Affairs Safety Council (MASC) was established in FY 2020 as a forum that could be used for specific issues that would benefit from an independent medical review. The MASC is led by the VP of Global Medical Safety and Governance (GMS&G) and includes the EVP and chief medical officer along with the VP of Medical Affairs from each business unit.

The MASC provides a mechanism for regular as well as ad hoc independent medical and/or product safety reviews or escalations related to Business Unit or Regional Medical Affairs organizations.

Global clinical affairs

Clinical studies are carried out by a central function within Medical Affairs, serving all BD businesses and regions. The vice president of global clinical affairs (VP GCA) reports directly to the company's executive vice president and chief medical officer and has overall responsibility for clinical studies.

The VP GCA is responsible for ensuring that clinical studies are carried out in an ethical manner and in adherence to good clinical practice (GCP). In addition, an independent Ethics Committee/Institutional Review Board (EC/IRB) reviews all studies and has the authority to approve, modify or stop a study at any time.

Prior to the start of each study, a risk assessment is carried out by the GCA study team and representatives from the Medical Affairs Quality team. The risk assessment is shared with the EC/IRB and any oversight bodies, such as a clinical event committee, and regulatory agencies where applicable. Identified risks are assessed during the study on an ongoing basis, by examination of adverse events or other factors.

Free and informed consent is obtained from all study participants prior to the start of each study. Consent is obtained by the principal investigator of the study site and designees, as per site procedures. The names and contact information of the study site's principal investigator and the EC/IRB are provided to each study participant in written form, usually by listing this information in the subject's

informed consent. Participants are encouraged to reach out to either of these contacts if they have questions or concerns about the study.

Extensive training in BD policies related to human subject research and in GCA's formal Quality System, consisting of standard operating procedures (SOPs) and work instructions, is required of all BD associates who engage in clinical study activities. This training occurs through course and procedure review via the BD online training system, as well as through direct education during study team meetings.

BD clinical studies are conducted in various regions by ethical and competent clinical research teams. The Medical Affairs and GCA teams have decision-making responsibilities in this area. However, the locations of the teams may vary from where products are ultimately marketed.

In accordance with the GCA's SOPs, a formal monitoring plan is written for each study. This plan defines the method and timing by which BD associates maintain oversight of each study site. Clinical study monitoring may occur through frequent communications via phone and email, and multiple visits to the site. The site and its principal investigator are qualified for participation by GCA procedures. Compliance to the study protocol and GCP, especially when related to safety issues, is reviewed regularly through the medical record and study database for each site participant.

In addition, external audits are conducted using selected high-risk studies by BD auditors external to the GCA team.

All studies are registered in public databases (such as clinicaltrials.gov) as required by U.S. federal law. This includes information about the study protocol, clinical study sites and, eventually, adverse events and other study results. Reporting on significant problems discovered during monitoring, deviations to the protocol and necessary corrective actions are reported to the responsible EC/IRB and, when required, to the regulatory agency with jurisdiction (e.g., FDA).

We are committed to seeking the publication of the results of our completed applicable clinical trials on any marketed product in peer-reviewed scientific literature, regardless of the trial's outcome. We will provide the final statistical reports of protocol-derived outcomes to external authors. As a study sponsor, BD does not approve or veto such publications.

View our [clinical trial publication policy](#).

In 2021 and early 2022, we announced the publication of a number of clinical trials, including:

A first-of-its-kind, randomized clinical trial published in *The Lancet Infectious Diseases* that outlines potential new standard-setting best practices for peripheral IV catheters. (February 2)

The first-ever peer-reviewed study evaluating the outcomes using midline catheters for blood collection published in the *Journal of the Association for Vascular Access*. The study evaluated the BD PowerGlide Pro™ Midline Catheter and showed that this option may reduce the need for direct venipuncture in patients who have midline catheters. Fewer needlesticks can reduce complications and lead to greater patient safety and satisfaction.

Publication of the clinical trial results in *Clinical and Translation Science* for the BD Libertas™ Wearable Injector. The BD Libertas™ Subcutaneous Ready-to-use Injector is designed for drugs that have higher viscosities, such as biologics, and is currently in final phases of development.

A peer-reviewed study published in the journal of *Obstetrics & Gynecology* showed molecular diagnostics could improve the accuracy of vaginitis diagnosis and lead to more appropriate and timely treatment decisions. Using real-world data, the study demonstrated the effectiveness of vaginal panels performed on the BD MAX™ Molecular Diagnostic System as compared to clinicians' assessments.

Responsible supply chain



2030+ impact area: responsible supply chain

BD commitment and goals

Our commitment:

Create a supply chain adaptable to disruption and able to contribute to strong environmental and social performance.

2030+ goals:

1

We will strengthen engagement with supply chain partners on their labor and environmental practices and performance by completing ESG desktop audits for strategic, preferred and critical suppliers by 2023.

2

We will partner with strategic/preferred/critical suppliers to evaluate risk in Tier 2 by 2030.

3

We will seek to have 90% of total spend reflected in completed supplier ESG desktop audits by 2025.

4

We will incorporate climate risk into supply chain and network architecture strategies.



Responsible sourcing

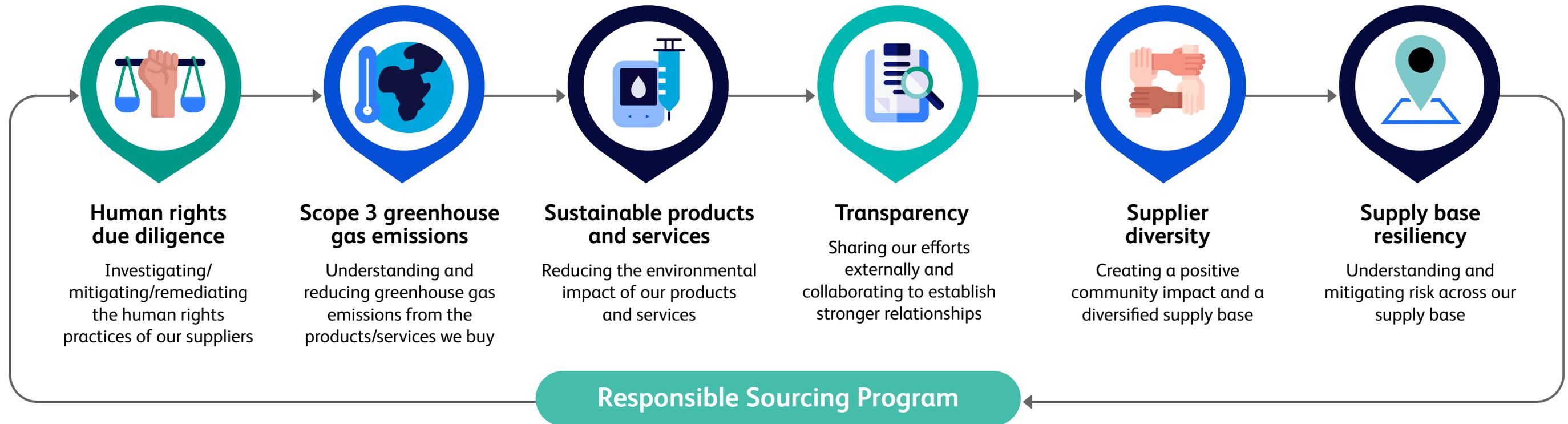
Our 2030+ commitments and goals recognize that a significant way BD can reduce our impact is through what materials and goods we buy and how we buy them. Our Responsible Sourcing program was established to work collaboratively across the company to seek out opportunities to engage with our suppliers and improve our environmental, social and governance impacts. In doing so, we will avoid risk and address key compliance requirements as well as establishing shared value and having positive impact on the places and people where and with whom we do business.

Our Responsible Sourcing Program incorporates six key focus areas of work—human rights due diligence within our supply chain; Category 1 Emissions; Sustainable Products and Services; Transparency; Supplier Diversity; and Supply Base Resiliency. These focus areas address global challenges that impact our suppliers, associates and customers, as well as the communities in which we live and work.

Program governance

Responsible sourcing operating committee

BD's Responsible Sourcing Operating Committee was established to guide and facilitate our ESG efforts within procurement. A key part of this work is human rights due diligence in our supply chain. This committee reviews all suppliers that score below our acceptable threshold in our assessments and, in collaboration with appropriate associates outside the committee, determines next steps for mitigating the risk. The Committee also oversees our overall human rights due diligence in the supply chain process and relevant policies and is asked to review special issues as they arise. Standing Committee members are subject matter experts from across the company. In addition to human rights due diligence in the supply chain, the Committee is also involved in environmental issues as they relate to responsible sourcing (emissions, sustainable products and services, etc.).



We look to our suppliers to match our efforts in addressing these global challenges, as outlined in our Expectations for Suppliers document. This document has guided our suppliers since it was published in 2012 and is a fundamental part of our relationship with our suppliers around the world. BD expects all our suppliers to fully comply with these standards and, if requested, be able to demonstrate their compliance. We also expect them to have similar requirements and standards for their own suppliers.

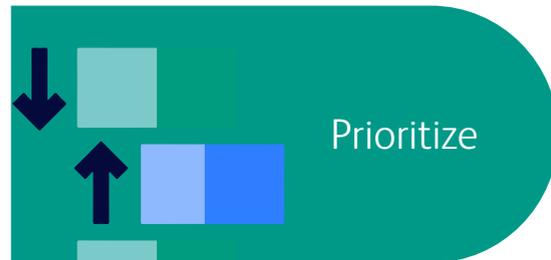




Human rights due diligence in our supply chain

Our Expectations for Suppliers (Expectations) is the foundation on which we have built our human rights program within Responsible Sourcing. BD actively assesses supplier compliance with these Expectations as part of our wider process for human rights due diligence in the supply chain.

BD’s human rights due diligence in the supply chain efforts are made up of three key work components—Prioritize, Assess and Mitigate.



Prioritize

Within our supply chain (where our highest risk of modern slavery and human trafficking exists), suppliers are evaluated internally, in a process outlined by our Supply Base Resiliency Program, and by a third-party tool to understand human rights risk, which includes risk factors identified in the International Labor Organization (ILO)’s “[Declaration on Fundamental Principles and Rights](#)” at work, such as child labor, forced labor and other workers’ rights. BD recognizes that our highest-risk suppliers are likely to be found in countries and industries cited for having the highest prevalence of modern slavery, human trafficking and other human rights violations. The results of this risk evaluation will help determine which suppliers are prioritized for further assessment.



Assess

BD deploys desktop audits administered by a third party to assess performance against ESG topics, including labor and human rights. This third-party expert reviews supplier responses and documentation to ensure a non-biased evaluation.



Mitigate

If a supplier receives an unacceptable score on their desktop audit, BD will evaluate results through our Responsible Sourcing Operating Committee to determine the best path for further engagement; this may include the assignment and review of corrective actions, in-person human rights-focused audits and/or remediation as necessary.

To learn more about our human rights due diligence in the supply chain progress, we encourage you to read our [Modern Slavery compliance statements at bd.com](#)

In FY21 we completed **160** supplier audits, representing **15%** of our total spend.

Human rights due diligence in the supply chain – key accomplishments

Across all of our programs that address human rights and modern slavery, we assess management effectiveness through periodic program reviews and have started to implement key performance indicators (KPIs) to track progress against our 2030+ goals for responsible supply chain.

As of the end of FY 2021, we completed 160 supplier audits; these represent 15 percent of our total spend, having completed a supplier scorecard. Of those 160 audits, one high-risk supplier was identified; BD took action to engage with the supplier to better understand the risk and assign corrective actions. In the following months the supplier was reassessed and improved its score. The Responsible Sourcing Operating Committee closely monitored this progress and will continue to evaluate this supplier to ensure ongoing compliance with our Expectations.

BD recognizes that establishing our Expectations and building due diligence programs for our supply chain is an important step. We understand that we must also establish training and feedback sessions to continuously improve practice. To enable this, we have established both internal training and supplier training.

Internally, BD has rolled out our annual Modern Slavery and Human Trafficking training to teach our associates who may interact with a supplier how to identify potential indicators of human rights abuses; we also inform our associates how to report known or suspected abuses. In FY 2021, nearly 10,000 associates completed this course. BD has also worked to ensure that auditors from across the company who might visit a supplier manufacturing site (for instance, quality auditors) are equipped to report any information that might have relevance to negative human rights practices.

BD also seeks opportunities to train and engage with our suppliers on human rights. We have integrated a training for new suppliers around our Expectations document as part of the supplier on-boarding process. In April 2022, we hosted training based on our Expectations document for suppliers worldwide—part of our ongoing efforts to continue to emphasize these expectations with our suppliers.



Emissions – Scope 3 category 1 (purchased goods and services)

BD recognizes that the single greatest contributor to our overall emissions is the Scope 3 category of purchased goods and services (Category 1).¹² In 2021, we began work to establish a baseline for these emissions. This work was performed by the company [ERM](#), which completed a baseline using the composite method. For further information about the methodology used, please refer to the [Scope 3 data table](#). We have calculated our baseline to be 3,007,771 metric tonnes of CO₂e.

We are working to establish a science-based target for this category as part of our commitment to the UN Race to Zero. We anticipate that this goal will be confirmed and verified in 2023 alongside our other Scope 3 category goals.



Sustainable products and services

BD's efforts to introduce more sustainable solutions across our products and services stretch to include our relationship with our suppliers and the things we purchase. We work collaboratively with our suppliers to identify solutions to help them to reduce emissions or introduce innovative, sustainability-focused solutions to the purchases we make. We have equipped our Procurement team with the tools to help them to understand how their choices impact emissions—both Category 1 emissions and those across the company.

Furthermore, our procurement associates actively seek to implement strategies that drive sustainability—both in the impact of our purchased goods and services and in other categories. For instance, we work toward driving greener fleet usage, which impacts what we buy and also the emissions from those vehicles. Not only do we seek to buy more sustainable materials, we are strategic about where we buy when possible, focusing on best-country sourcing.



Transparency

BD recognizes that much of our work across our supply chain is supported by the work our peers are doing. For that reason, we have joined the Pharmaceutical Supply Chain Initiative, in addition to maintaining membership in working groups and peer collaboratives. We believe that external collaboration on the key issues addressed by our Responsible Sourcing team can magnify our impact.



Outside of this, BD is separately engaging in peer and supplier conversations to share goals and tools and collaborate on reductions. We actively seek out opportunities to learn from best-in-class programs—both within our industry and in the wider business world. We are also partnering closely with our strategic customers to provide visibility and transparency in our supplier resiliency and responsible sourcing efforts.

Strategy to reduce emissions

As we work to establish a long-term science-based goal with interim targets, we can also work in parallel to achieve reductions. To do so, we have built a strategy that includes internal and external engagement and collaboration.

Internally, we are developing a number of tools for BD associates to better engage with, quantify and understand the carbon impact of their projects. This is paired with an ongoing effort to educate associates about emissions and the impact of the purchasing decisions they make; it is not just what we buy that impacts our emissions, but also how we buy it.

Externally, we are mapping our suppliers to understand their efforts to reduce their own emissions and collect their emissions data. Those suppliers that demonstrate leading practices will be leveraged to identify potential projects that we can work on collaboratively to further reduce emissions. Suppliers that have not yet measured baselines or set reduction goals will be offered assistance in trainings and mentorships with the aim of moving them toward setting their own science-based targets.

¹²As defined by the Greenhouse Gas Protocol.

OUR 2021 SUPPLIER DIVERSITY, EQUITY AND INCLUSION IMPACT

within U.S. & Puerto Rico

\$565M

spent with woman-, minority-, veteran-, LGBT- and Disability-owned business suppliers

17%

spent with woman-, minority-, veteran-, LGBT- and disability owned business suppliers

\$1B

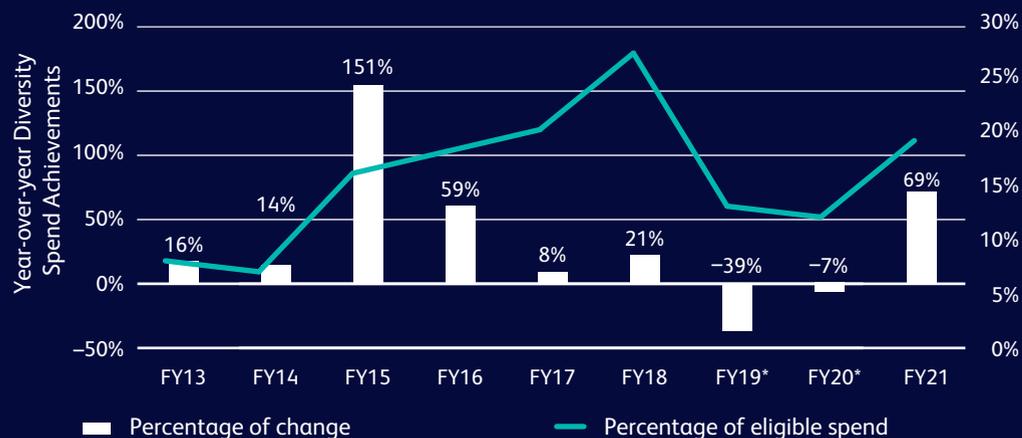
spent with small-business suppliers

31%

spent with small-business suppliers

2,766

small and diverse-owned suppliers were partnered with



Supplier diversity

Supplier diversity encompasses more than simply tracking spending or “doing the right thing.” It supports our business values and objectives. Being committed to supplier diversity entails developing and implementing strategies that align our supply base with the diverse customers, communities and patients we serve, as well as the diverse markets we seek. Having a successful Supplier Diversity program supports sustainable procurement efforts and is integral to how we support the economic empowerment of underutilized and underserved communities.

Further details on our Supplier Diversity program can be found on our [website](#).

Working through the challenges brought about by the COVID-19 pandemic during the 2019 and 2020 fiscal years, we have maintained our investment in the importance of a diverse supply base. We introduced the BD Diverse Supplier Inclusion Portal to assist in more accurately capturing, tracking and reporting our impact with small and diverse-owned business suppliers, both Tier 1 and Tier 2 suppliers.

Concurrently with our portal introduction, we extended our concerted effort to offer the best net payment terms to small-business suppliers, both diverse- and nondiverse-owned. Both efforts have increased accuracy in the identification of our small and diverse-owned suppliers, resulting in a more accurate picture of our diverse supply base and accomplishments, as well as our remaining opportunities.

Economic impact

BD understands the importance of quantifying the economic impact that our work has across the communities we serve. We’re proud to report that in FY 2020, we spent \$502M with 1,660 small and diverse-owned suppliers, thereby supporting the maintenance of 1,702 jobs and the hiring of 280 additional persons. While the intersectionality of these hires varied, it was

*Fluctuations in diverse spend were observed in FY 2018 through FY 2020. This is due to (1) the implementation and normalization of a new classification validation system; (2) the integration of a supplier survey into our registration process for new suppliers; and (3) finalizing the merger of legacy BARD supplier and spend data into our existing systems.

reported that many of these roles were filled by women, persons aged 50+ and African Americans. These supported roles added wages, taxes and subsequent spend all totaling \$951M in economic impact.

As we move forward, continued insight into our year-over-year economic impact will help us shape how we interact with our communities in the future. The long-term goals of the Economic Impact project will allow us to demonstrate further ways in which our efforts translate into advocacy for diverse communities.

Our impact campaign will measure various ways in which the BD Supplier Diversity program positively affects both upstream and downstream stakeholders. Effects include:

- Impact on community – increasing economic and societal inclusion;
- Impact of BD’s influence on suppliers to focus on economic and societal inclusion;
- Impact of our customers’ efforts to grow their own supplier diversity programs;
- Impact on BD’s brand as a responsible corporation, raising our visibility and establishing BD as best-practice leader.

We understand that improving our world starts with improving the world for others; our work is centered on doing just that.

In FY 2021, our Supplier Diversity program spent \$565M with diverse-owned business suppliers and \$1B with small-business suppliers, impacting 2,766 suppliers in total. This reflects an average 33% increase in supplier diversity spend from FY 2020, across all categories of diverse-owned businesses and small business suppliers.

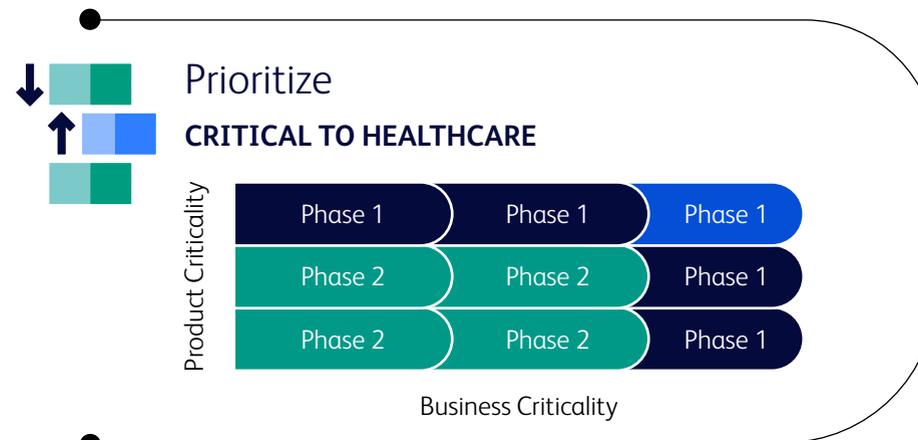


Supplier resiliency program

Supplier risk management is a strategic focus area for BD, where our Global Procurement teams strive to deliver a competitive advantage. The program has a top down directive from our CEO, Tom Polen. It is centrally located and resourced in BD's Global Procurement Center of Excellence, and has resources available to assist with processes, technologies and risk mitigation solutions to help deliver an agile and resilient supply chain.

BD has developed a robust assessment process to identify both our "critical to healthcare" and "critical to business" products. This segmentation has enabled us to prioritize risk management best practices for not only our strategic products, but also those critical to the healthcare market. BD has implemented a risk management model that continues to evolve with emergent risks, while applying a consistent and robust framework across all our business units to assess, identify, prioritize, mitigate and monitor top risks. The program takes a quantifiable approach to assessing multiple risk factors, including direct supplier-driven risks such as operational and financial risk, as well as indirect or market-driven risks such as natural disaster and geopolitical risks.

With over 40 discrete supplier criteria measured, sustainability and human rights factors have a significant weighting in the BD supplier risk model. The supplier assessment results in these areas directly affect the resourcing decisions for supplier engagements in risk mitigation efforts, and the results are ultimately fed back into the procurement selection approval criteria and decision-making. Significant investment in procurement processes and playbooks has been made in these areas, and BD continually partners with our suppliers to ensure they are also making the required investments and efforts in managing their risk and prioritizing sustainability and human rights.



With the exponential growth in supply chain constraints and disruptions, BD continues to invest in and build leading-edge capabilities to include the leveraging of artificial intelligence and advanced analytics services that are capable of identifying and monitoring our sub-tier supply chain network, and those supply chain distribution lanes. As data and real-world events have consistently demonstrated across numerous companies and industries of all sizes, the source of the vast majority of supply chain impacts occurs upstream from direct suppliers. By having advanced knowledge of, and visibility into, BD's sub-supply base, we help BD supply chain teams' ability to see further, react sooner and plan better.

Looking forward, BD's investment in advanced supply chain lane mapping will support the supplier distribution and logistics capabilities, not just the supply parts availability, to be agile and resilient. While implementation of these newer technologies is recent, BD has already leveraged these capabilities in multiple sustainability and human rights assessments and engagement efforts, at both the supplier and sub-supply tiers.



Global supply chain

BD's products are marketed and distributed in the United States and internationally through independent distribution channels, and directly to hospitals and other healthcare institutions by BD and independent sales representatives. BD uses acute care, non-acute care, laboratory and drug wholesale distributors to broadly support our overall disposable product demand from our end-user customers in the United States. In international markets, products are distributed either directly or through distributors, with the practice varying by country.

In order to service our customers, optimize logistics, lower facility costs and reduce finished goods inventory levels, we operate consolidated distribution facilities around the world.

Emissions – Scope 3, category 4 (upstream transportation and distribution)

As our products are distributed using a variety of modalities around the world, transportation and distribution represent a significant source of emissions.

In FY 2021, we worked with the company [ERM](#) to align our greenhouse gas (GHG) accounting practices for transportation activities with those of the Global Logistics Emissions Council (GLEC) Framework.

Specifically, GLEC Framework default emission-intensity factors in gram carbon dioxide equivalent (gCO₂e) per tonne-kilometer (t-km) (g CO₂e/t-km) were utilized to estimate emissions from air, rail, road and sea transportation activities of finished products to the customer. These transportation activities are estimated to have resulted in 317,124 tonnes CO₂e of emissions.

BD assumes that it is responsible for the payment of these outbound transportation activities and, as such, the emissions are categorized as Scope 3, category 4.

This data, while estimated, will be used to set science-based targets, as part of our commitment to the UN Race to Zero.

In FY 2021, we saw an increase in movement of goods by air. This was driven by shipment of products used for COVID-19 testing and by capacity challenges in the global supply chain. Ahead of setting science-based targets, we have begun to explore and implement improvement plans, focusing on optimizing transportation modes and routes; increasing cube utilization; and partnering with our carriers to identify opportunities. For example, many of our transportation partners have been switching to more fuel-efficient vessels and trucks, and we are watching with interest the testing of sustainable aircraft fuels by airlines.



SmartWay:

BD has been a U.S. EPA Transport SmartWay® partner since 2010. The SmartWay transport partnership provides a framework to assess energy-efficiency and environmental impact of transportation in supply chains.

Healthy workforce and communities



2030+ impact area: healthy workforce and communities

BD commitment and goals

Our commitment:

Maintain a healthy and thriving workforce that cultivates our culture of inclusion, safety and well-being and contributes to community health.

2030 goals:

1

We will provide tools and resources to empower our workforce in managing their physical, mental and financial health.

2

We will proactively manage the needs of our future workforce through training, development and reskilling strategies.

3

We will foster our culture of inclusion, safety and well-being, and contribute to the global communities in which we operate and serve, by:

- Improving ethnic and gender diversity by 1% year over year at the management and executive levels;
- Developing servant leaders and exemplifying THE BD WAY;
- Ensuring equal pay (by gender) worldwide; and
- Paying competitive market rates and utilizing living-wage assessments in key regions or countries to inform wage strategies.



Our associates, by region

35%
North America

28%
Latin America

22%
EMEA

15%
Greater Asia

Human capital management

At BD, our associates are guided by our Purpose—*advancing the world of health™*—and by THE BD WAY, a set of values that embodies our culture and values. Each empowers our associates to contribute individuality, unique ideas and experiences to fuel innovation and better patient outcomes.

As of September 30, 2021, BD comprised approximately 75,000¹³ associates located in over 62 countries. Attracting, developing and retaining talented people in technical, marketing, sales, research and other positions is crucial to executing our strategy and to our ability to compete effectively in a highly competitive medical technology industry. Our ability to recruit and retain such talent depends on several factors, including compensation and benefits, talent development and career opportunities, and our unique culture. To that end, we continually invest in our associates in order to be an employer of choice.

¹³Just prior to the spin of embecta, we had over 77,000 associates.

Human capital development

At BD, we are focused on creating an environment where associates feel supported in their performance, growth and development in all stages of their careers. Our Talent@BD Center of Excellence is focused on growing and enabling talent through career development initiatives, mentoring, targeted leadership development and learning programs for all associates via our BD University. We have developed a career growth cycle centered around our Purpose—*advancing the world of health™*—that outlines critical moments in an associate’s career and is designed to empower continuous growth:





In addition to the career growth cycle, each of BD’s business, regional and central teams refreshes its Strategic Organizational Plan (SOP) annually. At BD, the SOP is a tool used for a critical, forward-looking process to evaluate BD’s workforce and organization of today against the talent and capability needs of tomorrow, in line with our strategic objectives. The SOP helps to create a talent strategy that builds and develops our associates’ capabilities now to enable us to deliver in the future. This process is designed to allow BD to capture and proactively address potential areas of human capital risk and/or retention needs, and to provide long-term career paths for our associates.

This work culminates in annual CEO Organization Review discussions, where business leaders and senior HR business partners discuss and refine these plans and key associate development action items directly with the CEO, chief people officer and talent management leadership. Enterprise themes from these plans and discussions are aggregated and shared with our Executive Leadership team and Board of Directors so that we are having the appropriate conversations on talent and, as leaders, are helping to mitigate any obstacles to achieving desired outcomes for our associates and the customers and patients we serve.

In preparation for the SOP, BD also conducts regular talent reviews. These are focused sessions designed to review, discuss and commit to development, capability and succession planning for the talent needed to deliver on current and future business objectives. During these sessions, we evaluate our succession pipeline health, and our ongoing commitment to diverse representation across positions and succession slates, and seek specific opportunities and plans to drive the movement, development and growth of our associates. We also identify individuals with differentiated potential and connect them with additional learning experiences called career accelerator programs to further support their growth and the achievement of their career aspirations. We encourage and train our people leaders on having ongoing discussions with their associates where rich development plans can be built and advanced, with the support of near-term feedback and coaching.

We have a deeply rooted practice of investing in our next generation of leaders and offer a number of leadership development programs. The early career programs are dedicated to specific areas, such as finance and technology, and they serve to introduce new talent into BD, while other programs focus on building specific leadership skills to promote a healthy succession pipeline at the director and above levels.

We offer associates and their managers several tools to help in their personal and professional development, including career development plans, mentoring programs and in-house learning opportunities. This includes BD University (BDU), our in-house continuing education program, which follows a “leaders-as-teachers” approach. For 20 years, BDU has helped shape a culture of continuous learning aligned with company strategic goals. Our learning philosophy follows a 60-20-20 rule:



BD University has implemented several new approaches and programs designed to meet the new and emerging needs of our associates, managers and leaders. We launched a robust digital and virtual learning curriculum for our associates, who are now working in a hybrid environment. We began an organization-wide rollout of growth-mindset training to foster the belief that qualities and talents can be developed through dedication and hard work. This year, we launched new flagship programs to help our more than 8,000 people managers become more effective, and create work environments that facilitate growth and success. We have, in addition, conducted several virtual programs for our executive leaders to support them in their roles as company leaders who are responsible for navigating the new leadership challenges presented by the pandemic. In particular, our emphasis has been on servant leadership, a philosophy that we believe will enable leaders to unleash the potential of the organization by focusing on the growth and well-being of our associates so that they will be empowered to develop, perform and thrive while meeting business objectives.

BD is committed to creating an inclusive environment, and promoting a culture of ongoing feedback, continuous performance conversations and forward-focused development discussions aligned with our cultural principles. Our journey of impact and growth begins with setting clear objectives aligned to the BD 2025 strategy and rooted in our cultural foundation. It continues with promoting regular conversations throughout the year to help our associates grow and maximize their impact. The end of the year is our opportunity to reflect upon impact and development during the year and focus on future growth and opportunity.



Inclusion, diversity and equity

We strive to make inclusion, diversity and equity (ID&E) a prominent and lived piece of our culture. We believe that when our associates are holistically healthy and feel included, they believe in their self-worth and feel a sense of belonging—they feel connected to people and the community. Supporting our associates in aspects of their personal and work lives enables them to thrive and realize their full potential. We are committed to working toward making all of our associates feel valued and find a welcoming and inviting place for their ideas—a place where they can be their authentic selves.

Our progress

Our ID&E foundation is built on systems, processes and tools that we use to drive action and accountability and to measure our progress toward achieving our goals.

Engagement – voice of the associate surveys

Surveying how our associates feel about working at BD is one of our best ways to measure our success. Over the last three years, we’ve been on a cultural journey to remove barriers and unleash our associates’ full potential. Our voice of the associate (VoA) survey in FY 2021 showed a 95 percent improvement in responses to comparable questions from our previous engagement survey in FY 2018. While associates have told us that culture is one of the best aspects of working at BD, our survey results clarify an overarching theme: we must empower our teams through belonging and agile decision making. Our results validate the direction we set with our strategy and show a highly committed and engaged workforce, but we still have work to do. We will continue to use interim pulse surveys to measure our progress in executing our action plans.

Equal pay and gender pay parity

We are committed to compensating our associates fairly and equitably. We take a proactive approach to gender and ethnic pay equity and continually monitor our compensation programs. Annually, we work with an independent third party to conduct a comprehensive pay equity review based on gender and ethnicity

in the U.S. Our review assesses pay on a statistical basis and considers several factors that are relevant and known to impact compensation, including but not limited to tenure, role, career level and geographic differentials. Where necessary and appropriate, we take action and make pay adjustments to address any inconsistencies.

We believe that pay equity is critical to our success in supporting a global, diverse and inclusive workforce. We have a history of conducting targeted annual pay assessments and have committed to expanding our assessment to BD associates globally on a biennial basis. In 2021, we conducted a global pay equity assessment for associates in 57 countries, representing approximately 70 percent of BD’s global salaried associate population. The results showed that BD associates are paid fairly and equitably, and that, on average, both women and men are paid within a range that would be expected after controlling for legitimate differentiating factors. Our female associates in 2021 earned an average of 99 cents for every \$1 earned by male associates in the U.S., and 98 cents globally. We consider these results as a baseline for our commitment to achieving 100 percent pay equity and remain focused on managing our compensation processes with the goal of identifying and remedying any practices that may contribute to pay gaps now or over time.

Training

We value diversity of thought in solving challenges and driving innovation. Learning is how we transform ourselves and the organization, by connecting to our culture and building strategic capabilities. At BD, we believe everyone is a leader, and our culture of learning encourages and empowers all associates to reach their full potential.

This year, in addition to our conscious-inclusion training, we also provided supplemental micro-learnings that continue to upskill our associates on topics such as active listening, being color brave instead of color blind, inclusion through storytelling and working together when you have differences.

Key driver goals

Having representation of different dimensions of diversity globally is important to BD. We value our associates having diverse perspectives; it is what fuels the innovation needed to solve complex healthcare challenges. We use key driver goals to measure the progression of key talent metrics tied to dimensions of diversity and representation. Our goal is to increase diverse representation at each level¹⁴ of our company by 1 percent each for gender and ethnicity, year over year, by 2030.

Data for FY 2021 is provided below. Historical data can be found [here](#).

Our most recent consolidated EEO-1 report¹⁵ is available on [bd.com](#).

BD is committed to integrating and systematically embedding equity considerations into the design, delivery and monitoring of our talent initiatives and programs to enable equal access and opportunity for everyone. We will continue to take meaningful action to improve our diversity measures over time.

For more information on BD's commitment to advancing ID&E by building an empowered and inclusive workforce, please review our [2021 Inclusion, Diversity & Equity report](#).



GENDER***

● Female ● Male

Board of Directors***



Executive Officers***



Officers***



Executives*: Total of 381



Management**: Total of 11,443



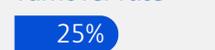
All Associates: Total of 75,402



New hire rate****



Turnover rate****



AGE

● 0-34 ● 35-54 ● 55+

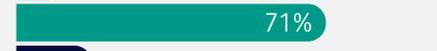
Executives*: Total of 381



Management**: Total of 11,443



All Associates: Total of 75,402



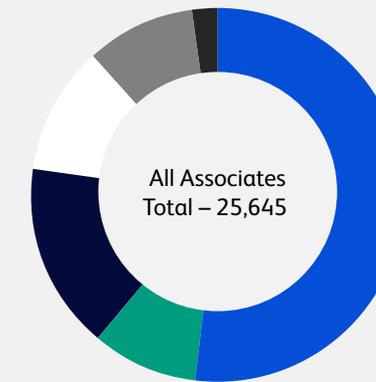
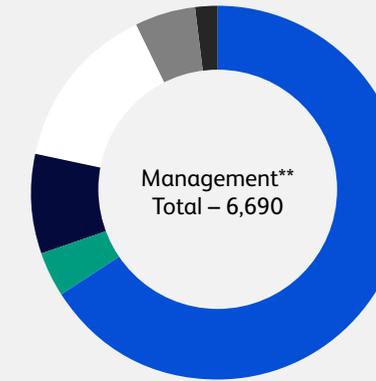
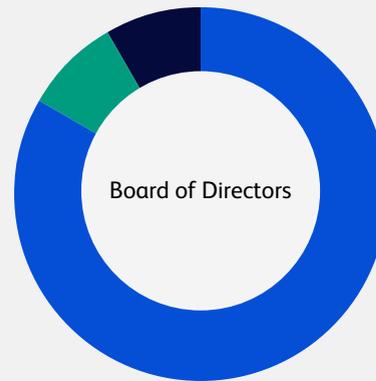
New hire rate****



Turnover rate****



ETHNICITY***



¹⁴These levels are as follows: (i) "executives" are associates in positions of vice president and above; (ii) "management" positions are defined as those in manager, director or equivalent roles; and (iii) "individual contributors" are defined as exempt associates that are not in executive or management positions.

¹⁵The data in the consolidated EEO-1 report is based on BD's population in the U.S. in December 2020 and reflects BD's U.S. workforce as of that time. The EEO-1 report requires that we categorize employees into 10 broad EEO-1 Component 1 Data Collection Job Categories. These categories do not necessarily match the job levels in which BD organizes its workforce and evaluates its diversity and inclusion data. Thus, meaningful comparisons between EEO-1 report data and other descriptions of BD's diversity statistics and disclosures may not be possible.

*We define "executives" as associates in positions of vice president and above.

**We define "management" as associates in positions of manager, director or equivalent roles.

***Information regarding race and gender is based on information provided by associates. Ethnicity data for executives, management and associates reflects that of the U.S. workforce including Alaska and Hawaii, and Puerto Rico but excluding any other U.S. territories. Information regarding Board of Directors, Executive Officers and Officers is current as of April 26, 2022. Total number of Officers includes Executive Officers.

****How we calculate new hire rate and turnover rate can be found in the [data tables](#).



Compensation, benefits and well-being

We are committed to rewarding, supporting and developing the associates who make it possible to deliver on our strategy. To that end, we offer a comprehensive Total Rewards program aimed at supporting the varying needs of our diverse and global associates. The components of our Total Rewards program are designed to work together to provide competitive compensation grounded in pay for performance, protecting overall associate well-being and helping BD to attract and retain high-quality talent.

Our Total Rewards (which varies by country) can include market-competitive pay, broad-based stock grants and bonuses, healthcare benefits, pension and retirement savings plans, paid time off and family leave, employee assistance programs, flexible work schedules, and well-being education and resources focused on physical, emotional, financial and social well-being.

Each year, we review and implement program enhancements and investments that are intended to ensure that our benefits are inclusive and representative of the needs of BD associates and their families. Additionally, over the last few years, in the U.S., we have increased efforts to mitigate the impact of rising healthcare costs and to offer more affordable benefit options, with a specific focus on affordability for BD associates earning \$50,000 per year or less.

The post-pandemic world demands a new approach to how and where we work. There is a demand for greater flexibility and a need to reimagine the purpose of the office—from being the location of the workplace to serving a purpose of collaboration, connection with team members, mentorship and enabling associates to solve complex problems together.

How we work is an important enabler of our culture, and it is a competitive advantage that allows us to attract and retain the best talent while also driving company performance. Our multiyear strategy and ambition is to have a highly collaborative, engaged workforce whose culture is defined by empowerment, trust and flexibility, and where rewards are based on outcomes and value, not on proximity or location.

Good Jobs Strategy

Our Good Jobs Strategy provides a framework that puts our manufacturing associates at the center of BD's culture to drive performance and deliver on our Purpose of *advancing the world of health™*. We are committed to offering attractive careers by:

- Creating a safe work environment that provides high job attractiveness and a strong culture aligned to THE BD WAY;
- Ensuring associates experience job satisfaction and a sense of belonging; and
- Providing competitive healthcare and compensation, as well as training and development opportunities.

Our journey started in 2019 with the launch of a Good Jobs Strategy assessment tool. On an annual basis, each site conducts an assessment that evaluates effectiveness in five key areas: workplace safety and harassment free environment; fair wages and benefits; working conditions; managerial effectiveness; and associate engagement and career progression. As a result of the annual assessment, site action plans are put into place to continue to make progress on our Good Jobs Strategy.

Since beginning the journey, we have improved working conditions by investing in facility upgrades globally, by improving work patterns, such as reducing mandatory overtime in the U.S.; and by investing in manager-effectiveness training. In addition, we have made significant investments in wage increases globally and introduced a no-cost and low-cost benefit plan for U.S. associates earning less than \$50,000. Finally, we have added focus to our talent acquisition process through enhancing the candidate's experience during the hiring process and changing our talent-acquisition partner in the U.S. These are just a few examples of the progress we have made since we launched the Good Jobs Strategy.

Over the coming years, we will continue to advance the foundational pillars to drive associate satisfaction and attract talent in an evolving talent market. To facilitate sustainability and ongoing sustainability, we have integrated our Good Jobs Strategy assessment tool into the [BD Production System](#).



Health and safety

A copy of our environment, health and safety (EHS) policy is available on bd.com.

FY 2021 performance

0.17

Lost-time injury frequency rate

0

Occupational illness frequency rate

0.33

Injury and illness rate

0

Fatalities

Please refer to the [data tables](#) for previous years' data.

COVID-19 pandemic

During the COVID-19 pandemic, we redoubled our efforts to ensure the safety of our associates, and our business continuity. This work meant undertaking major new initiatives, such as:

- Institutionalizing the use of additional layers of personal protective equipment (PPE) while simultaneously ensuring that we have access to a continuous supply of PPE;
- Redesigning our facilities and process flows to minimize transmission of the virus;
- Conducting effective contact tracing and investigations through systematic methodologies;
- Rolling out educational campaigns to modify behavior inside and outside facilities to reduce transmission; and
- Conducting COVID-19 testing in locations where community spikes have impacted our facilities.

Our response to COVID-19

For details on our response to COVID-19, including testing and vaccine preparedness and tools and trainings, please visit our [website](#) and newsroom.

OUR SAFETY POLICY

“We are committed to driving a culture in which the health, safety and well-being of our associates, visitors and contractors is an integral part of every decision we make. Each of us must take personal responsibility for the safety and care of each other to ensure that we all remain safe at work each and every day.”

Tom Polen

Chairman, CEO and President



Hazard and risk assessment

Sites are required to establish an inventory of all equipment/processes and conduct risk assessments on a predetermined frequency based on risk rating. This requirement is under the umbrella of our leading indicator metric, the EHS Index, and is formalized under our Metrics and Reporting Escalation standard. The improvement is tracked in our EHS MIS platform and performance is reviewed on a monthly basis. Subsequently, this standard is audited by the central EHS Audit team to monitor compliance.

BD has established and implemented the EHS Golden Rules, a consistent set of essential workplace EHS rules for all associates. These are rules that, if violated, have the potential to cause a serious injury or significant environmental impact. As such, violations of golden rules are investigated and appropriate disciplinary actions are taken to promote the safety of all associates.

EHS Golden Rules



Environmental stewardship

BD associates shall follow all environmental protection procedures established by the site.

- Report spills. Clean up spills following site protocols.
- Place waste in proper containers.
- Follow site recycling rules.
- Do not pour chemicals down the drain or place in the trash.



Fall protection

BD associates shall use fall prevention devices when working from heights.

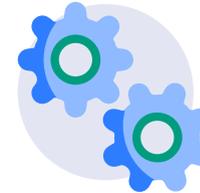
- Wear fall protection when working on elevated surfaces without barriers.
- Inspect portable ladders before climbing and maintain three points of contact.
- Use fall protection when accessing fixed ladders, where provided
- Do not climb over guardrails and fall-prevention barriers.



Mobile equipment

BD associates shall be trained and certified to operate powered industrial equipment and shall abide by site traffic rules.

- Inspect mobile equipment before use.
- Slow down near pedestrians and make eye or verbal contact.
- Follow speed limits and stop signs.
- Maintain line of sight at all times when driving.
- Wear your seat belt and keep your body inside the vehicle.



Machine guarding

BD associates shall not tamper with or disable machine/equipment guarding while operating under normal conditions.

- Never reach inside moving equipment.
- Do not bypass guards for the sake of production or for any reason.
- Reinstall guards using all bolts.
- Use tools and PPE when clearing jams.



Lockout/tagout

BD associates shall not work on equipment that is not locked out as per energy control procedures.

- Lock out all forms of energy before working on equipment.
- Verify zero energy state.
- Do not work on or touch live electrical equipment unless authorized.
- Use one lock per person.
- Utilize procedure for authorized nonroutine machine interventions.



Chemical safety

BD associates shall handle and store chemicals safely, in alignment with safety and data sheets.

- Use proper PPE at all times when handling chemicals.
- Use exhaust systems, when provided.
- Ensure that chemicals are properly labeled and stored.
- Do not bring new chemicals on site without EHS approval.

Globally, all sites are required to implement the leading indicator EHS Index. The intent of the EHS Index is to focus on prevention rather than reaction by:

- Promoting disciplined EHS behavior;
- Providing a continuous improvement model;
- Fostering a preventative EHS culture;
- Promoting best practice sharing among our locations; and
- Enabling trending and focus on areas for improvement and opportunity.

The Index comprises the following elements:

Risk assessments: Sites are required to conduct task-based risk assessments on processes and equipment. These assessments are prioritized based on the hazards associated with the process or equipment. These hazards are evaluated on a routine basis based on risk level.

Environmental, Health and Safety Opportunities (ESOs): Sites are required to implement a mechanism to report ESOs (unsafe conditions, unsafe behaviors or near misses). This gives associates the opportunity to identify issues to be corrected in a timely manner.

Injury reduction: Associates are trained to report all incidents to leadership and EHS. An investigation, reporting and root-cause analysis are required for all incidents. Action items are tracked to closure.

Engagement: Leadership is required to hold 1:1 meetings monthly with operators about safety and environmental conditions and concerns.

For sites that are considered high hazard based on our High Hazard Operations/ Process Safety Management standard, operations are required to conduct a process hazard analysis to ensure that adequate engineering controls are in place to minimize any potential hazard from that process or equipment.

The BD Code of Conduct requires all associates to follow health and safety policies and procedures and to report any unhealthy or unsafe work conditions.

This also includes not taking unnecessary risks in the workplace or telling anyone else to do so, and not taking shortcuts or bypassing health and safety policies and procedures. If an associate feels pressured to cut corners, they should report it.

Associates can report health and safety issues to their manager, Human Resources, the central EHS team and/or the BD Ethics office.

BD takes all reports of violations of laws, BD policies and ethical standards seriously and will promptly, fairly and thoroughly investigate all such reports. BD does not tolerate any form of retaliation against any person who in good faith reports an actual or suspected violation or cooperates in BD investigations.

Tools are provided to the sites to conduct investigations utilizing root-cause analysis techniques that focus on systemic failure. The EHS MIS platform supports the investigation process and tracks action-item closure to ensure accountability. Every site follows the same root-cause guidelines, enabling the corporation to trend and continuously improve injury reduction or environmental incidents.

Occupational health

Larger facilities have trained and certified occupational health professionals on site. Any associate's health-related information is required to be treated as confidential and maintained in accordance with HIPAA or equivalent local legislations to protect associate confidentiality.

Smaller facilities have first aid response teams and, if required, injured associates are sent to a local occupational health clinic for treatment.

Site leadership and EHS teams partners will provide accommodations for associates with occupational health restrictions.

Worker participation

Corporate standards are available and were created in collaboration with site leaders and relevant safety committees. ISO-certified sites collaborate on regional platforms to share learnings and foster compliance with management systems. All sites have a tiered management system to communicate EHS performance at the line, site and management level to allow for relevant occupational health and safety information to be regularly communicated.

At a site level, safety committees exist and all areas of site operations are represented. Their meeting frequency varies, but at a minimum they meet quarterly. Responsibilities include evaluating challenges and assisting EHS teams in implementing environmental and safety intervention programs.

BD continues to reinforce systems that strengthen our goal to drive a culture in which the health and well-being of our associates, visitors and contractors are an integral part of every decision we make. Instrumental in this vision is the continuation of programs that drive management and leadership engagement, peer-to-peer coaching, and education and training.

For further details about our EHS management programs, please see EHS management in the [climate change](#) section of this report.



Our contribution to healthy communities

Charitable giving summary, by the numbers: 2021

Value of company match to associate donations

\$1.9 million

No. of grants issued, worldwide

381 for BD + 18 from BD Foundation

No. of nonprofit beneficiaries

274 from BD + 13 from BD Foundation

No. of matching gifts distributed

28,429

Volunteering (skills based)

4,000 hours

valued at \$550,000 for virtual Volunteer Service Trips

Volunteering

~\$120,000

value of pro bono hours donated

Total contributions

\$22.2 million for BD + \$2.1 million for BD Foundation

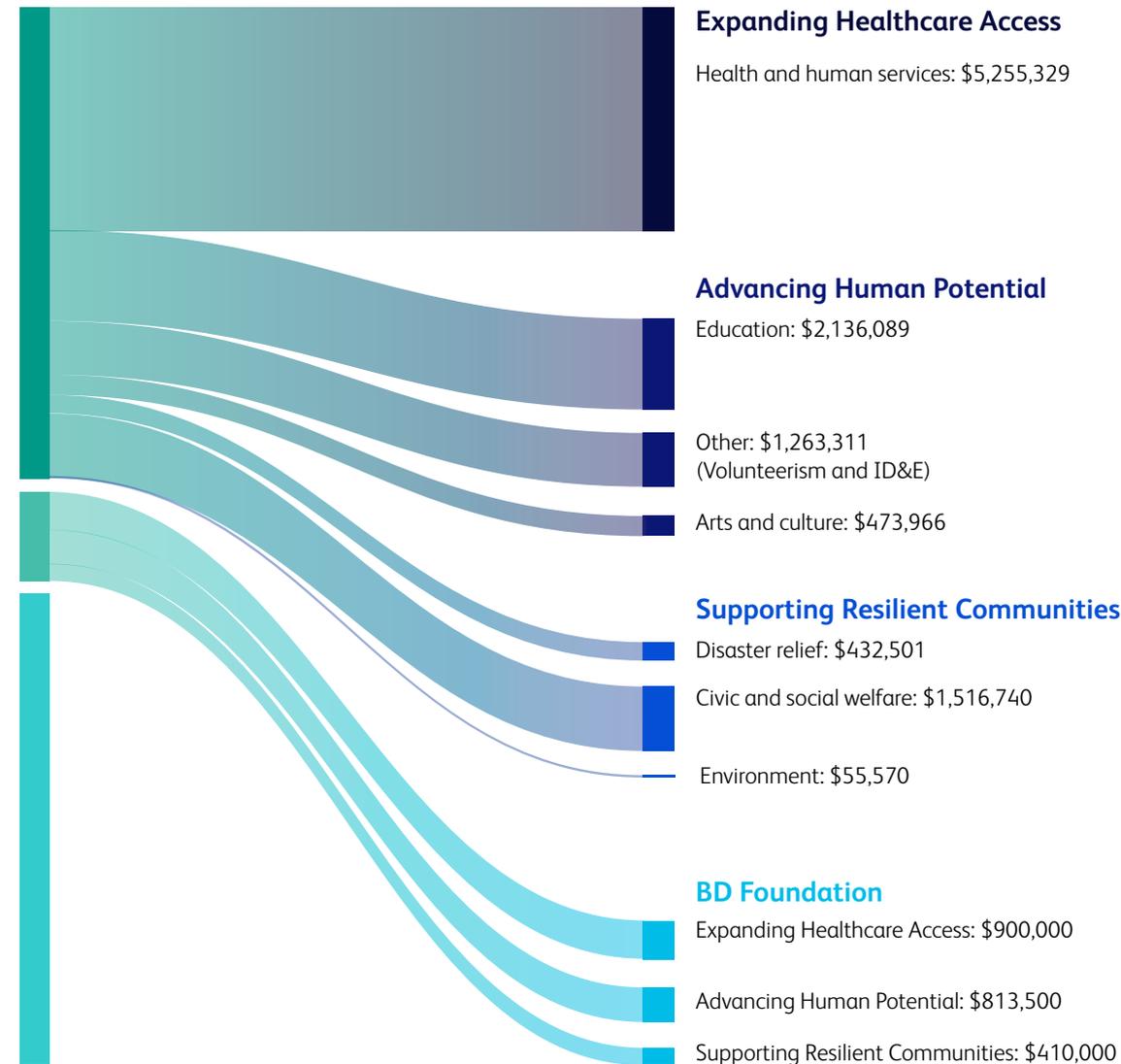
Total cash donations

\$11.1 million for BD

\$2.1 million for BD Foundation

Total product donations

\$11.1 million



We rely on meaningful, long-term and strategic partnerships and programs to help ensure that we are advancing the health of our communities and our people by enabling a healthy workforce. We do this in three ways:

We advance human potential by empowering BD employees to make a meaningful difference in the communities and for the causes they care about

We help build resilient communities through strategic product donations and by supporting recovery efforts following disasters, pandemics and conflict

We work to advance healthcare access and equity in communities worldwide

We are advancing human potential

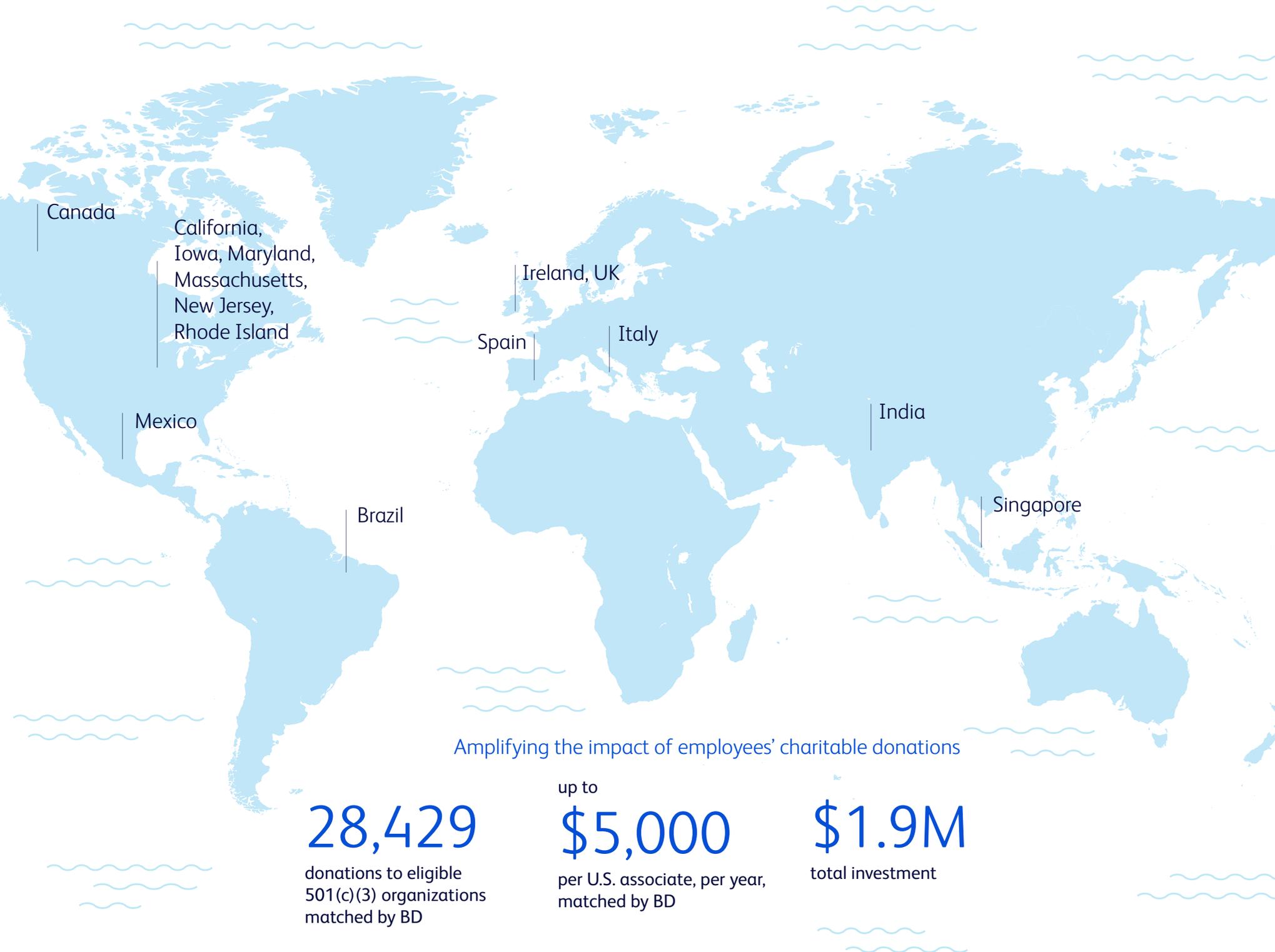
Connecting with our communities: virtual volunteering

For nearly 20 years, through the BD Volunteer Service Trip (VST) program, BD has sent teams of volunteers to low-resource communities to help strengthen local health systems through training, education, laboratory services and construction projects. Although COVID-19 made in-person, inter-country volunteerism a challenge, our volunteers didn't let that stop them. We created an innovative alternative: virtual service opportunities that kept BD volunteers connected with communities around the world and to our culture of service.

In 2021 and early 2022, BD volunteers from 14 countries participated in company-sponsored, virtual volunteer service projects, each of which sought to expand healthcare access among vulnerable populations.

Celebrating service: BD Volunteers of the Year

The Henry P. Becton Volunteer Impact Awards celebrate the achievements of our BD "Volunteers of the Year" by issuing philanthropic grants to the nonprofit organizations they serve. In 2021, BD awarded grants totaling \$80,000 to 20 nonprofit organizations around the world, recognizing the community service of 20 BD volunteers from 10 countries.



Amplifying the impact of employees' charitable donations

28,429

donations to eligible 501(c)(3) organizations matched by BD

up to

\$5,000

per U.S. associate, per year, matched by BD

\$1.9M

total investment

“This service experience was an amazing opportunity to be part of an international team, and to connect with different cultures and different ways of working. Our team of BD volunteers collaborated from different time zones, and we each brought a unique cultural perspective—proving that our diversity can improve results when we work with empathy. This experience gave me the chance to live our Purpose of *advancing the world of health*™, by helping a health clinic and its patients, who are located far away from my home,” said **Diogo Carvalho**, communication and change management, manager for Latin America, and who is based in São Paulo, Brazil, who volunteered to help U.S. free and charitable clinics raise awareness of services, secure funding and recruit, onboard and train community health workers.

Creating a sense of belonging through team-based acts of service

In just about every country in the world, BD associates find creative ways to join together to give back to the communities where they live and work.



Since 2013, in recognition of the Dr. Martin Luther King, Jr. Day of Service, BD associates from more than a dozen locations across the United States have joined together to pack shelf-stable meals for [Rise Against Hunger](#), to be delivered to hungry and food-insecure people around the world. In 2022, BD volunteers at 14 U.S. locations reached the collective goal packing over 1 million meals.



The BD WIN + STEM associate resource group at our Franklin Lakes, New Jersey, U.S., campus demonstrated its commitment to encouraging girls and women to pursue careers in STEM by teaching local Girl Scouts about STEM career options, like coding and computer science, and by sharing tips to help participants stay safe online.



A team of BD volunteers who work at the Latin America Shared Service Center (LASCC) in Santiago, Chile, partnered with Cultiva to do their part to improve planet health by planting a hillside forest together.



BD volunteers in the Czech Republic collectively ran, walked and cycled more than 1,000 km (660.5 miles) to raise funds for abandoned and neglected children who are served by the Tereza Maxova Foundation.



How we support resilient communities

For more than a decade, BD has partnered with international relief agencies including the American Red Cross, Direct Relief, AmeriCares, MAP International, CMMB and Heart to Heart International to deploy product donations and cash support quickly and efficiently to build the resiliency of communities worldwide as they work to recover from disasters, pandemics and conflict.

In 2021 and the early part of 2022, philanthropic cash and product donations from the BD Foundation were deployed to regions around the world.

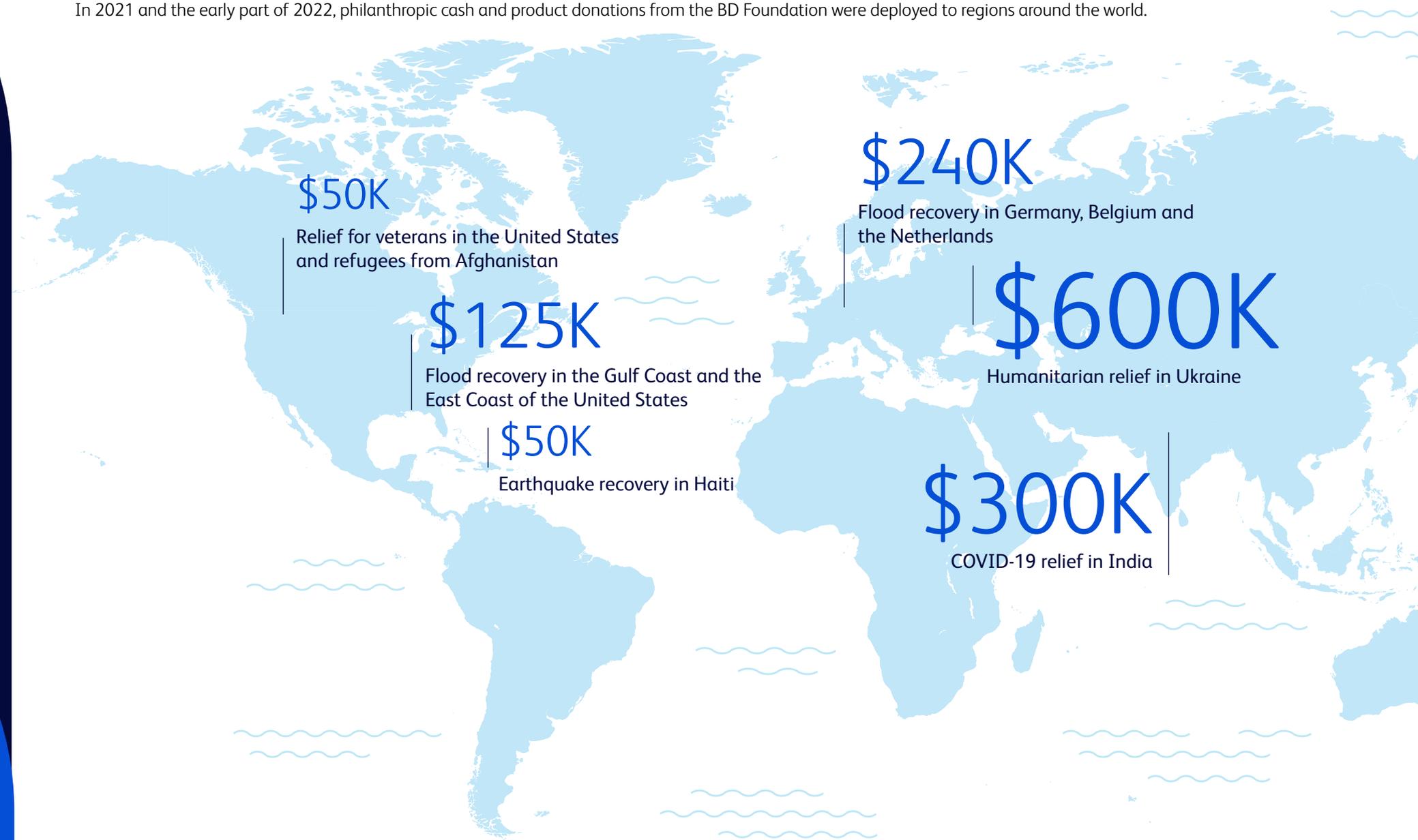
Responding to the conflict in Ukraine:

BD and the BD Foundation committed \$600,000 in cash to support our trusted international relief partners—AmeriCares, International Medical Corps and Project HOPE—in their response to the humanitarian crisis caused by the conflict in Ukraine. This cash support helped expand access to emergency healthcare services, mobile medical units, essential medicines and medical supplies. BD employees also contributed more than \$90,000 to the BD Associate Relief Fund, which provided a total of 90 grants to BD colleagues who were impacted by the 2022 conflict in Ukraine.

Responding to flooding in Germany, Belgium and the Netherlands:

In July 2021, heavy rains caused devastating flooding in regions of Germany, Belgium and the Netherlands, causing tragic loss of life and widespread destruction of property and infrastructure. BD and the BD Foundation together donated \$240,000 to the disaster response effort in the region, and more than a dozen BD associates served as volunteer firefighters who worked tirelessly to save and serve families whose lives or homes were endangered by the flooding.

"It is really hard to put into words the impact the floods had on our community...the floods stopped at nothing. Whole houses were washed away," said Hermann Sicken, BD Environment, Health and Safety Specialist who serves as chief fire officer in a volunteer firefighter brigade that responded to extensive flooding in Kelberg, Germany. *"I see firefighting as a passion and a certain duty to help other people. It is an indescribable feeling when you are able to save someone."*



Advancing healthcare access and equity

At BD, we are working to advance equity and access to healthcare around the world. This effort is driven by (1) BD's Social Investing team, which works with philanthropic and nongovernmental organizations (NGOs) to provide strategic support, investment and product donation; and (2) the BD Global Public Health team, which collaborates with governments and leading global NGOs to strengthen health and laboratory systems in low- and middle-income countries (LMICs) around the world.

How we expand healthcare access and equity...in the United States

Since 2009, we have invested more than \$34.5 million in helping community-based family doctors provide quality care to traditionally underserved groups, because without them, more than 32 million uninsured and underinsured patients would go without healthcare.

These investments expand access to quality patient care, particularly among patients experiencing diabetes, hypertension, depression and difficulty with medication compliance.

Peer-reviewed data demonstrates that our approach is working. Patients enrolled in a comprehensive medication management program at federally qualified health centers that received philanthropic funding from BD saw their hemoglobin A1C scores decrease by 1.2 percent in just six months—equating to a 20 percent lower risk of death.

Our social investments in free and charitable clinics and community health centers in action include:

- **Share Our Selves in Costa Mesa, California:** More than 68 percent of patients served by Share Our Selves community health center identify as Latinx, and many are homeless. BD funding enables patients living in shelters—particularly those who face multiple chronic conditions and take multiple, complex medications—to receive individualized pharmacist counseling, in their native language, via telehealth technology.
- **BVMI Healthcare Center in Bergen County, New Jersey:** Located in the same county where BD's global headquarters is located, a team of more than 75 volunteer healthcare professionals provide quality care to a diverse population of more than 1,200 patients—most of whom may not otherwise have healthcare access. In 2021, BD sponsored the launch of their BVMI **Women's Health Initiative**, which provides specialized, high-quality, compassionate healthcare services for nearly 800 women.
- **Helping free clinics provide better diagnostic care to underserved patients:** From FY 2017 to FY 2021, BD has invested more than \$1.3 million in helping free and charitable clinics in the United States to streamline the treatment they deliver to patients by providing essential diagnostic point of care (POC) testing equipment, supplies and quality controls to administer and share the results of diagnostic tests during a single medical visit. BD volunteers with laboratory expertise have been deployed to 21 free clinics, providing hands-on training and support to clinic staff. In 2021, BD also provided participating clinics with SARS-COV-2 testing using the BD Veritor™ system.

“By supporting this important, first-of-its-kind initiative, we’re helping to empower U.S. free and charitable clinics to measure and track the degree to which their healthcare services are effectively addressing inequities, so we can determine where additional support is needed to ensure more equitable healthcare quality and access for all.”

— **Tom Polen**
BD Chairman, CEO and President

“We are so grateful for the opportunity to offer point-of-care lab testing to our patients,” said Sharon Kallam, RN MSN, Director of Quality Assurance and Risk Management at Grace Clinic of Yadkin Valley, North Carolina, one of the dozens of U.S. free clinics that has received lab funding and volunteer support from BD. “During the first month we were able to offer on-site diagnostic testing, we identified nine positive Hep C patients, four of which were unaware of their status and were referred to a center for treatment.”

Investing in a more equitable healthcare future for all

At BD, we know that racial, societal and economic factors have a direct impact on people's health and their ability to access needed healthcare and other resources. We also know that a multifaceted approach is required to deliver care that does not vary in quality because of someone's race, gender expression, sexual preference, income, abilities or location. That's why in 2021, BD invested \$500,000 in the Roadmap to Health Equity Initiative, spearheaded by AmeriCares.

\$34.5 million:

our philanthropic investments in free and charitable clinics and community health centers, since 2009.

**In the U.S.,
32 million**

patients receive care through free and charitable clinics and community health centers

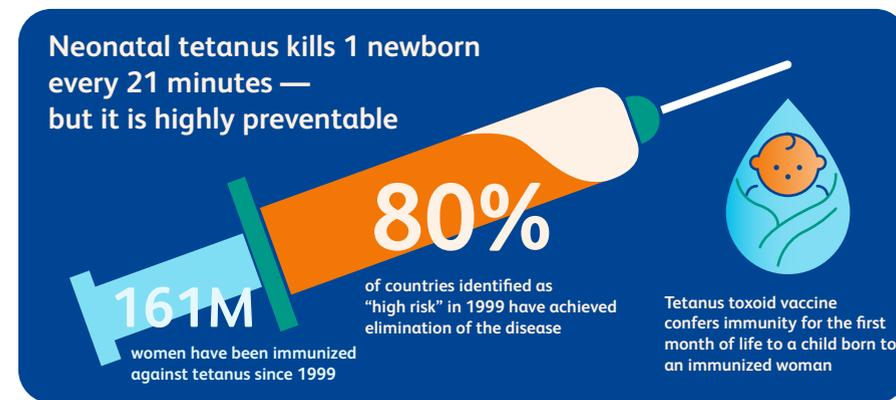
63% of community health center patients are members of a racial/ethnic minority, even though racial/ethnic minorities comprise just 40% of the general U.S. population

How we expand healthcare access and equity..globally

Each year, 18.6 million people die due to lack of access to surgical care, 93 percent of whom are in Africa. As the fragile healthcare systems in African nations continue to recover from the impacts of the COVID-19 pandemic, the need to provide basic life-saving surgical care is greater than ever.

Over the past 28 years, BD has donated more than \$2.5 million in cash and product to Mercy Ships to support its mission of bringing free, safe surgical care to Africans in need, aboard its unique “floating hospital” ships. BD also provides philanthropic support to the Royal College of Surgeons (RCSI), Ireland, to help it expand surgical access to 8 million children in Malawi, and to help Operation Smile deliver cleft palate surgeries, globally.

Advancing maternal health and reducing avoidable newborn deaths, globally



Statistics courtesy of UNICEF USA

Although maternal and neonatal tetanus (MNT) has been all but eliminated in most economically advanced countries, it still kills one newborn every 21 minutes, or approximately 68 newborns every day. Knowing that MNT is entirely preventable with immunizations and consistent health services for mothers, BD began supporting UNICEF’s neonatal tetanus immunization program in 1997. The program ensures that mothers in remote geographic regions that experience high rates of MNT have access to life-saving immunizations and gynecological care. Since the inception of the program in 1997, with the help of \$10.8 million in funding from BD, newborn deaths from MNT have declined by 88 percent.

Collaborating with governments, leading agencies and NGOs to strengthen health systems

BD, PEPFAR and CDC public-private partnerships

BD has established a series of partnerships with the U.S. President’s Emergency Plan for AIDS Relief (PEPFAR) and the U.S. Center for Disease Control (CDC) and ministries of health. These partnerships help us strengthen laboratory systems and upgrade clinical practices in blood culture specimen collection, phlebotomy, infusion and injection.

Enhancing healthcare workers’ and patients’ safety in Kenya in partnership with PEPFAR, CDC Kenya and Kenya’s ministry of health

In September 2021, as part of BD’s long-standing partnership with PEPFAR, CDC Kenya and the Kenya ministry of health (MOH), the first ever blood culture specimen management training for healthcare workers was conducted to enhance their safety and patients’ safety. The training curriculum—which was prepared by BD and reviewed and adopted by CDC and MOH—included topics such as introduction to antimicrobial resistance (AMR) and sepsis, safe blood culture collection and preparation of blood cultures, the blood culture sample pathway and diagnosis of catheter-related blood stream infection (CRBSI). Due to the COVID-19 pandemic travel restrictions, the training used a mixed methodology of virtual and in-person training. Over 40 participants from 12 facilities across Kenya were trained in two separate two-day training sessions.



Photo: Kenya, September 2020

“Antimicrobial resistance has become a global challenge and Kenya is not spared. Antimicrobial stewardship programs are being scaled up in Kenya and they recommend the use of blood culture for diagnosis. Proper collection and management of the blood culture specimen is critical for correct diagnosis. This training, therefore, came at the right point in time and was really appreciated. The MOH hopes to scale this up in future.”

Dr Daniel Kimani

Technical Advisor, Laboratory, Health Systems and Infection Control. CDC, Nairobi, Kenya

“Currently, there are no guidelines for Kenyan hospitals on how to identify and collect blood specimens from suspected sepsis patients. This was a tremendous opportunity to capacity build the clinicians, nurses and laboratory personnel who are responsible for implementing best practices in their respective hospitals across the selected counties in Kenya.”

Timons Sigo

BD Senior Clinical Resource Consultant, Nairobi, Kenya



“[T]he first week we met with the Quality Officer, she said she didn’t know what she should be doing and what being a quality officer meant. We did a significant amount of individual mentorship with the Quality Officer.... By the time we left, this person understood her role. Before, it was a formality and just a title without a job description or clearly defined responsibilities. Now, she embraces her role as Quality Officer and is accountable.”

Lindsey Mathison

BD Global Public Health Fellow, Rwanda, February 2020

“The mentors helped us on how to make reports that we can take to the hospital and the county’s administration. And with that data, especially with the revenue side, which the county concentrates on, we are able to show the total number of tests done within the set turn around time and total revenue collected for the year 2019.”

Lab manager

Labs for Life

For over 14 years, BD collaborated with PEPFAR, CDC and ministries of health in a public-private partnership called “Labs for Life,” which focused on strengthening laboratory systems in various countries across Africa and Asia.

Launched in 2007, Labs for Life provided frontline training for laboratory staff in countries heavily burdened with HIV. As part of this partnership, the U.S. Department of State brought strategic guidance, HIV/AIDS technical expertise and in-kind resources. The CDC provided oversight and technical guidance and served as the implementing agency through CDC country offices and local partners. BD contributed personnel time through trainers, mentors and subject matter experts, and deployed more than 300 BD Global Health Fellows to short-term, in-country assignments. The positive outcomes led to the renewal of the partnership twice, in 2012 and 2018, before the conclusion of project activities in 2021. BD partnered with the William Davidson Institute of the University of Michigan to carry out monitoring and evaluation of the program.

Key outcomes from Phase 3 (2018 – 2021)

Labs for Life: Africa

Labs for Life Africa Phase III supported 14 laboratories across Kenya, Uganda, Rwanda and Ethiopia. From June 2018 to January 2020, 55 BD Fellows were deployed across 28 mentorship rounds. When the COVID-19 pandemic halted travel in March 2020, Labs for Life began offering virtual learning opportunities for laboratory staff. This included five webinars led by BD Kenya staff with 115 participants and the Laboratory Leadership & Management Essentials (LLME) course with 20 participants.

Nine laboratories in Kenya, Uganda and Rwanda were monitored for partnership impact during Phase III. Five of the nine laboratories reached a 4-out-of-5-star rating using the WHO’s Stepwise Laboratory Improvement Process Towards Accreditation (SLIPTA) in the African Region. Additionally, two of the five monitored laboratories in Kenya received an accreditation recommendation after initially starting Phase III with a 0-star SLIPTA rating in June 2018. Fifty-seven percent of monitored tests in enrolled laboratories saw decreased or stable turnaround times from baseline to endline. During Phase III, laboratories secured critical resources such as staff vaccinations, computers and increased staffing.

“[In my lab], I was requested to teach our workshop staff how to design work plans. This I executed rightly and confidently using knowledge learned from this very training.” – LLME participant

“I learned how to appropriately communicate with and motivate staff. [Because] a manager achieves their goals through people, it is important that they remain motivated to accomplish their tasks, and that all communication is efficient and effective.” – LLME participant

“The Labs for Life partnership in India has been successful in strengthening the laboratory systems for comprehensive management of people living with HIV/TB. Through collaborative efforts, we developed and implemented a strategic framework for continuous laboratory quality improvement towards certification/ accreditation that was adopted by the MOH for scale up. Technical assistance and resources were provided for establishing a center of Excellence for capacity building of healthcare providers on best practices in phlebotomy and laboratory equipment management. A knowledge repository with open access that systematically captured information on lab quality was hosted on the home page of the MOH website. Currently, the work with the ministry of health is in progress for strengthening the specimen referral network for TB diagnosis in HIV patients through digital health innovations for early detection and treatment initiation.”

Dr. Sunita Upadhyaya
Centers for Disease Control (CDC), India

LLME virtual course

In partnership with the Association of Public Health Laboratories and the William Davidson Institute of the University of Michigan, twenty managers and managers-in-training from Uganda, Rwanda and Kenya enrolled in the LLME virtual course in April 2021, with 16 participants completing all course requirements. The course was based on the curriculum developed by the APHL and was modified for virtual learning using the ExtendEd on-line training platform developed by the WDI.

The results showed that knowledge scores increased by an average of 20 percent following course completion. Self-reports also noted improvements in the frequency of performance of managerial tasks such as reviewing lab budgets, holding management meetings and analyzing quality indicators. Notably, at baseline, 46 percent of participants reported analyzing quality indicators every month, increasing to 75 percent at endline.

This pilot proved that hybrid virtual trainings (including synchronous and asynchronous components) are an impactful and sustainable method for providing equitable access to knowledge—even beyond pandemic scenarios.

The outcomes of this Laboratory Leadership training were presented at the Africa Society for Laboratory Medicine (ASLM) Annual Conference in December 2021.

Labs for Life: India

In India, the Labs for Life partnership established a Center of Excellence (COE) in phlebotomy and equipment management (EM) at the Government Medical College Aurangabad, Maharashtra. By the end of 2021, over 300 lab personnel and medical officers were trained on best practices in phlebotomy and EM, which increased the knowledge score from 48 percent to 76 percent. Additionally, educational content on laboratory quality was developed under the partnership and is hosted at www.labsforlife.in (a ministry of health website) and on a YouTube channel called “LabsforLifeProject.” The YouTube channel has 150+ videos on lab strengthening and has garnered 55,000 subscribers with 4.8 million views from 20+ countries so far.



Phlebotomy hands-on training at GMC Aurangabad in India



Making STRIDES against drug-resistant tuberculosis in high-burden countries

Drug-resistant tuberculosis (TB) is a major public health threat. About a quarter of world's population is infected with tuberculosis bacteria (*M. tuberculosis*), and 5–10 percent of this cohort is expected to develop TB in their lifetime.¹⁶ Without treatment, the mortality rate for TB can be as high as 70 percent.¹⁶

In 2020, an estimated 9.9 million people fell ill with TB but only 5.8 million were identified.¹⁷ Due to the COVID-19 pandemic, there was an 18 percent drop in people diagnosed with TB (compared to 7.1 million in 2019). In addition, enrollments for people with multidrug-resistant/rifampicin-resistant TB fell by 15 percent in 2020. For the first time since 2005, global TB deaths increased in 2020. Two high-TB-burden countries—India and Indonesia—accounted for 55 percent of the global drop in TB notifications due to COVID-19. Lack of access to reliable drug-susceptibility testing (DST) is one of the key gaps in the fight against drug-resistant TB.

To better understand the barriers that stand in the way of patient access to this life-saving test, BD and the U.S. Agency for International Development (USAID) formed a partnership in 2017 called Strengthening TB Resistance Testing and Diagnostic Systems (STRIDES). As part of this partnership, BD and USAID are working in India and Indonesia to improve access to, and increase capacity for, liquid culture (LC) and drug-susceptibility testing in close collaboration with MOHs.

India

Under the overall leadership of the India Central TB Division (CTD), BD and USAID has continued to support strengthening the lab network for the diagnosis of drug-resistant TB. Key activities undertaken include:

Assessment of liquid culture and drug susceptibility testing labs

Given the COVID-19 pandemic that disrupted normal work, life and travel in India and around the globe, BD experts conducted in-depth hybrid—virtual and on-site—assessments of 10 LC-DST labs in the country in FY 2021. This increased to 20 the total number of public sector labs assessed from the start of partnership.

Lab assessment glimpses

The assessments identified gaps in various aspects of lab biosafety and quality management, including processes followed—such as testing and sample management—documentation practices and the availability of adequate infrastructure.

Training and capacity building

BD has trained microbiologists from 31 public sector labs on best practices in LC/DST, which led to a 25 percent to 40 percent increase in knowledge and skill levels. A follow-up skill assessment was conducted at a subset of 10 labs wherein 94 laboratory personnel were interviewed. During this assessment, it was found that overall knowledge scores from the original training were retained, highlighting the effectiveness of the training. Based on the findings from the skill assessment, targeted classroom and hands-on training was organized at the 10 labs to train 63 lab personnel on gaps observed.

¹⁶https://cdn.who.int/media/docs/default-source/hq-tuberculosis/tb-report-2021/2021-tb-reports-key-messages.pdf?sfvrsn=7951fb2d_5.

¹⁷Global tuberculosis Report, 2021.

Strengthening specimen referral system for TB testing

With the goal of bolstering the digital health ecosystem and enabling end-to-end specimen tracking, BD has been supporting CTD in the development of an online module within the national TB patient management application called Nikshay. Increased visibility in the specimen movement can support improvement in the turnaround time to delivery of results and completion of diagnostic workup. The initial phase of the application (both web and mobile) has been released across 25,000+ centers and downloaded 100,000+ times on the Google Play store. BD has also launched a usability assessment at 30 sites across five states and is gathering monthly feedback to understand the user experience and improve adoption.

TB Talk Unmasked campaign

BD and USAID have partnered with an award-winning documentary filmmaker in India to launch TB Talk Unmasked, a platform through which policymakers, TB survivors and treating physicians can share their unique stories and perspectives. At the 50th Union World Conference on Lung Health in Hyderabad, USAID honored BD for its commitment to strengthening the national TB program in India.

Corporate TB Pledge

In April 2019, U.S. Ambassador to India Kenneth I. Juster launched a new initiative, the Corporate TB Pledge (CTP), designed to help India's corporate sector in the fight against TB. The initiative has supported the Indian government's ambitious goal of eliminating TB by 2025, which would be five years ahead of the UN Sustainable Development Goal. It has created a shared platform for corporations committed to ending TB in India. BD was recognized as a platinum partner on this prestigious platform as a result of BD's unwavering commitment and support to strengthen TB lab systems and capacity building initiatives in India. More details on the CTP can be accessed [here](#).

As part of the CTP, BD has undertaken a **TB Free Workplace campaign** across Indian office locations and sensitized about 50 percent of BD's Indian associates on the importance of early and appropriate diagnosis of TB. The sensitization sessions included talks by the CTD and USAID officials for BD associates, a video screening and a general awareness quiz. The campaign was highlighted in a [Best Practices Compendium](#) developed by the International Union Against Tuberculosis and Lung Disease (The Union) and released by the Honorable Minister of Health & Family Welfare Dr. Harsh Vardhan in August 2020.

Corporate social responsibility Initiative: Project sankalp—a pledge to fight TB together

BD in India has responded to a call by USAID and the MOH urging corporations to support the MOH to achieve the goal of TB elimination by 2025. A district named Rewari, about 70 kilometers from India's national capital New Delhi, where BD India's manufacturing plant is located, has been adopted by BD to support the local MOH as it strengthens its systems to achieve TB-free status by 2025. BD has rolled out an ambitious field project that holistically addresses provider and community engagement aspects in collaboration with The Union.

Through active case-finding and a dedicated, fully equipped diagnostic van, presumptive TB cases will be identified, and diagnostics will be brought closer to the patients to prevent dropouts and ensure that patients adhere to the entire care pathway to successfully complete treatment and achieve a cure, as per the National TB Elimination Program's (NTEP's) diagnostic and treatment algorithms. Field activities are expected to start by Q3 FY 2022 for up to a three-to-five-year period.

“The BD-USAID partnership STRIDES has marched on with an additional 10 lab assessments at our public-sector liquid culture and drug susceptibility testing laboratories, despite COVID disruptions, by following innovative approaches. We are always eager to understand their perspective in strengthening our lab systems. We look forward to continuing the collaboration with the STRIDES team to achieve the goal of eliminating TB from India by 2025.”

Dr. Nishant

Central TB Division (CTD), Ministry of Health, India

“The United States Agency for International Development (USAID) has supported the National TB Elimination Program (NTEP) of India to transform and strengthen its laboratories and diagnostic networks for the past 10 years. The collaboration with BD under STRIDES has demonstrated the important role the private sector, through its resources and expertise, can play in supporting NTEP. We acknowledge the efforts of BD and the leadership of the Central TB Division in their engagement and support for STRIDES.”

Dr. Umesh Alavadi

Health Office, USAID India

Indonesia

In FY 2019, BD signed a memorandum of understanding with USAID to expand the STRIDES program to support the National TB Program (NTP) of the MOH of Indonesia, a country that has the second highest global TB burden after India and where one of the goals is building capacity for drug-resistant TB testing in the country.

In June 2021, BD partnered with Project HOPE to conduct a four-day online training session for 69 lab personnel across 21 public sector laboratories on LC and DST. To understand the impact of the online training, in December 2021, an independent assessment was conducted among participants and showed significant knowledge retention with an average correct response rate of 87 percent. In addition, 88 percent of the respondents agreed that the training content met their expectations, with 98 percent mentioning that the training benefited them in their day-to-day operations at the lab.

The STRIDES partnership has showcased BD’s commitment to be a solution provider, and to support high-burden countries—India and Indonesia—in achieving their national targets to eliminate TB.



Evaluation of laboratory and e-learning at the BLK in Semarang, Indonesia, with Dr. Retno (MOH), and the National Reference Laboratory (NRL).



STRIDES monitoring and evaluation e-learning report to the MOH and online discussion with the TB Lab Network



Workshop on lab strengthening capacity with NTP and the TB Lab Network

“We are pleased to partner with BD to provide valuable training for technicians at 21 liquid culture drug susceptibility test TB laboratories in Indonesia. We are confident that as a result of our partnership, these laboratories will be better able to adjust their testing and help roll out a new patient-friendly oral treatment that will benefit tens of thousands of people across the country in the years to come.”

USAID

“The training material fits the purpose and needs as it has been discussed extensively to align with Substansi TB (NTP-MOH) and BBLK Surabaya (CDST NRL TB).”

NTP of the MOH of Indonesia

Antimicrobial resistance

Since the introduction of penicillin in 1942, antimicrobials have transformed the treatment of infections and have saved millions of lives. But decades of misuse and outdated guidelines have driven a rise in the organisms that are resistant to these lifesaving drugs.

Antimicrobial resistance (AMR)—bacteria’s ability to overcome the effects of the drugs designed to kill or disarm them—is one of the world’s greatest public health threats.

Today, at least 1.27 million deaths worldwide are attributed to resistant bacterial infections per year, and this number is growing.¹⁸ According to the CDC, in the United States alone, more than 2.8 million antibiotic-resistant infections occur each year; in fact, someone dies every 15 minutes from drug-resistant infection.¹⁹

AMR is considered a “silent pandemic” that threatens modern medicine. As the pathogens that cause infections become increasingly drug-resistant, common medical procedures—including surgery, childbirth and chemotherapy—will become increasingly life-threatening. Put into perspective, if left unabated, the effects of AMR could be worse than COVID-19.²⁰ Future projections suggest AMR could result in millions of deaths and trillions of dollars in lost global production.²¹ These projections are daunting and show that AMR is a severe problem, right here, right now, and threatens every person on Earth.

But together, we can make an impact, now, today.

Our role in combating AMR

BD is leveraging its extensive global capabilities to meaningfully engage around five key strategies to reduce the burden of drug-resistant infections. Our global public health efforts seek to expand access and drive capacity-building through partnerships with leading organizations and governments. We engage in advocacy with governments, funders and health agencies to advance innovations to address the world’s leading public health needs, including drug-resistant infections.

We possess important capabilities that are instrumental in the fight against AMR. We provide a wide range of medical products, platforms and offerings, such as diagnostic systems to screen, test and diagnose infection, including drug-resistant strains, as well as state-of-the-art surveillance and reporting capabilities to monitor, track and predict AMR outbreaks, that can be used to control the spread of infection in healthcare facilities.

Enabled by our innovative programs and technologies, BD’s country teams across the globe are directly engaging with AMR leaders in government, academia and professional societies to strengthen AMR awareness, health systems capacities, and infection prevention and diagnostic practices.

¹⁸Antimicrobial Resistance Collaborators. “Global burden of bacterial antimicrobial resistance in 2019: a systematic analysis.” *The Lancet*. Published January 19, 2022. Accessed February 8, 2022.

[https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(21\)02724-0/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(21)02724-0/fulltext)

¹⁹Centers for Disease Control and Prevention. “2019 AR Threats Report.” Accessed February 8, 2022.

<https://www.cdc.gov/drugresistance/biggest-threats.html>

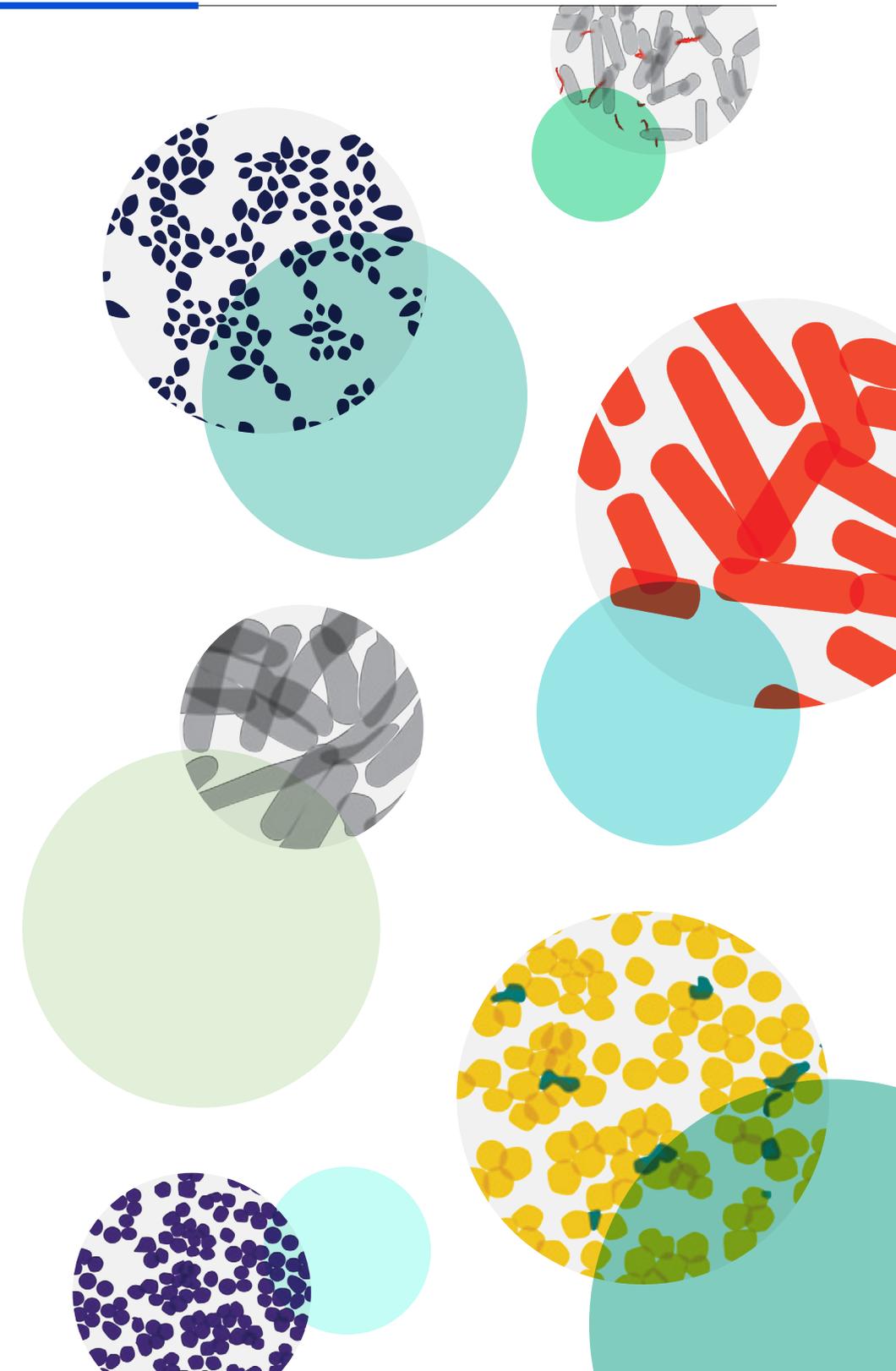
²⁰Ukuhor H. “The interrelationships between antimicrobial resistance, COVID-19, past, and future pandemics.” *J Infect Public Health*. 2021;14(1):53-60.

²¹O’Neill J (chair). “Antimicrobial resistance: tackling a crisis for the health and wealth of nations.” Accessed February 8, 2022. https://amr-review.org/sites/default/files/AMR%20Review%20Paper%20-20Tackling%20a%20crisis%20for%20the%20health%20and%20wealth%20of%20nations_1.pdf

10 million deaths and more than
\$1 trillion
per year by 2050¹⁹

New evidence shows that AMR is a
leading cause
of death globally, higher than HIV/
AIDS and Malaria¹⁸

Globally, at least
1,270,000
deaths per year are directly
attributable to AMR¹⁸





AMR is preventable: the role of infection prevention

By partnering in prevention training and supporting infection control guidelines, BD is leveraging its expertise in diagnostics, vascular access, surgical preparation and critical care to support hospitals' infection prevention and control programs. BD is committed to helping clinicians improve patient outcomes through the standardization of care and adherence to best practices.

- In support of the infection prevention efforts of the Society for Healthcare Epidemiology of America (SHEA), BD has provided an educational grant for the "Prevention Course in HAI Knowledge and Control"—a free educational resource that provides critical information and skills to keep frontline providers, their families and patients safe. As of December 2021, there have been 1,600 enrollments in the course.
- BD has partnered with clinicians in addressing vascular access related complications by identifying gaps in their current vascular access process. Globally, in 2021, we completed over 200 assessments.
- BD has worked in collaboration with national governments in multiple countries, including the United States, China, Kenya, Cambodia and India, via public-private partnerships, to improve hospitals' capabilities with infection prevention and control.



AMR is real: the role of surveillance

As we've seen with the COVID-19 pandemic, comprehensive surveillance is critical in identifying and responding to emerging threats to public health around the world. Surveillance is needed to understand the scope and risk of drug-resistant infections and to catch emerging threats when and where they arise—and develop an appropriate and effective response.

- The BD HealthSight™ platform leverages data to produce meaningful analytics and insights for clients, BD's business units and the scientific community/industry. With over 2.3 billion patient messages per year, we transform these data points into client analytic reports, poster presentations and peer-reviewed publications. We collaborate with other life science companies to publish these critical data sets.
- This data was integrated into the CDC's "Antibiotic Resistance Threats Report," highlighting the prevalence and impact of antibiotic-resistant bacteria and fungi on patients in the United States, and the *Lancet's* report, "Global burden of bacterial antimicrobial resistance in 2019: a systematic analysis."²²



AMR is urgent: the role of diagnostic and antibiotic stewardship

Antimicrobial stewardship programs in healthcare settings are designed to optimize antibiotic therapies, with the intention of slowing the emergence of drug resistance.

Accurate and rapid diagnostic testing is a crucial element of stewardship. Diagnostic testing can identify the infection-causing organism, determine whether it is resistant and guide the appropriate therapeutic choice.

- As part of the Value-DX consortium, we have partnered on projects to assess the impact of point-of-care diagnostic testing in reducing the overuse of antibiotics.
- A collaboration with Pfizer Inc. and global charitable foundation Wellcome was started in 2021 to better understand the role of diagnostics in advancing antimicrobial stewardship practices around the world. Building on ongoing efforts to advance the role of diagnostics in tackling the challenge of AMR, this collaboration will survey existing diagnostic practices to highlight both benefits of and gaps in diagnostic testing in AMR stewardship to improve and further advocate for patient care, clinical practice and health care economics.
- In 2019, BD was awarded grants from The Fleming Fund, a United Kingdom aid program designed to expand capacity for AMR diagnostics in 24 countries in sub-Saharan Africa and Asia, improving the surveillance of AMR and generating relevant data that is shared nationally and globally. Since the award, BD has helped to expand automated blood culture and identification, and antimicrobial susceptibility testing (ID/AST) technologies, to help strengthen laboratory systems for combating AMR. Our AMR solutions continue to be placed in countries with limited or no prior experience of using diagnostics to address AMR. In 2021, we began rolling out instruments to BD-awarded countries, a process that will be completed in 2022.

²²Antimicrobial Resistance Collaborators. "Global burden of bacterial antimicrobial resistance in 2019: a systematic analysis." *The Lancet*. Published January 19, 2022. Accessed February 8, 2022. [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(21\)02724-0/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(21)02724-0/fulltext)



AMR is relevant: the role of awareness and education

Global experts have identified several challenges that low- and middle-income countries face when addressing AMR.



There are too few trained microbiologists, few health facilities that routinely undertake bacterial culture and still fewer facilities that meet the requirements for accreditation. To respond to these challenges, BD and The London School of Hygiene & Tropical Medicine (LSHTM), together with a global advisory group of experts, have partnered to create two online courses. The first was launched in 2019 to educate participants about how diagnostics can be leveraged to reduce the inappropriate use of antibiotics, screen patients with resistant bacteria in healthcare settings and monitor AMR trends and the effectiveness of antibiotic stewardship strategies. This course, available in six languages, has since reached 13,000 participants in over 100 countries and continues to be available for users to access on the [Futurelearn website](#).

In January 2022, in response to the COVID-19 pandemic, BD again collaborated with LSHTM and launched a new online course focused on learnings from the COVID-19 response and the impact on global AMR programs, including the expanded adoption of diagnostic technologies during this time. The course, entitled “[Diagnostics for AMR: Building Back Better from the COVID-19 Pandemic](#),” continues to be available on the platform. The launch of this course coincided with the Study UK campaign, the British Council and the GREAT Britain campaign that allows for free digital upgrades for learners who live in countries that are eligible for Official Development Assistance (ODA). Since its launch, more than 1,000 users have accessed the course.

Raising awareness is crucial because AMR threatens everyone

As the founding sponsor of the Antimicrobial Resistance Fighters Coalition (ARFC), BD supports education, training and partnerships across the globe to raise awareness of AMR and to change behaviors to help maintain the effectiveness of antibiotics for our future generations.

The [Superbugs and You podcast series](#), co-produced with Center for Infectious Disease Research & Policy (CIDRAP), has over 8,000 downloads. The Superbugs and You podcasts feature stories from advocates, physicians, artists, researchers, pharmacists and educators working across the U.S. South Africa, Russia, Germany, Australia, the U.K. and India. In planning the podcast series, the development team expected to hear stories of frightening illness and clinical frustration. What was unexpected were the ways in which these stories of fear morphed into tales of resilience, a better understanding of the suffering of others, the drive to fight stigma and a new outlook on life as fighting AMR and creating systems of empowerment became a vocation.

With over 80,000 page views in 2021, the ARFC website has successfully engaged key stakeholders from around the world. It has provided facts about AMR and actions that we can take today to make change. The site was updated last year with Japanese translations to broaden impact. With over 7,000 followers on our organic social media channels and over 28 million impressions via paid social engagements, we have successfully engaged a global audience from 167 countries on the topic of drug-resistant infections. The newly launched [ARFC Activation Kits](#) contain communication tools for patient advocacy, healthcare and policy organizations. With over 5,000 downloads, the kits have reached a global audience ready to engage and make an impact against drug-resistant infections.

BD remains committed to investing in innovations to combat AMR through the development of new diagnostics, devices and information systems that can help in clinical decision-making and reduce risks by:

- Supporting infection control guidelines;
- Expanding diagnostics testing; and
- Advancing medication management.

Halting and reversing this massive challenge will require the combined resources and efforts of both public and private sectors. AMR has no single solution, and the challenges cannot be solved without multiple players working collectively on a common AMR agenda. BD will continue to collaborate with global leaders around the world to address this urgent global health concern.

Transparency



2030+ impact area: transparency

BD commitment and goals

Our commitment:

Invite trust across stakeholder groups through transparent performance reporting on ESG issues relevant to our business

2030+ goals:

1

We will provide our stakeholders regularly with clear information about our ESG performance and programs, aligned with relevant and recognized external ESG reporting frameworks, via:

- Our annual Sustainability Report
- Issue-specific disclosures
 - Climate Change (aligned with TCFD)
 - ID&E (U.S. Federal Employment Information Report [EEO-1])

ESG reporting governance

The ERC oversees external and internal reporting on ESG matters, which includes this report and any other issue-specific disclosures and reports (including ID&E and cybersecurity).

The Corporate Governance and Nominating Committee of the Board has oversight of external reporting of ESG matters.

Corporate governance

Our [Corporate Governance Principles](#) outline the BD Board’s views and practices regarding a number of governance topics, including the operation of our Board and its committees; strategic and succession planning; director qualifications and diversity; director independence, compensation and equity ownership; and the ability of shareholders and others to communicate directly with Board members.

Further details can be found on the [Corporate Governance website](#).

Information about members of our [Board of Directors](#), including [committee composition](#) and our [Executive Leadership team](#), are available on our website.

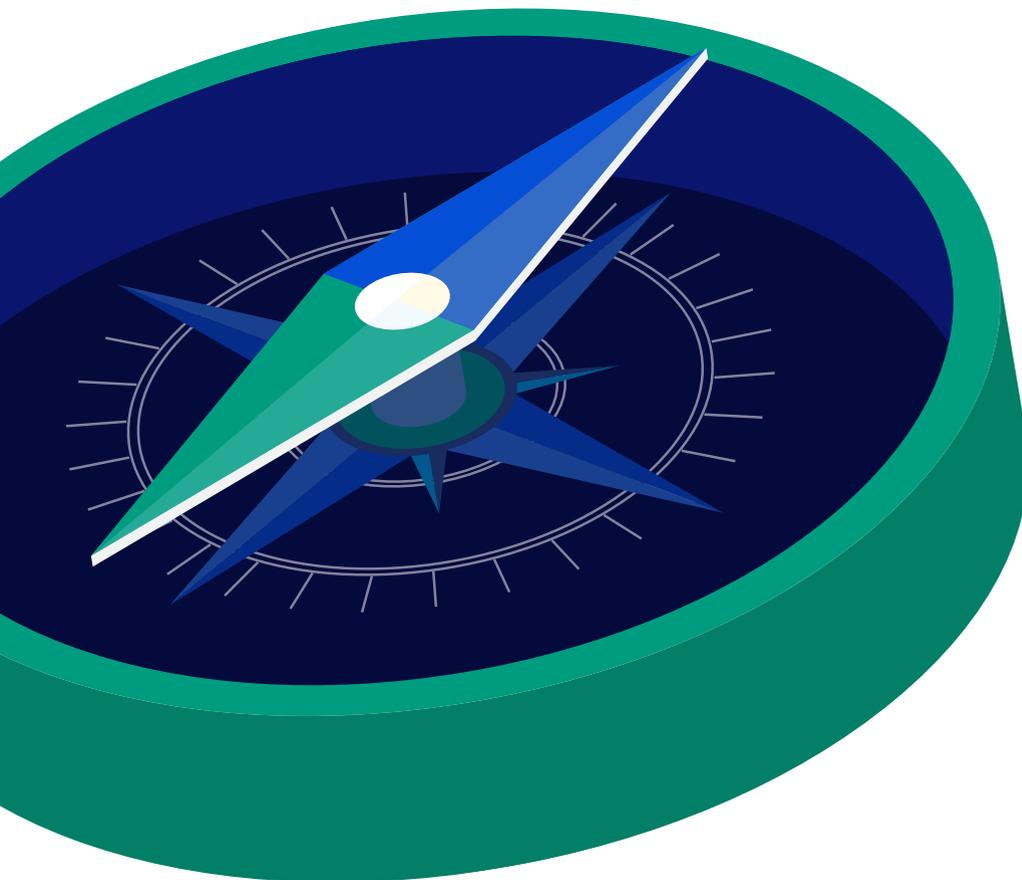
Executive compensation

Our goal is to provide an executive compensation program that best serves the long-term interests of our shareholders. We believe that attracting and retaining superior talent and rewarding performance are key to delivering long-term shareholder returns, and that a competitive compensation program is critical to that end. For further details of executive compensation, see our [proxy statements](#).



Participation in the policymaking process

Strong, long-term relationships with policymakers help us better understand unmet public health needs around the world. BD engages in public policy advocacy through ongoing, constructive and transparent interactions with government officials and stakeholder groups. All advocacy activities are directed toward furthering the company's Purpose of *advancing the world of health*[™], without regard to the personal political affiliations or views of any individual BD associates at any level across the organization. We employ public affairs professionals who work closely with our country and business leaders to make constructive contributions to policy discussions relevant to the company and to the communities in which we operate. We leverage our diverse expertise, global reach and collaborations with healthcare professionals, patients and others to advance sound public policy.



Oversight, accountability and transparency

The Corporate Governance and Nominating committee has oversight of BD's engagement in the political process. The Committee maintains responsibility for ensuring that all BD political activities promote ethical and transparent engagement, advance the company's Purpose and comply with applicable laws and reporting requirements.

Engaging with governments in a transparent manner

[The Center for Political Accountability \(CPA\)](#) recognized BD with a rating of 100 percent on their 2021 corporate political disclosure and accountability index. This is the fifth year in a row that the company has received a perfect score for the transparency with which we conduct our political engagement. The ranking benchmarks Fortune 500 companies and is produced by the CPA in conjunction with the Zicklin Center for Business Ethics Research at the Wharton School at the University of Pennsylvania.

Public policy advocacy

In areas where BD has deep experience, the company develops public policy positions that guide our advocacy efforts worldwide. We currently have a range of [global public policy positions](#) available online. We also engage in policy dialogue to advance regulatory and reimbursement frameworks that focus on the safety and efficacy of medical technologies and timely patient access to them. We promote tax policies that we believe enhance competitiveness and innovation, support policies and programs that advance biomedical research and seek to expand access to care for all people.

Political action committee: BD PAC

As permitted under U.S. law, the company operates a political action committee (PAC). The BD PAC is a mechanism to enable eligible U.S. associates to voluntarily support candidates for elected office who share our perspectives and approaches to public policy issues. BD has not authorized the establishment of any PACs operating on the state or local level. Contributions to the BD PAC are entirely voluntary and are governed by the BD PAC Bylaws. BD provides administrative support to the PAC, as permitted under federal law. The BD PAC is audited by an independent auditor every two years for compliance with policy and legal requirements.

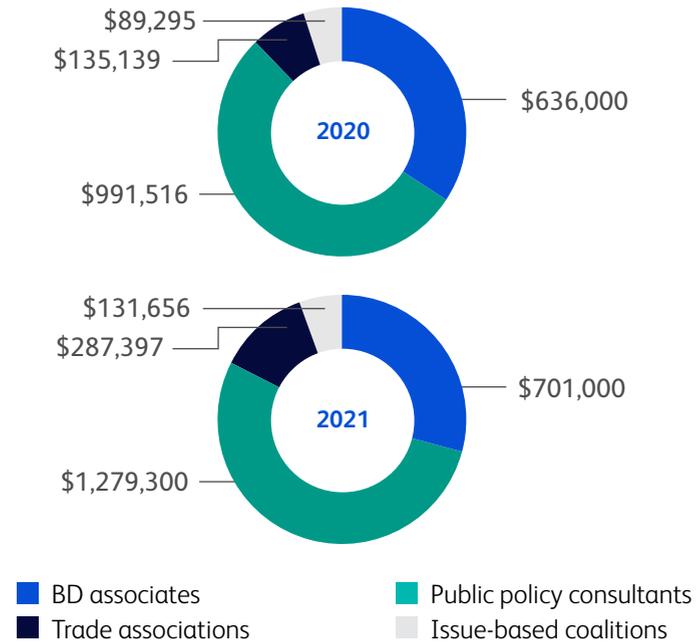
The BD PAC contributed a total of \$105,500 to candidates in 2021. All contributions made by the BD PAC are also publicly reported on government agency websites, including the Federal Election Commission's website (www.fec.gov).

For annual reporting of itemized PAC contributions and any other corporate contributions, visit our [website](#).

Process for corporate financial contributions

The company prohibits the use of corporate funds and assets to support U.S. federal or state candidates, political parties, ballot measures or referendum campaigns. Exceptions to this policy require approval by the CEO, the general counsel and a designated member of the Corporate Governance and Nominating Committee. To date, no exceptions have been sought or approved. Certain conditions must also be met for any political contributions outside of the United States.

U.S. lobbying expenditures



Data represents calendar years

Trade associations: AdvaMed, Healthcare Institute of New Jersey, California Life Sciences Association, North Carolina Biosciences Organization, Bio Nebraska

Issue-based Coalitions: Diagnostic Test Working Group, Medical Device Competitiveness Coalition, Physicians Fee Schedule Pathology Payment Coalition, United for Medical Research, Corporate Friends of CDC, Inc.

In addition to the work of our Public Affairs team, BD is able to expand our reach by leveraging state and federal public policy consultants, collaboratively engaging on issues that impact our industry through trade associations and advancing policy proposals focused on key priorities through advocacy coalitions. For calendar year 2021, the company spent approximately \$2.4 million on salaries and expenses associated with lobbying in the United States.

We file quarterly reports regarding our federal lobbying activities with the Office of the Clerk of the House of Representatives and the Secretary of the Senate. These reports are available by searching for “Becton Dickinson” as a “Registrant” on the U.S. Senate’s website, http://www.senate.gov/legislative/Public_Disclosure/LDA_reports.htm

Violations and compliance

BD maintains robust processes for reporting violations of, and validating compliance with, law and company policy. Company personnel who believe they have witnessed illegal or unethical behavior relating to the company’s political activities are encouraged to discuss the matter with their manager, senior managers, Human Resources representatives, the Legal department or the Ethics and Compliance department. Actual or potential violations may be reported without risk of retaliation by using the confidential Ethics Helpline.

Company policies and bylaws governing BD’s political activities may be subject to periodic compliance validation and/or internal audit review to determine the effectiveness of implementation and ongoing compliance with policy. Findings and mitigation strategies may be reviewed with appropriate stakeholders. Significant exceptions may be reported to the Corporate Governance and Nominating Committee.

Enterprise risk management

Our Enterprise Risk Management program is overseen by the SVP Chief Risk Officer. Operationally he reports to the Audit Committee of the Board, and administratively to the chief financial officer.

The Audit Committee of the Board has responsibility to review BD’s guidelines and policies relating to enterprise risk assessment and management, including financial risk, and cybersecurity and data privacy risk exposures.

In addition, the Corporate Governance and Nominating Committee oversees BD’s processes and practices relating to the management and oversight of various ESG matters.

Further details about how the Board oversees risk can be found in our [Proxy Statement](#).

Details of risk factors relevant to our business can be found in our [annual report](#) (10-K) and [quarterly filings](#) (10-Q).

Details of how risks related to specific ESG issues are identified, assessed and managed, and how they integrate into the organization’s overall risk management program, can be found in the relevant sections of this report.



Ethics and compliance

We are committed to a strong ethics and compliance culture. We do not tolerate actions or behaviors that violate the BD Code of Conduct or applicable laws and regulations. All BD associates are responsible for reinforcing our ethics and compliance culture and sustaining our reputation as a company dedicated to quality and integrity. We encourage and expect everyone at BD to speak up by asking questions, raising concerns, seeking guidance and reporting actual or suspected violations of laws, our Code of Conduct, our policies or our high ethical standards. This requirement extends to all associates, vendors and other third parties working on our behalf.

Our [BD Values](#) further strengthen our culture of ethics and compliance and guide how we hold ourselves accountable to our shareholders and stakeholders. These values are cascaded through all levels of the organization. Read more about our commitment to ethics and compliance on our [website](#).



Code of Conduct

The BD Code of Conduct sets the foundation for how we behave at BD. Our value “We do what is right” is the cornerstone of our Code. To do what is right, we follow the laws, rules and company policies that apply to us. We also follow the highest ethical standards, even when there’s no specific law or policy. Our Code provides guidance and resources to help us follow through on these ethical standards and protect our reputation.

Everyone at BD—from directors to officers and associates—must follow our Code. It applies equally to everyone, no matter their position or level. BD associates receive information and training about the Code and other policies in several ways, including periodic communications and annual trainings. Associates can access detailed information on our expectations through our intranet and on our ethics and compliance mobile app.

Our Code of Conduct is also available on our [website](#).

Under the oversight of the Audit Committee of the Board, BD’s global ethics and compliance function seeks to ensure that BD has a comprehensive compliance program that is designed to prevent and detect wrongdoing and continuously encourages lawful and ethical conduct. BD’s Senior Vice President, Deputy General Counsel and Chief Ethics & Compliance Officer leads the global ethics and compliance function and along with the BD Ethics and Compliance Committee, which comprises of members of BD’s Executive Leadership team, oversee these activities to ensure effective operation and enforcement of BD’s global ethics and compliance program. The program is integrated into our global business operations. We evaluate the effectiveness of our program and adapt it periodically to ensure that it is appropriately tailored to address the risks inherent in our global business.

Reporting ethics concerns

Except as prohibited by applicable law, BD associates are obligated to report any suspected violations of laws, industry codes, the BD Code of Conduct or BD policies in accordance with the BD Global Speaking Up Policy. BD takes all reports of violations of laws, BD policies and ethical standards seriously and will promptly, fairly and thoroughly investigate all such reports. BD does not tolerate any form of retaliation against any person who in good faith reports an actual or suspected violation. BD is committed to creating an environment in which all associates feel comfortable raising concerns, seeking guidance or asking questions without fear of retaliation or discipline.

Anyone can seek guidance or report ethics concerns in a number of ways, including the BD Ethics Helpline or via [email](#). The Helpline is independently operated and available anywhere in the world 24 hours a day, 7 days a week. The Helpline can be reached by telephone or [online](#). The Helpline provides translation services as needed, and reports can be made anonymously where permitted by law. BD associates can also report violations to their supervisor, management, Human Resources or the Law Group, or directly to Ethics & Compliance.

In FY 2021, BD’s Ethics Office received more than 850 contacts from associates worldwide seeking guidance or reporting concerns. When an investigation has a finding, we may take corrective action, such as discipline up to and including termination of employment or providing nondisciplinary-based training and process improvements in areas where a gap has been identified.

Antibribery and anticorruption

BD does not engage a third-party intermediary to do anything BD or its associates are prohibited from doing. The central Ethics and Compliance team provides resources to regional and local country management to enhance their anticorruption and compliance business practices. This includes incorporating compliance requirements into existing business practices and advising local management on anticorruption compliance-related issues.

A key focus for BD is driving compliance in our third-party intermediary networks across the globe, resulting in stronger business relationships while upholding our reputation.

These efforts are advanced by fostering collaboration with business leaders to deliver consistent and clear policies and approval processes—along with enhanced third-party life-cycle management procedures—to help provide assurance that BD is “doing business the right way.” BD is committed to training all associates via both in-person, scenario-based sessions and learning management system courses that leverage policy materials, such as the Global Antibribery & Anticorruption Policy and the Global Standards for Interactions with Healthcare Professionals, Healthcare Organizations and Government Officials.

Risk-based training with third-party intermediaries is a core component of the Antibribery and Anticorruption program. These sessions are focused on applicable antibribery and anticorruption laws, including the Foreign Corrupt Practices Act and relevant BD policies. Associates are required to complete this training once every 18 months.



Ethics in sales and marketing

Interactions with healthcare professionals

In addition to our Code of Conduct, BD has a set of global policies and standards, including our Global Standards for Interactions with Healthcare Professionals, Healthcare Organizations and Government Officials, that are designed to ensure that associates have clear guidance on how to do what is right in the context of their work for BD.

We comply with all applicable laws and regulations that govern the interactions between medical technology companies and healthcare professionals, healthcare organizations and government officials in the many countries in which we do business. To help support compliance, BD has adopted various industry codes, including the Advanced Medical Technology Association (AdvaMed) Code of Ethics in the United States, MedTech Europe, APACMed, Mecomed and Abimed. Key provisions of applicable industry codes are also incorporated into various global policies, including the Global Standards for Interactions with Healthcare Professionals, Healthcare Organizations and Government Officials.

BD associates receive information and training about these codes in a few ways, including periodic communications and online and in-person trainings. Associates can access detailed information on our expectations through our intranet and our ethics and compliance mobile app.

Product marketing

BD has policies and procedures governing the advertising and promotion of our products, solutions and services in order to comply with applicable laws and regulations. Expectations around the promotion of our products are laid out in our Code of Conduct.

Our advertising and promotions programs serve to create a globally harmonized process for generating, reviewing and approving advertising and promotional communications. This program promotes consistency in definitions, rules, principles, governance and approval criteria to enable compliance across BD. Our advertising and promotion review and approval processes are overseen by a steering committee consisting of cross-functional representatives from each business unit, including marketing, medical affairs, regulatory affairs and legal. Our global policy on advertising and promotion prohibits the development and distribution of advertising and promotional materials that have not been approved under the structure set out in the policy. All policies outline the obligation to report noncompliance, how to report it—including via the BD Ethics Helpline—and potential disciplinary action that could be taken for noncompliance.

All associates who are involved in the creation, review, approval and distribution of advertising and promotional materials are required to complete annual training via the BD online training system. Training covers BD policies and procedures, as well as our systems used to manage and track approvals. In addition, topic-specific training is provided throughout the year.



Human rights

At BD, we integrate human rights principles into our business processes and practices. We believe that all people should be treated with dignity and respect, and we are committed to conducting our business in a manner consistent with this principle. This includes respecting the human rights of all associates, as well as the people in our supply chains, the communities in which we operate and those who are impacted by our products.

Our commitment—detailed in our Global Human Rights Policy—is guided by the principles outlined in the UN Declaration of Human Rights and the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work. Our commitment extends beyond BD processes and practices to those in our supply chains. We comply with applicable employment and human rights laws and regulations wherever we have operations; we expect our suppliers to do the same.

In all of our operations:

- We provide a safe and healthy workplace for our associates.
- We do not use child labor.
- We do not use forced, prison, indentured, bonded or involuntary labor.
- We prohibit discrimination in our hiring and employment practices.
- We prohibit physical abuse and harassment of associates, as well as the threat of either.
- We support the freedom of association and the rights of workers and employers to bargain collectively.

The central S&EHS team is responsible for monitoring and coordinating efforts to provide awareness of human rights compliance obligations. Human rights management is embedded in our integrated supply chain (including Operations, Supply Chain, Procurement and Sustainability & EHS) and human resources functions, to foster compliance with our policies prohibiting forced labor, human trafficking and modern slavery across all of our operations.

As important matters relating to human rights issues arise, the VP S&EHS will brief the ERC as needed; the ERC will brief the relevant Board committee and the full Board if applicable.

BD has programs in place to monitor and advance human rights efforts throughout the company. These include:

- Additional policies
 - The BD Code of Conduct, which reinforces our commitment to human rights and details how to report suspected violations anywhere in our supply chain. All of our associates are trained annually on our Code of Conduct.
 - BD Expectations for Suppliers, our Code of Conduct designed for our thousands of suppliers.
- Practices geared toward ensuring that modern slavery and human trafficking do not exist in our workforce or those of our suppliers
 - We do not charge any of our associates recruitment fees, and do not work with recruitment agencies that engage in this practice.
 - We do not withhold identity documents, immigration documents or any other personal documentation of our associates.
 - We encourage our associates to report, without fear of retaliation, any matters related to human trafficking, modern slavery or any other human rights violations.
 - We provide BD associates with forced labor and human trafficking training each year, developed by a third party and administered online. This course is taken by any associate that interacts directly or indirectly with our suppliers. This includes the sourcing, managing and/or advising on the selection of our suppliers.
 - We are committed to due diligence, including initial assessments of suppliers against 12 risk factors (including ESG risk and desktop audits of prioritized suppliers).
 - We employ risk management efforts to enhance compliance with related policies throughout our operations. For example, our Global Operations and Human Resources teams work to promote compliance with our policies prohibiting forced labor, human trafficking and modern slavery across all of our operations, including manufacturing operations.
 - We provide training and capacity-building, both internally and for key suppliers.

BD takes steps to educate associates and third parties so they can identify modern slavery and other human rights abuses and take steps to eliminate them—both in our own operations and within our supply chain.

Further details about our supplier human rights due diligence process can be found in the [Responsible Supply Chain](#) section of this report.

BD strives to continuously improve its programs to promote compliance with applicable laws and high ethical standards to meet the expectations of our customers, shareholders, associates, communities and other stakeholders.

Cybersecurity program

“In healthcare, the cybersecurity threat landscape is dynamic and interconnected. We strive to protect BD products from vulnerabilities and risks that could impact patient safety and privacy, while also safeguarding the company’s ability to manufacture and distribute quality medical technologies. By protecting the confidentiality, integrity and availability of our products, manufacturing and IT systems, BD is helping to improve the resilience of healthcare around the world.”

Rob Suárez
Vice President, Chief Information Security Officer

Our commitment to cybersecurity includes the protection and resilience of BD products, manufacturing operational technology and enterprise information technology. BD Information Security, which is part of the company’s risk management organization, is responsible for our:

- Global cybersecurity strategy
- Cybersecurity governance
- Cybersecurity operations
- Cybersecurity engineering
- Product cybersecurity
- Regional cybersecurity
- Cybersecurity awareness training

Cybersecurity strategy

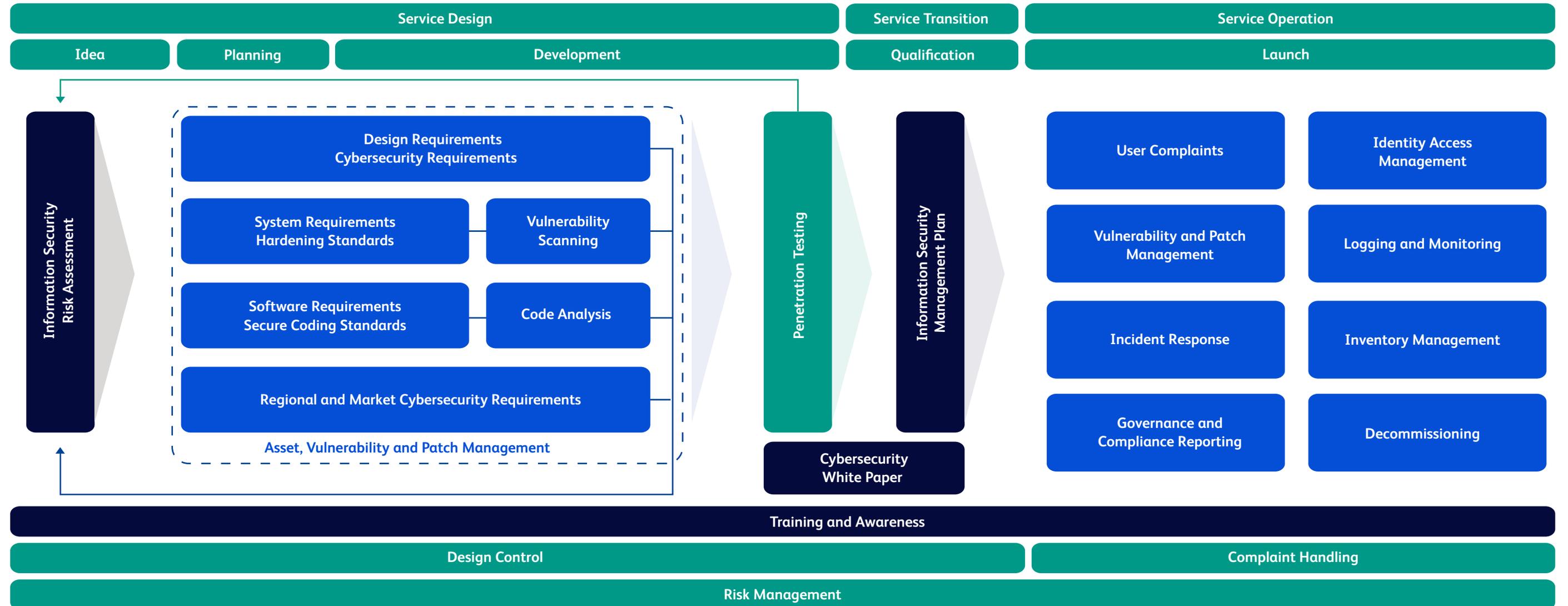
Our strategic approach to cybersecurity incorporates regulatory requirements for medical device cybersecurity, including the [U.S. Food and Drug Administration’s pre- and post-market cybersecurity guidance](#), as well as emerging cybersecurity reporting and disclosure requirements pursuant to [Executive Order 14028 on Improving the Nation’s Cybersecurity](#), which was issued in May 2021 by U.S. President Joe Biden. We also incorporate threat intelligence from organizations like the U.S. Department of Homeland Security Cybersecurity and Infrastructure Security Agency (CISA), which issued numerous communications in 2021 about potential cyber threats aimed at critical infrastructure.

To protect the cybersecurity and resilience of BD and our products, our cybersecurity strategy is built on three guiding principles:

 <p>Security by design</p>	<p>BD products and systems are designed to be secure and are developed using industry-leading cybersecurity standards, including those from ISO and NIST.</p>
 <p>Security in use</p>	<p>BD products and systems are secured and maintained throughout their intended life cycle, across all technologies and sites.</p>
 <p>Security through partnership</p>	<p>BD maintains a culture of transparency and collaboration with customers and industry stakeholders to establish industry best practices.</p>



In addition, the BD Cybersecurity Framework serves as a blueprint for managing cybersecurity risk across BD products, manufacturing operational technology and information technology. The framework has 33 high-level design requirements including identity and access management, platform hardening, application security, cloud security and patch management. It is aligned to multiple industry standards and work products including the International Organization for Standardization (ISO) 27001 standards, the Healthcare & Public Health Sector Coordinating Council's (HSCC's) Medical Device and Health IT Joint Security Plan, the National Institute of Standards and Technology (NIST) Cybersecurity Framework, Underwriters' Laboratories' (UL's) 2900 Standard for Software Cybersecurity for Network-Connectable Products and the standards of the International Society of Automation (ISA) 62443.





Cybersecurity governance

Our approach to cybersecurity governance includes aligning cybersecurity risk management, policy and compliance initiatives with business objectives so that information assets and technologies used in BD products, manufacturing, service, enterprise IT and third-party components are secure, resilient and compliant with applicable regulatory and industry standards. This includes cybersecurity due diligence for BD mergers, acquisitions and divestitures.

BD Information Security policies and procedures are reviewed annually by cross-functional stakeholders specializing in information security, integrated supply chain, enterprise IT and quality. Additionally, cybersecurity risks and their potential impact on BD, customers and patients are reviewed by the company's central, regional and business teams, and information security provides guidance for identifying, prioritizing and mitigating such risks. Cybersecurity risks are also integrated into our approach to enterprise risk management, and significant cybersecurity risks are communicated to the Executive Leadership team and the Board of Directors through the Audit Committee and the Quality and Regulatory Committee.

In addition, BD provides the Board of Directors and the Executive Leadership team with cybersecurity training. This includes annual scenario-based cybersecurity training in providing effective oversight in the event of a significant cybersecurity incident, and targeted cybersecurity training opportunities such as the National Association of Corporate Directors (NACD) Cyber-risk Oversight Certificate program, which is designed to enhance participants' understanding of the cybersecurity threat landscape, cyber-risk oversight responsibilities and organizational preparedness for cybersecurity crises.

We also provide annual cybersecurity awareness training for our 75,000 associates, comprising online cybersecurity training modules; in-person and virtual cybersecurity bootcamp classes; contextual phishing simulation exercises; mock incident response exercises; and intranet resources aimed at enhancing associates' ongoing cyber-awareness.

Cybersecurity risk management

BD proactively monitors for suspicious activity, including phishing attacks, malware and ransomware attacks, insider threats and human error. Our monitoring and detection systems block an average of 14.4 million malicious activities per month.

Our cybersecurity program also includes regular internal and external security audits and vulnerability assessments; penetration testing of the company's systems, products and practices; third-party risk assessments; threat intelligence investigations; vulnerability scanning and management; and incident management. We also leverage threat modeling to uncover and examine potential cybersecurity risks during the design process and beyond.

BD maintains consistent practices for reporting cybersecurity incidents to the U.S. government, including the Cybersecurity and Infrastructure Security Agency (CISA) and/or the Federal Bureau of Investigation (FBI). In addition, BD welcomes vulnerability reports from customers, security researchers, third-party component vendors and other external groups that wish to report a potential vulnerability in a BD software-enabled device. Our approach to vulnerability reporting and disclosure is publicly available at the [BD Cybersecurity Trust Center](#) and noted in the [BD 2021 Cybersecurity Annual Report](#).

Awards and recognitions



- FTSE4 Good Index since 2003
- Member of DJSI
- *Newsweek's* America's Most Responsible Companies List 2022
- *Newsweek's* America's Most Trusted Companies list
- America's Most Just Companies, JUST 100 2022, 2020
- The *Wall Street Journal* Management Top 250 list, as ranked by The Drucker Institute for fifth consecutive year
- Ecovadis Sustainability Rating, Silver 2022
- Rapid Ratings Innovation Award 2021
- Frost & Sullivan 2020 Global Technology Innovation Award
- Top 100 Global Innovator – Clarivate, 2021
- Chemical Footprint Project – Disclosure leader
- U.S. EPA Green Power partner
- U.S. EPA Smartway[®] Transport partner
- America's Best Large Employers List by *Forbes*: No. 1 Best Large Employer in Health Care Equipment & Services Industry
- Bloomberg Gender Equality Index 2022 – third consecutive year
- Disability Equality Index 2021—Best Place to Work for Disability Inclusion, 3rd year in a row
- Diversity Inc 2021
- The Human Rights Campaign (HRC) Foundation's Best Places to Work for LGBTQ Equality list. – 100% score on Corporate Equality Index for fifth consecutive year
- *Forbes* 2022 List of Best Employers for Diversity



Appendices



ESG issues

Text in *blue italics* indicates feedback from stakeholder interviews that were carried out as part of the ESG assessment.

ESG issue	Definition	How we manage this issue
Accessibility	<ul style="list-style-type: none"> Expanding access to BD products and services to low-income patients and underserved populations around the world. 	<p><i>Stakeholders see BD as a leader in improving accessibility for underserved populations.</i></p> <p>For more details, refer to the Access to health section.</p>
Advancing Medical Analytics and Automation	<ul style="list-style-type: none"> Driving continuous development of new approaches to information and knowledge management in order to improve solutions for biomedical science, quality patient care and public health needs. 	<p><i>Automation and analytics are central to the use of data to improve health outcomes, manufacturing, the changing nature of work and cybersecurity. Stakeholders want to see how BD will continue to lead in these areas and optimize existing data sources to improve health outcomes.</i></p> <p>The future of healthcare is changing, and we see three irreversible forces that are going to be shaping healthcare in new way:</p> <ul style="list-style-type: none"> Smart connected care A shift to new care settings Chronic disease outcomes <p>For details on how we are approaching our two axes of growth—Durable Core and Transformative Solutions—see About our business.</p>
Affordability	<ul style="list-style-type: none"> Expanding the quality and affordability of healthcare, especially in emerging and developing economies. Developing a transparent pricing strategy for key geographic areas, including tiered developed and emerging market pricing, and engaging with customers to improve product pricing transparency, reimbursement and affordability. 	<p><i>Stakeholders would like to see BD leading on low-cost products for emerging markets and passing along cost savings to patients.</i></p> <p>Our Global Public Health team works to strengthen healthcare systems across the world by developing and deploying market-appropriate solutions. For more details, refer to the Access to health section and the Global Public Health website.</p>
Availability	<ul style="list-style-type: none"> Supporting availability of treatments to address significant disease burden, including those currently unaddressed, through innovation, research and development of new technologies. Collaborating with customers to improve clinical outcomes and scientific cooperation. 	<p>For further details on our approach in this area, refer to the Innovation at BD section.</p>
Collaboration and Partnerships	<ul style="list-style-type: none"> Working with diverse stakeholders and multi-stakeholder partnerships to tackle global sustainability and health challenges and drive positive innovations, including through public policy engagement. 	<p>We aim to build on existing partnership successes and develop new strategic partnerships that work across the value chain. An example of this is our 2030+ goal to expand partnerships to address the impact of plastics.</p> <p>Partnerships are central to our social investing activities and access to health programs.</p>

ESG issue	Definition	How we manage this issue
Customer-Centric Care (including Product Innovation)	<ul style="list-style-type: none"> • Driving continuous development of new products, solutions and services to meet customer and public health needs. • Helping to address global chronic disease and acute care challenges while demonstrating value-based outcomes. • Identifying unmet needs, delivering the right innovations and enabling best practices. • Collaborating with customers and partners to develop comprehensive healthcare products that meet emerging healthcare needs. 	<p><i>Our stakeholders see BD as committed to customer-centric care and product innovation. Collaboration and partnership will be important to our strategies in these areas.</i></p> <p>Category innovation and customer outcomes are two elements of our 2025 Strategy.</p> <p>For further details about innovation at BD, refer to the Innovation at BD section.</p>
Cybersecurity	<ul style="list-style-type: none"> • Securing the storage and access of product data and addressing medical data privacy laws. Preventing unauthorized access and improper use of product data and developing robust customer privacy policies for biometric data. Collaborating with industry partners to enhance security standards for medical devices and technologies. • Securing company information and data storage and preventing unauthorized access to company computers, databases and websites. 	<p>For information about how we manage cybersecurity, please refer to the cybersecurity program section of this report and the BD 2021 Cybersecurity Annual Report.</p>
Employee and Worker Health and Safety	<ul style="list-style-type: none"> • Improving associate safety by minimizing hazards in production facilities and other locations where BD associates work. • Promoting associate health, safety, security, privacy and well-being. 	<p>We have established a 2030+ commitment with goals intended to maintain a healthy and thriving workforce that cultivates our culture of inclusion, safety and well-being.</p> <p>Refer to the Health and safety section for further details on how we manage this area.</p>
Energy and Emissions from Our Operations	<ul style="list-style-type: none"> • Reducing energy consumption and increasing percentage of renewable energy. • Reducing greenhouse gases, hazardous air pollutants and other air emissions impacts caused by BD's operations. • Addressing the risks and opportunities resulting from the existing and emerging impacts that the climate has on the business. • Reporting the company's performance on prevention, management and mitigation of impacts. 	<p>Details on how we manage energy usage, emissions and impacts from climate change can be found in the Climate change section.</p>

ESG issue	Definition	How we manage this issue
<p>Ethical Business Practices</p>	<ul style="list-style-type: none"> • Upholding and promoting high standards of ethics in business behavior. • Promoting ethical brand management and promotion, ethical marketing, and prevention of anti-competitive practices. • Training associates on responsible interactions between company staff and healthcare professionals. • Engaging in sales and marketing practices that incentivize ethical behaviors and promote truthful, non-misleading information in sales interactions with customers and the medical/scientific community. • Improving Board structure and independence, executive compensation and accountability. Measuring sustainability strategy and business performance. • Complying with state, federal and international laws pertaining to corruption and abuse, including anti-kickback laws and the U.S. Foreign Corrupt Practices Act. 	<p>Refer to the Transparency section for further details on our Ethical Business Practice programs.</p>
<p>Global Systemic Health Challenges</p>	<ul style="list-style-type: none"> • Developing of treatments and medical devices that address widespread critical disease areas where there is unmet need and opportunity to prevent, diagnose and mitigate the impacts of global disease burdens, including delivering HIV/AIDS, malaria, maternal infant mortality and diabetes solutions. • Addressing risks and opportunities that result from impacts caused by antimicrobial resistance (AMR) and continuing to prioritize AMR research and treatments with a focus on prevention, management and mitigation of disease impact. • Addressing the risks and opportunities posed by the existing and emerging impacts that the climate has on human health. 	<p>For details on how we are helping to address global systemic health challenges, including AMR, please refer to the Access to health section</p> <p>In March 2022, we launched BD Infectious Disease Insights to dig deeper into today’s most prominent infectious-disease trends.</p> <p>As part of our 2030+ commitments, we have set a goal to use our capabilities to contribute to solutions that address unmet climate-related health needs. We will provide details of progress in this area in future reports.</p>
<p>Health Literacy and Adherence</p>	<ul style="list-style-type: none"> • Partnering with patients to promote their understanding of medical conditions or diseases and the reasons they are being treated, in order to improve patient outcomes through adherence to medication/treatment regimens. 	<p>We provide various materials to help patients understand and manage their conditions, including web-based tools from:</p> <p>BD Life Sciences: Information is provided to patients about the BD Veritor™ At-Home COVID-19 Test at www.bdveritorathome.com.</p> <p>BD Interventional: Patients can understand and manage their Urinary Retention condition from the following websites:</p> <p>www.liberatormedical.com – This website provides consumers with tools to both understand their condition and choose the right product.</p> <p>www.purewickathome.com/ispurewickrightforme.html – This site includes information to help women who are suffering from urinary incontinence understand whether if the PureWick™ System is the right product for them.</p> <p>www.bardcare.com/consumers/get-answers/conditions/ – This site provides information for consumers on various conditions that the people we serve deal with on a daily basis.</p>

ESG issue	Definition	How we manage this issue
<p>Healthcare Market Transformation</p>	<ul style="list-style-type: none"> Addressing the risks and opportunities posed by the transformation of healthcare delivery at a country, regional and/or global level. Addressing the market shifts from in-patient to out-patient healthcare facilities and chronic disease management. 	<p><i>Healthcare market transformation requires more intensive innovation to meet customer demands, advance data solutions and offer customized products for different market segments. Our stakeholders indicated that future success is based on our ability to stay abreast of, and be a part of, the market transformation.</i></p> <p>Further details about our growth strategy can be found in the About our business section.</p>
<p>Human Rights</p>	<ul style="list-style-type: none"> Respecting the human rights of various stakeholders, including suppliers, associates, customers and patients and surrounding communities. 	<p>BD is committed to operating in a way that respects human rights. Our commitment is detailed in our Global human rights policy.</p> <p>For further details, refer to the Human rights section.</p>
<p>Inclusion, Diversity and Talent</p>	<ul style="list-style-type: none"> Respecting and promoting associates and suppliers of all different backgrounds and identities, including gender, age, ethnicity/race, physical abilities/qualities and sexual orientation. Training associates and suppliers to prevent discriminatory behaviors and attitudes and develop diversity and inclusion policies. Creating a stimulating work environment that offers opportunities for development and promotion that attract and retain diverse top talent. 	<p><i>The acquisitions of CareFusion and C. R. Bard changed the culture at BD. The ongoing pandemic has also changed how and where associates work. BD's culture is a priority for associates, and our stakeholders have noted that investment in company culture will help retain and recruit top talent. Our associates have also indicated that BD would benefit from further communication internally about its sustainability efforts.</i></p> <p>We have established 2030+ commitments and goals intended to maintain a healthy and thriving workforce that cultivates our culture of inclusion, safety and well-being. Details on our human capital programs, including inclusion and diversity, can be found in the Healthy workforce and communities section.</p> <p>We leverage internal communication platforms to communicate sustainability programs and performance—including publication of external ESG disclosures.</p> <p>The central Sustainability team engages with various central, regional and business teams, as well as our associate resource groups and leadership development cohorts, to communicate our ESG strategy and 2030+ commitment and goals.</p> <p>In April 2022, we launched a week-long series of events leading up to Earth Day. This included messages and panel discussions with senior leaders from around the company, covering stakeholders' expectations relating to sustainability and how BD is meeting those expectations through our ESG strategy and 2030+ commitment and goals.</p>
<p>Intellectual Property Rights and Product Integrity</p>	<ul style="list-style-type: none"> Developing policies to protect patent rights and flexibility, as well as licensing agreements. Protecting product integrity and training customers on proper product use through monitoring, evaluation and chain-of-custody technologies. 	<p>For information about our approach to safeguarding confidential information and intellectual property, please refer to our Code of Conduct.</p>
<p>Pricing Pressure</p>	<ul style="list-style-type: none"> Improving company R&D productivity and resource efficiency in order to deliver value-added healthcare services that comply with regulations, evidence-based outcome requirements and changing point-of-care policies, and that address reimbursement pricing constraints. 	<p>For further details on our approach in this area, refer to the Innovation at BD section.</p>

ESG issue	Definition	How we manage this issue
Product Impacts on Human Health and the Environment	<ul style="list-style-type: none"> Reducing waste and optimizing opportunities for recovery, reuse or recycling of products and by-products and appropriate waste disposal. Reporting performance against waste targets. Designing products to extract maximum value over their lifetime through longevity, reuse and recycling. Mitigating environmental and human health impacts (e.g., from chemicals, energy, water and waste) across the life cycle of BD products. 	<p><i>Stakeholders are particularly concerned with waste in the healthcare ecosystem and would like to see more transparency about BD's efforts to address it, including collaborations and partnerships.</i></p> <p>We have established 2030+ commitments and goals intended to reduce the environmental impact of our portfolio and to address the sustainability needs of our customers. Refer to the section on Product impact.</p> <p>For details on how we manage waste from our operations and performance against targets, refer to Waste management.</p>
Product Quality and Safety	<ul style="list-style-type: none"> Supporting robust quality and regulatory management, including communicating quality and safety standards to our suppliers. Conducting supplier audits and product monitoring and evaluations. 	<p>For further details about our programs in this area, refer to Product safety.</p>
Regulatory Compliance	<ul style="list-style-type: none"> Adhering to local laws and regulations for product design, manufacturing and quality in the countries where BD operates. 	<p>In accordance with our Code of Conduct, we follow the laws, rules and company policies that apply to us. Details of how we manage compliance with specific laws are detailed throughout this report.</p>
Social Impact	<ul style="list-style-type: none"> Driving and measuring investments in healthcare innovation and community development and engaging associates in community service and capacity training. 	<p>Social impact is an element of our 2030+ commitment to build Healthy workforce and communities.</p>
Supply Chain Continuity and Sustainability	<ul style="list-style-type: none"> Supporting continuity of product supply including assurance of manufacturing, inventory tracking and pandemic readiness. Developing supply resilience strategies to help meet customer needs when natural disasters, political disruption or healthcare policy changes occur. Sourcing materials responsibly with minimal negative environmental and social impacts and seeking to establish a sustainable upstream supply chain via climate resilience, supply chain diversity and responsible sourcing. 	<p><i>Given our role in healthcare ecosystem, supply chain and business continuity—including climate resilience—are key to our ability to meet customer needs. Stakeholders have indicated that BD has an opportunity to encourage more sustainability in the industry given our leadership position.</i></p> <p>We have established 2030+ commitments and goals intended to create a supply chain that is adaptable to disruption and able to contribute to strong environmental and social performance. Please refer to the section on Responsible supply chain.</p>
Transparency	<ul style="list-style-type: none"> Maintaining overall transparency with key stakeholders, including disclosures on sustainability strategy and programs. 	<p>It is our commitment to invite trust across stakeholder groups through transparent reporting of our performance on ESG issues relevant to our business.</p> <p>We have set 2030+ commitments and goals to provide our stakeholders with regular disclosures about our ESG performance and programs. We will do so by aligning with relevant and recognized external ESG reporting frameworks and providing issue-specific information.</p> <p>This report provides the foundation for our goal to provide information about our ESG programs and performance.</p>
Water	<ul style="list-style-type: none"> Optimizing the use of water and reducing and reusing of wastewater throughout operations. Reducing potable water use and improving water disposal and discharge. Reporting performance against water targets. 	<p>For details on how we manage water usage in our operations and performance against targets, refer to Water management.</p>

UN Sustainable Development Goals (SDGs)

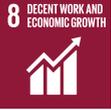
The following table provides an outline of how we contribute to the achievement of each SDG, how directly BD can impact the SDG through core business activities (degree of control) and which stages of BD's value chain are most relevant to the SDG.

Sustainable Development Goal	How we contribute to the achievement of the SDG ²³	Degree of control ²⁴	Value chain ²⁵
 <p>Goal 1. End poverty in all its forms everywhere</p>	<p>We can contribute to the achievement of this SDG by ensuring that workers within our operations and our value chain are paid a living wage. For example, under our 2030+ goals, we are committed to paying competitive market rates and utilizing living-wage assessments.</p> <p>Through our social investing, we support programs to build community resilience.</p>	<p>Moderately direct for our own operations, less direct in our value chain</p>	<p>Raw materials, Suppliers, Operations, Distribution</p>
 <p>Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture</p>	<p><i>We have determined that BD's impact on, or contribution to achievement of, this goal is negligible.</i></p>	<p>Moderately direct for our own operations, less direct in our value chain</p>	<p>Raw materials, Suppliers, Operations, Distribution</p>
 <p>Goal 3. Ensure healthy lives and promote well-being for all at all ages</p>	<p>Details of how we are contributing to the achievement of this SDG are provided throughout this report. Other examples include women-focused philanthropic investments and our work on hospital infection prevention efforts.</p> <p>Goal 3.9 requires that the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination is substantially reduced by 2030. Our 2030+ commitments regarding climate change, product impact and responsible supply chain are aimed at reducing the impact of our operations, value chain and products on the environment, thereby reducing potential to undermine achievement of this goal.</p>	<p>Very direct</p>	<p>Raw materials, Suppliers, Inbound logistics, Operations, Distribution, Product use, End of life</p>
 <p>Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<p>We are supporting achievement of this goal through our 2030+ commitment to proactively manage the needs of our future workforce through training, development and re-skilling strategies. Details of how we enable our associates to grow can be found here.</p> <p>We collaborate with agencies around the world, providing training to assist in the strengthening of health systems.</p>	<p>Moderately direct</p>	<p>Operations, Product use</p>
 <p>Goal 5. Achieve gender equality and empower all women and girls</p>	<p>In accordance with our Code of Conduct, we believe everyone deserves to work in a supportive, inclusive and safe environment, and we will never discriminate against anyone on the basis of "protected characteristics," including gender. This extends to our Expectations for Suppliers.</p> <p>Details on how we build inclusion, diversity and equity can be found here and in our ID&E Report.</p>	<p>Moderately direct</p>	<p>Suppliers, Inbound logistics, Operations, Distribution, Product use</p>

²³The rationale is based on a review of BD's current activities and strategies, considering (a) the risks to people and the environment linked to our company's operations and value chain; and (b) actual and potential positive impacts or benefits of products, services and investments related to the SDGs.

²⁴Degree of control is assessed by determining how directly BD can impact the SDG through its core business activities. While some targets will benefit from BD's direct involvement, others are more relational and will benefit from BD's overall influence or through parties and stakeholders other than BD itself. The degree of control is considered either "very direct," "moderately direct," or "less direct."

²⁵Value-chain impacts were assessed based on where in BD's value chain the SDG is most relevant. The greatest social and environmental impact that BD has on the SDGs may be beyond the scope of the assets it owns or controls, with the greatest business opportunities being potentially further upstream or downstream in the value chain. This is a high-level mapping of BD's value chain to identify areas with high likelihood of either negative or positive impacts on the issues that the SDGs represent.

Sustainable Development Goal	How we contribute to the achievement of the SDG	Degree of control	Value chain
 <p>Goal 6. Ensure availability and sustainable management of water and sanitation for all</p>	<p>We believe that access to water, sanitation and hygiene is a human right.</p> <p>Our 2030+ commitments regarding climate change, product impact and responsible supply chain are aimed at reducing the impact of our operations, value chain and products on water, thereby reducing potential to undermine achievement of this goal.</p> <p>Details on how we manage water use can be found here.</p>	<p>Very direct</p>	<p>Raw materials, Suppliers, Operations, Product use, End of life</p>
 <p>Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all</p>	<p>Our contribution to achievement of this SDG is neutral.</p> <p>Details on how we manage our energy usage can be found here.</p>	<p>Moderately direct</p>	<p>Suppliers, Inbound logistics, Operations, Distribution</p>
 <p>Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p>Our Global Human Rights Policy is guided by the principles outlined in the UN Declaration of Human Rights and International Labor Organization’s Declaration on Fundamental Principles and Rights at Work. This commitment extends beyond BD processes and practices to those in our supply chains.</p> <p>We are also supporting achievement of this SDG through our 2030+ commitments to a healthy workforce and community and programs such as our Good Jobs Strategy.</p> <p>Our 2030+ commitments regarding Product Impact are aimed at addressing plastic and packaging consumption in our product portfolio, thereby reducing potential to undermine achievement of this goal, specifically the target to improve resource efficiency and decouple growth from environmental degradation.</p>	<p>Very direct</p>	<p>Suppliers, Inbound logistics, Operations, Distribution, Product use</p>
 <p>Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p>	<p>We support the achievement of this SDG through our development of products and services related to healthcare and medical research.</p> <p>Details of our investment in R&D can be found here.</p>	<p>Very direct</p>	<p>Operations, Product use</p>
 <p>Goal 10. Reduce inequality within and among countries</p>	<p>In accordance with our Code of Conduct, we believe everyone deserves to work in a supportive, inclusive and safe environment, and we will never against anyone on the basis of “protected characteristics.” This extends to our Expectations for Suppliers.</p>	<p>Very direct</p>	<p>Suppliers, Operations</p>
 <p>Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable</p>	<p>Our 2030+ commitments regarding climate change, product impact and responsible supply chain are aimed at reducing the impact of our operations, value chain and products on the environment, thereby reducing potential to undermine achievement of this goal.</p> <p>Details on our waste management and air emissions programs can be found here.</p>	<p>Very direct</p>	<p>Suppliers, Inbound logistics, Operations, Distribution, Product use, End of life</p>

Sustainable Development Goal	How we contribute to the achievement of the SDG	Degree of control	Value chain
 <p>Goal 12. Ensure sustainable consumption and production patterns</p>	<p>Our 2030+ commitments regarding climate change, product impact and responsible supply chain are aimed at reducing the impact of our operations, value chain and products on the environment, thereby reducing potential to undermine achievement of this goal.</p> <p>Our 2030+ commitment to transparency supports achievement goal 12.6.</p>	<p>Very direct</p>	<p>Raw materials, Suppliers, Inbound logistics, Operations, Distribution, Product use, End of life</p>
 <p>Goal 13. Take urgent action to combat climate change and its impacts</p>	<p>In September 2021, we strengthened our commitment to reducing emissions by joining the UN Race to Zero, via the Business Ambition for 1.5°C and Science Based Targets initiative (SBTi). Our goal to set and achieve science-based targets, and our 2030+ goal to use our capabilities to contribute to solutions that address unmet climate-related health needs, contribute to achievement of this SDG.</p> <p>Details of our approach to climate change management can be found here.</p>	<p>Very direct</p>	<p>Raw materials, Suppliers, Inbound logistics, Operations, Distribution, Product use, End of life</p>
 <p>Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development</p>	<p>Our 2030+ commitments regarding climate change, product impact and responsible supply chain are aimed at reducing the impact of our operations, value chain and products on the environment, thereby reducing potential to undermine achievement of this goal.</p>	<p>Less direct</p>	<p>Raw materials, Suppliers, Inbound logistics, Operations, Distribution, End of life</p>
 <p>Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</p>	<p>Our 2030+ commitments regarding climate change, product impact and responsible supply chain are aimed at reducing the impact of our operations, value chain and products on the environment, thereby reducing potential to undermine achievement of this goal.</p>	<p>Less direct</p>	<p>Raw materials, Suppliers, Inbound logistics, Operations, Distribution, End of life</p>
 <p>Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<p>In accordance with our Code of Conduct, we are fair and honest when we do business and follow all the laws that govern how companies compete and behave with each other.</p> <p>Details of how we support achievement of this goal through ethical business practices can be found in the Transparency section of this report.</p>	<p>Very direct</p>	<p>Raw materials, Suppliers, Inbound logistics, Operations, Distribution</p>
 <p>Goal 17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development</p>	<p>We support achievement of this SDG by partnering with agencies and NGOs around the world to build capacity and strengthen health systems.</p>	<p>Moderately direct</p>	<p>Operations, Product use</p>

Data tables

Scope 1 and 2

GHG emissions — Scope 1 and 2 (market-based*)

	FY 2019 baseline	FY 2020	FY 2021
Metric tonnes CO ₂ e, absolute emissions			
Scope 1*	147,434	144,005	152,299
Scope 2	254,961	346,603	342,202
Total Scope 1 and 2	402,395	490,609	494,501
reduction from baseline		22% (increase)	23% (increase)

GHG emissions – Scope 1 and 2 (market-based) excluding FY 2019 unbundled RECs

	FY 2019 baseline	FY 2020	FY 2021
Metric tonnes CO ₂ e, absolute emissions			
Scope 1	147,434	144,005	152,299
Scope 2	382,377	346,603	342,202
Total Scope 1 and 2	529,811	490,609	494,501
reduction from baseline		7%	7%

* Market-based (MB): quantifies Scope 2 GHG emissions based on GHG emissions emitted by the generators from which the reporter contractually purchases electricity bundled with contractual instruments, or contractual instruments on their own (e.g., utility-specific emission factors, renewable energy certificates).

**Emissions related to our sales fleet were previously included in Scope 3 Category 6; it is now included in Scope 1. Data for FY 2019 and FY 2020 has been restated accordingly.

2030+ goal:

Reduce Scope 1 and 2 emissions by 46% by 2030 (from 2019 baseline, absolute)

Carbon-neutral across direct operations by 2040

Current status:

Decreased by 7% (market-based, excluding unbundled REC purchase) in FY 2019, increased by 23% (market-based, including unbundled REC purchase) in FY 2019,

In previous years, we have purchased additional unbundled Renewable Energy Credits (RECs) to offset greenhouse gas (GHG) emissions at our U.S. facilities. However, due to the significant increase in the market price for RECs in FY 2020, we purchased and retired nearly 150,000 metric tonnes CO₂e of carbon offsets. (These offsets are not reflected in the data provided above).

In FY 2021, we chose to divert funds set aside for the purchase of RECs to activities to establish baseline emissions for our significant sources of Scope 3 emissions. Over the coming years we will continue to develop our strategy for achieving our stated commitments to carbon neutrality.

Method of calculation

Data represents Scope 1 (direct) and Scope 2 (indirect from electricity) energy sources. BD has used emission factors that are temporally, geographically and technologically accurate for each site and source within its operational boundary as specified by the WRI/WBCSD GHG Protocol. This includes updating electric power emission factors to reflect changes in the grid mix for areas in which BD operates. As many utilities have ceased publishing emission factors, we have used regional emission factors and restated across all years to ensure consistency.

In general, historical emission factors remain consistent with the publication that was most recent at the time of original reporting.

Scope 3

2030+ goal:

Scope 3 emissions targets for material Scope 3 categories to be set by September 2023

Current status:

Baselines established for category 1, 4 and 9. Project underway to calculate baseline for category 11 and 12.

	Metric tonnes CO ₂ e, absolute emissions	FY 2019	FY 2020	FY 2021	Percentage of total reported Scope 3 emissions	Method of calculation
Category 1	Purchased goods and services	—	—	3,007,771	85%	<p>In FY 2021, we changed our approach to calculating category 1 and 2 emissions in preparation for setting science-based targets.</p> <p>In the first phase, we calculated emissions using the Environmentally Extended Input-Output (EEIO) method. With this approach, GHG emissions are estimated using a spend-based method and the emissions factors are based on emissions allocated to industry categories. While this method provides a reasonable estimate to enable prioritization of actions, the associated error margin is high and does not provide data that is sufficiently granular for prioritizing reduction initiatives.</p> <p>FY 2021 reported emissions were estimated using a composite approach, whereby average material GHG emission factors were applied to purchases of the highest-volume goods, and company-specific GHG emissions data was used for the highest-volume services. Spend-based data and assumptions were then used to fill gaps. This method delivers a more accurate estimate of GHG emissions than EEIO alone, and provides the necessary granularity needed to inform and focus reduction activities.</p> <p>Data for FY 2019 and FY 2020 has not been included due to the change in methodology used in FY 2021.</p>
Category 2	Capital goods	—	—	—		These emissions are included in category 1.
Category 3	Fuel- and energy-related activities (not included in Scope 1 or 2)	101,392	97,464	148,597	4%	Fuel- and Energy-related activities were calculated using BD Scope 1 and 2 data and applying electricity and fuel transmission and distribution loss and well-to-tank factors from DEFRA.
Category 4	Upstream transportation and distribution	—	—	317,324	9%	<p>In FY 2021, we aligned our GHG accounting practices for transportation activities with those of the Global Logistics Emissions Council (GLEC) Framework. Specifically, GLEC Framework default emission-intensity factors in grams (g) carbon dioxide equivalent (CO₂e) per tonne-kilometer (t-km) (g CO₂e/t-km) were utilized to estimate emissions from air, rail, road and sea transportation of finished products to the customer. BD assumes that it is responsible for the cost of this outbound transportation, and therefore the emissions are categorized as Scope 3, category 4.</p> <p>This category also includes leased square footage information combined with average intensities for energy consumption by each asset type to obtain total consumption by energy source for each asset class. This represents the warehouses that are under BD's materiality threshold in terms of floor area. Emission factors from IEA were then applied to different energy sources to calculate GHG emissions. Data for FY 2019 and FY 2020 has not been included due to the change in methodology used in FY 2021.</p>
Category 5	Waste generated in operations	19,359	18,717	17,675	<1%	Primary waste data (recyclables, plus solid waste including both incinerated and sent to landfill), were used with the EPA Waste Reduction Model (WARM) emission factors.

	Metric tonnes CO ₂ e, absolute emissions	FY 2019	FY 2020	FY 2021	Percentage of total reported Scope 3 emissions	Method of calculation
Category 6	Business travel	107,392	50,032	36,612	1%	Air travel was calculated from reports received from BD's vendors, with each flight segment categorized into specific flight haul lengths and then multiplied by DEFRA's published emission factors for those flights. Rental car emissions were calculated based on reports from BD's vendors. These reports included total miles driven with the calculation based on DEFRA emission factors. For hotel stays, total room nights by each country were multiplied by the DEFRA hotel stay emissions factors for that country. Rail travel was based on city-pair distances and vendor reports that show the origin station and destination station for each trip. The total distances traveled from both reports were calculated and then converted to emissions with DEFRA Rail Factors by rail type. Reimbursed car included mileage data, which was converted to emissions by using DEFRA factors by vehicle and fuel type. Emissions related to our sales fleet were previously included in this category; they are now included in Scope 1. Data for FY 2019 and FY 2020 has been restated accordingly.
Category 7	Employee commuting	20,400	20,400	20,400	1%	Employee commuting was estimated using the Quantis Scope 3 evaluator with total employee headcount being the input. However, it does not account for BD associates who worked from home during the pandemic.
Category 8	Upstream leased assets	877	1,031	754	<1%	Leased square footage information was combined with average intensities for energy consumption by each asset type to obtain total consumption by energy source for each asset class. This represents the offices and labs that are under BD's materiality threshold in terms of floor area. Emission factors from the IEA were then applied to different energy sources to calculate GHG emissions.
Category 9	Downstream transportation and distribution	—	—	—		See category 4 above.
Category 10	Processing of sold products	—	—	—		Not relevant
Category 11	Use of sold products	—	—	—		Our FY 2021 baseline is being calculated using a new methodology and expanded data set, and will be provided in future reports.
Category 12	End-of-life treatment of sold products	—	—	—		Our FY 2021 baseline is being calculated using a new methodology and expanded data set, and will be provided in future reports.
Category 13	Downstream leased assets	—	1,501	3,134	<1%	Leased square footage information was combined with average intensities for energy consumption by each asset type to obtain total consumption by energy source for each asset class. This represents all the third-party distribution centers and data centers. Emission factors from the IEA were then applied to different energy sources to calculate GHG emissions.
Category 14	Franchises	—	—	—		Not relevant
Category 15	Investments	—	—	—		Not relevant
Total Scope 3 emissions				3,552,267		

Energy

2030+ goal:

Reduce energy consumption by 25% by 2030 (from 2019 baseline, normalized to COPS)

Current status:

Reduced by 14%

Energy consumption (GJ)	FY 2019 baseline	FY 2020	FY 2021
Scope 1, absolute	2,269,013	2,250,019	2,358,321
Scope 2, absolute	4,264,033	4,227,975	4,388,011
Total energy, absolute	6,533,046	6,477,994	6,746,332
Total energy, normalized (GJ per \$M COPS)	726	679	623
% reduction from baseline, normalized		6%	14%

Renewable energy consumption (GJ)

Green Electric Power Consumed	620,491	686,801	716,114
Renewable Energy Credits (RECs) purchased	1,430,286	459,715	434,128
Renewable Energy Offsite – Direct (Physical) power purchase agreements (PPA)	—	50,345	61,886
Renewable Power – on-site	5,457	5,294	10,241
Total Renewable Energy	2,056,234	1,202,156	1,222,369

Renewables as % of electric power consumption

	FY 2019 baseline	FY 2020	FY 2021
Electric power consumption (GJ)	4,264,033	4,218,194	4,374,787
% of electric power via REC purchases	34%	11%	10%
% of electric power sourced from green electric power	15%	16%	16%
% of electric power sourced from direct PPA	0%	1%	1%
% of electric power generated on-site	0%	0%	0%
% of electric power from renewable energy	48%	28%	28%

Data represents Scope 1 (direct) and Scope 2 (indirect from electricity) energy sources.

Breakdown of energy sources can be found in our annual CDP submission.

Reduction in percentage of electric power from renewable energy is due to the shift from our reliance on unbundled RECs to a focused reliance on on-site solar and sourcing of renewable energy sources. We continue to purchase a certain amount of RECs in the U.S., as part of long-term contracts. These RECs are used to offset a portion of electrical power usage at our manufacturing facilities.

Water

2030+ goal:

Reduce water consumption by 40% by 2030 (from 2019 baseline, normalized to COPS)

Current status:

Reduced by 23%

Water consumption (m ³)	FY 2019 baseline	FY 2020	FY 2021
Water – purchased from local utility	4,673,866	4,077,574	4,270,679
Water – groundwater	285,019	305,910	292,973
Water – rainwater	1,629	777	302
Water – recycled	3,174	3,850	3,885
Water – surface water	129,714	154,073	166,931
Total water use	5,093,402	4,532,183	4,734,771
Total water use, normalized (cubic meters per \$M COPS)	566	475	438
% reduction from baseline, normalized		16%	23%

Wastewater disposal (m ³)	FY 2019 baseline	FY 2020	FY 2021
Total wastewater disposed	4,603,955	4,235,640	3,943,605
Total wastewater disposed, normalized (cubic meters per \$M COPS)	511	443	364
% wastewater discharged	90%	93%	83%

Waste

2030+ goals:

Reduce nonhazardous waste by 50% by 2030 (from 2019 baseline, normalized to COPS)

Increase landfill diversion to 90% by 2030 (from 2019 baseline, absolute)

Increase recycling to 80% by 2030 (from 2019 baseline, absolute)

Reduce hazardous waste by 50% by 2030 (from 2019 baseline, normalized to COPS)

Current status:

Reduced by 16%

Diversion rate of 79%

Recycling rate of 63%

Reduced by 6%

Nonhazardous waste generated (metric tonnes)	FY 2019 baseline	FY 2020	FY 2021
Total nonhazardous waste generated	67,462	71,564	68,390
Total nonhazardous waste generated, normalized (metric tonnes per \$M COPS)	7.49	7.50	6.32
% reduction from baseline, normalized		0%	16%

Waste diverted from landfill (metric tonnes)	FY 2019 baseline	FY 2020	FY 2021
Total nonhazardous waste disposed via landfill	15,695	14,562	14,598
% nonhazardous waste diverted from landfill	77%	80%	79%

Waste recycled (metric tonnes)	FY 2019 baseline	FY 2020	FY 2021
Total nonhazardous waste recycled	41,852	44,422	42,986
% nonhazardous waste recycled	62%	62%	63%

Waste disposed of via incineration (metric tonnes)	FY 2019 baseline	FY 2020	FY 2021
Total nonhazardous waste disposed via incineration	9,915	12,580	10,807
% nonhazardous waste incinerated	15%	18%	16%

Hazardous waste generated (metric tonnes)	FY 2019 baseline	FY 2020	FY 2021
Total hazardous waste generated	2,686	2,962	3,026
Total hazardous waste generated, normalized (metric tonnes per \$M COPS)	0.30	0.31	0.28
% reduction from baseline, normalized		4% (increase)	6%

Regulated (biohazardous and controlled) waste generated (metric tonnes)	FY 2019 baseline	FY 2020	FY 2021
Total regulated waste generated	1,321	1,559	1,158
Total regulated waste generated, normalized (metric tonnes per \$M COPS)	0.15	0.16	0.11
% reduction from baseline, normalized		11% (increase)	27%

BD EHS Corporate standards define categories of waste as follows.

Nonhazardous waste – Any garbage, refuse, solid, liquid, semi-solid or contained gaseous substance, object or material that is not harmful to humans or the environment that is discarded, inherently waste-like, disposed of or intended to be recycled.

Hazardous Waste – Any solid, liquid, semi-solid or contained gaseous substance, object or material that is harmful to humans or the environment that is abandoned, discarded, inherently waste-like, disposed of or intended to be disposed of.

Regulated Medical Waste (RMW) – Wastes that are regulated by specific federal (national), state and local guidelines and regulations which specify the categories of biohazardous waste that are subject to regulation and outline the requirements associated with treatment and disposal.

Biohazardous Waste – Sometimes called medical waste, refers to waste that has the risk of carrying infectious diseases. Biohazardous waste may include, but is not limited to these broad categories:

- cultures and stocks of infectious agents and associated biologicals – specimens from medical and pathology laboratories; cultures and stocks of infectious agents from clinical, research and industrial laboratories; disposable culture dishes and devices used to transfer, inoculate and mix cultures; waste from the production of biologicals; discarded live and attenuated vaccines
- human blood and blood products – waste blood, serum, plasma and blood products
- pathological waste – tissue, organs, body parts, blood and body fluid
- sharps – contaminated hypodermic needles, syringes, scalpel blades, Pasteur pipettes and broken glass
- contaminated animal carcasses, body parts and bedding – contaminated animal carcasses, body parts and bedding of animals that were intentionally exposed to pathogens
- miscellaneous laboratory waste – contaminated specimen containers, slides, cover slips, disposable gloves, lab coats, aprons, towels, padding, equipment and tubing

Controlled Waste – A waste that requires special handling due to its physical, chemical or biological characteristics or local regulations.

Air

2030+ goals:

Reduce VOCs and HAPs by 30% by 2030 (from 2019 baseline, normalized to COPS)

Reduce ozone-depleting substances (ODSs) by 50% by 2030 (from 2019 baseline, normalized to COPS)

Eliminate use of R22 by 2030 (absolute)

Current status:

Reduced by 32%

Reduced by 87%

As part of ongoing programs, we have achieved further reductions in ODS emissions at our BD Medical manufacturing facilities.

A large proportion of the reduction was made in FY 2019 and FY 2020 through elimination projects at one of our manufacturing facilities. Two additional manufacturing facilities accounted for a significant proportion of the reduction in FY 2021.

R22 refrigerant (also known as R22 freon and HCFC-22 freon) is a chemical used in both air conditioners and heat pumps. It has a harmful impact on the ozone layer when released into the air and therefore has subsequently been banned from manufacture or import in many jurisdictions where BD operates.

Throughout FY 2021 and FY 2022, we are carrying out an audit of all our locations worldwide in order to capture the number and type of R22 units in use. For sites with multiple R22 units, we are working with external partners to conduct these studies.

Using our “Replace with a Purpose” approach, site-level plans will be developed that focus on compliance, reliability, redundancy and long-term capacity while optimizing efficiency. By avoiding like-for-like replacements, our Replace with a Purpose approach will ensure that the long-term needs of our sites are met.

	FY 2019 baseline	FY 2020	FY 2021
Total VOCs emitted	356	408	305
Total VOCs emitted, normalized (metric tonnes per \$M COPS)	0.04	0.04	0.03
Total HAPs emitted	106	82	74
Total HAPs emitted normalized (metric tonnes per \$M COPS)	0.01	0.01	0.01
Total VOCs + HAP emitted	463	490	379
Total VOCs + HAP emitted, normalized (metric tonnes per \$M COPS)	0.051	0.051	0.035
% reduction from baseline, normalized		0%	32%

VOCs – volatile organic compounds
HAPs – hazardous air pollutants

	FY 2019 baseline	FY 2020	FY 2021
Total ODS emitted	104	26	17
Total ODS emitted, normalized (metric tonnes per \$M COPS)	0.011	0.003	0.002
% reduction from baseline, normalized		77%	87%
ODS – ozone depleting substances			

Diversity

Gender breakdown of Board of Directors and Executive Officers

*Information regarding Board of Directors, Executive Officers and Officers is current as of April 26, 2022.

**Total number of Officers includes Executive Officers

	Female	Male
Board of Directors	3	8
Executive Officers	1	10
Officers	5	17

Board of Directors, Ethnicity

White	9
Black or African American	1
Hispanic, Latino or Spanish Origin	1

Executives

*We define "executives" as associates in positions of vice president and above.

**Information regarding race and gender is based on information provided by associates.

***Ethnicity data reflects that of the U.S. workforce including Alaska and Hawaii, and Puerto Rico but excludes any other U.S. territories.

Gender, global	FY 2019	FY 2020	FY 2021
Female	25%	27%	30%
Male	75%	73%	70%
Total number	354	364	381

Age, global	FY2019	FY2020	FY2021
0 – 34	0%	0%	0%
35 – 54	72%	70%	69%
55 +	28%	30%	31%
Total number	354	364	381

Ethnicity, U.S.	FY 2019	FY 2020	FY 2021
Asian	10%	11%	11%
Black or African American	3%	4%	4%
Hispanic or Latino	4%	5%	5%
Other	1%	1%	1%
White	78%	75%	75%
Unknown	3%	5%	5%
Total	291	293	302

Management

**"Management" positions are defined as those in manager, director or equivalent roles.

**Information regarding race and gender is based on information provided by associates.

***Ethnicity data reflects that of the U.S. workforce including Alaska and Hawaii, and Puerto Rico but excludes any other U.S. territories.

Gender, global	FY 2019	FY 2020	FY 2021
Female	39%	39%	40%
Male	61%	61%	60%
Total number	10,086	10,390	11,443

Age, global	FY 2019	FY 2020	FY 2021
0 – 34	11%	11%	11%
35 – 54	72%	72%	71%
55 +	17%	17%	18%
Total number	10,086	10,390	11,443

Ethnicity, U.S.	FY 2019	FY 2020	FY 2021
Asian	14%	14%	14%
Black or African American	3%	4%	4%
Hispanic or Latino	8%	8%	9%
Other	2%	2%	2%
White	69%	67%	66%
Unknown	4%	5%	5%
Total number	6,028	6,172	6,690

All Associates

*Workforce includes all associates, both management and nonmanagement.

**Information regarding race and gender is based on information provided by associates.

***Ethnicity data reflects that of the U.S. workforce including Alaska and Hawaii, and Puerto Rico but excludes any other U.S. territories.

Gender, global	FY 2019	FY 2020	FY 2021
Female	49%	49%	49%
Male	50%	51%	51%
Total	70,193	72,077	75,402

In FY 2019, gender was not disclosed for 1 percent of the data set.

Age, global	FY 2019	FY 2020	FY 2021
0 – 34	38%	37%	38%
35 – 54	50%	50%	50%
55 +	12%	13%	13%
Total	70,200	72,077	75,402

Ethnicity, U.S.	FY 2019	FY 2020	FY 2021
Asian	11%	11%	11%
Black or African American	9%	9%	9%
Hispanic or Latino	16%	16%	16%
Other	2%	2%	2%
White	55%	53%	52%
Unknown	8%	9%	10%
Total	24,220	24,624	25,645

New-Hire rate

*New-hire rate is calculated as the number of associates who started working for BD during the fiscal year, divided by the average headcount for the fiscal year.

Gender, global	FY 2019	FY 2020	FY 2021
Female	31%	27%	29%
Male	28%	26%	25%

Age, global	FY 2019	FY 2020	FY 2021
0 – 34	56%	50%	52%
35 – 54	15%	13%	14%
55 +	7%	6%	6%

Turnover rate

*Turnover is calculated as the number of associates who exited during the fiscal year, both voluntarily and involuntarily, divided by the average headcount for the fiscal year.

Gender, global	FY 2019	FY 2020	FY 2021
Female	26%	26%	25%
Male	23%	23%	21%

Age, global	FY 2019	FY 2020	FY 2021
0 – 34	41%	43%	40%
35 – 54	15%	13%	13%
55 +	14%	13%	13%

Safety

	FY 2019	FY 2020	FY 2021
LTIFR (per 200,000 hours):	0.24	0.17	0.17
OIFR (per 200,000 hours):	0.00	0.00	0.00
IIR (per 200,000 hours):	0.51	0.42	0.33
Fatalities	0	0	0

Data includes associates in our manufacturing and supply chain operations only. It does not include associates in office locations.

LTIFR – Lost time injury frequency rate

OIFR – Occupational illness frequency rate

IIR – Injury and illness rate

GRI index

GRI Disclosure	Disclosure requirement	Response or disclosure location
102-1	Name of the organization	Becton, Dickinson and Company (BD)
102-2	Activities, brands, products and services	About our business 2021 Form 10-K
102-3	Location of headquarters	1 Becton Drive, Franklin Lakes, NJ 07417 USA
102-4	Location of operations	About our business 2021 Form 10-K
102-5	Ownership and legal form	Publicly traded on the New York Stock Exchange as BDX
102-6	Markets served	About our business 2021 Form 10-K
102-7	Scale of the organization	About BD 2021 Form 10-K
102-8	Information on employees and other workers	Healthy workforce and communities – Inclusion, diversity and equity and data tables
102-9	Supply chain	2021 Form 10-K
102-10	Significant changes to the organization and its supply chain	2021 Form 10-K In May 2021, we announced our intention to spin off our Diabetes Care business into a new independent, publicly traded company called embecta. The spin-off was completed in April 2022.
102-11	Precautionary principle or approach	Product impact – Management of materials of concern TCFD disclosures
102-12	External initiatives	Alignment with the SDGs Climate change Product impact – Laboratory animal welfare Transparency – Human rights
102-13	Membership of associations	Product impact – Strategic partnerships Product impact – Inspiring quality in industry

GRI Disclosure	Disclosure requirement	Response or disclosure location
102-14	Statement from senior decision-maker	To our stakeholders
102-15	Key impacts, risks and opportunities	ESG Issues TCFD disclosures
102-16	Values, principles, standards and norms of behavior	About BD
102-17	Mechanisms for advice and concerns about ethics	Ethics and compliance BD Code of Conduct
102-18	Governance structure	ESG strategy 2022 Proxy Statement
102-19	Delegating authority	ESG strategy 2022 Proxy Statement
102-20	Executive-level responsibility for economic, environmental, and social topics	ESG strategy
102-21	Consulting stakeholders on economic, environmental and social topics	Stakeholder engagement
102-22	Composition of the highest governance body and its committees	2022 Proxy Statement
102-23	Chair of the highest governance body	Tom Polen is Chair of the Board and CEO of BD. 2022 Proxy Statement
102-24	Nominating and selecting the highest governance body	2022 Proxy Statement
102-25	Conflicts of interest	2022 Proxy Statement
102-26	Role of highest governance body in setting purpose, values and strategy	2022 Proxy Statement ESG strategy
102-27	Collective knowledge of highest governance body	2022 Proxy Statement
102-28	Evaluating the highest governance body's performance	2022 Proxy Statement
102-29	Identifying and managing economic, environmental and social impacts	2022 Proxy Statement
102-30	Effectiveness of risk management processes	2022 Proxy Statement

GRI Disclosure	Disclosure requirement	Response or disclosure location
102-31	Review of economic, environmental and social topics	2022 Proxy Statement
102-32	Highest governance body's role in sustainability reporting	2022 Proxy Statement
102-33	Communicating critical concerns	2022 Proxy Statement
102-35	Remuneration policies	2022 Proxy Statement
102-36	Process for determining remuneration	2022 Proxy Statement
102-40	List of stakeholder groups	Stakeholder engagement
102-41	Collective bargaining agreements	Our Global Human Rights Policy states that we are committed to supporting the freedom of association and the rights of workers and employers to bargain collectively in all of our operations.
102-42	Identifying and selecting stakeholders	Stakeholder engagement
102-43	Approach to stakeholder engagement	Stakeholder engagement
102-44	Key topics and concerns raised	Stakeholder engagement
102-46	Defining report content and topic boundaries	About this report ESG assessment
102-47	List of material topics	ESG issues
102-49	Changes in reporting	About this report
102-50	Reporting period	About this report
102-51	Date of most recent report	About this report
102-52	Reporting cycle	About this report
102-53	Contact point for questions regarding the report	BD_Sustainability_Office@bd.com
102-54	Claims of reporting in accordance with the GRI Standards	This report was prepared with reference to GRI Standards. About this report
102-56	External assurance	Data in this FY 2021 ESG report has not been externally assured.

GRI Disclosure	Disclosure requirement	Response or disclosure location
103-1	Explanation of the material topic and its boundary	ESG assessment The UN SDGs and our contribution to their achievement was included in our assessment of ESG issues. Further details on our contribution, degree of control and where in the value chain impacts occur can be found in the Appendices – UN Sustainable Development Goals. <i>The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial impact of that information. For additional information regarding BD, please see our current and periodic reports with the Securities and Exchange Commission, including our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.</i>
103-2	The management approach and its components	ESG issues
103-3	Evaluation of the management approach	ESG governance
Economic Performance		
201-1	Direct economic value generated and distributed	2021 Form 10-K
201-2	Financial implications and other risks and opportunities due to climate change	TCFD disclosures
201-3	Defined benefit plan obligations and other retirement plans	2021 Form 10-K
201-4	Financial assistance received from government	2021 Form 10-K
Procurement Practices		
204-1	Proportion of spending on local suppliers	Responsible supply chain – Supplier diversity
Anti-Corruption		
205-2	Communication and training about anti-corruption policies and procedures	Transparency – Ethics and compliance

GRI Disclosure	Disclosure requirement	Response or disclosure location
205-3	Confirmed incidents of corruption and actions taken	While we have implemented, and continue to improve upon, programs and management systems around ethics and compliance, we may, on occasion, be subject to legal actions. For a description of certain legal actions, see our Annual Report on Form 10-K for our 2021 fiscal year and our subsequent SEC filings. For further information about antibribery and anticorruption, see Transparency – Ethics and compliance.

Anti-Competitive Behavior

206-1	Legal actions for anti-competitive behavior, antitrust and monopoly practices	While we have implemented, and continue to improve upon, programs and management systems around ethics and compliance, we may, on occasion, be subject to legal actions. For a description of certain legal actions, see our Annual Report on Form 10-K for our 2021 fiscal year and our subsequent SEC filings. For further information about antibribery and anticorruption, see Transparency – Ethics and compliance.
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Materials

301-2	Recycled input materials used	Due to the nature of our products and the need for consistency and traceability in order to adhere to stringent quality and performance criteria, we are unable to use recycled materials in the majority of our products and packaging. However, a number of our sharps disposal solutions do utilize recycled content.
301-3	Reclaimed products and their packaging materials	Product impact – Product takeback

Energy

302-1	Energy consumption within the organization	Data tables – Energy
302-3	Energy-intensity	Data tables – Energy
302-4	Reduction of energy consumption	Data tables – Energy

GRI Disclosure	Disclosure requirement	Response or disclosure location
Water and Effluents		
303-1	Interactions with water as a shared resource	Climate change – Water management
303-3	Water withdrawal	Data tables – Water
303-4	Water discharge	Data tables – Water
303-5	Water consumption	
Emissions		
305-1	Direct (Scope 1) GHG emissions	Data tables – Scope 1 and 2
305-2	Energy indirect (Scope 2) GHG emissions	Data tables – Scope 1 and 2
305-3	Other indirect (Scope 3) GHG emissions	Data tables – Scope 3
305-4	GHG emissions intensity	Our emission reduction targets are absolute, therefore we do not routinely track intensity. In previous years, Scope 1 and 2 emissions intensity was calculated using COPS. FY 2019. Absolute – 402,395 tonnes CO ₂ e, normalized to COPS - 44.7 FY 2020. Absolute – 490,609 tonnes CO ₂ e, normalized to COPS - 51.4 FY 2021. Absolute – 494,501 tonnes CO ₂ e, normalized to COPS - 45.7 We do not currently measure intensity for Scope 3 emissions.
305-5	Reduction of GHG emissions	Data tables – Scope 1 and 2, Scope 3
305-6	Emissions of ozone-depleting substances (ODS)	Data tables – Air emissions
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Data tables – Air emissions

GRI Disclosure	Disclosure requirement	Response or disclosure location
Waste		
306-2	Management of significant waste-related impacts	Climate change – Waste management
306-3	Waste generated	Climate change – Waste management Data tables – Waste
306-4	Waste diverted from disposal	Climate change – Waste management Data tables – Waste
306-5	Waste directed to disposal	Climate change – Waste management Data tables – Waste
Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	While we have implemented, and continue to improve upon, programs and management systems around environmental management, we may, on occasion, be subject to legal actions. For a description of certain legal actions, see our Annual Report on Form 10-K for our 2021 fiscal year and our subsequent SEC filings. For further information about environmental management, see Climate Change – EHS Management.
Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	Responsible supply chain – Responsible sourcing
308-2	Negative environmental impacts in the supply chain and actions taken	Responsible supply chain – Responsible sourcing
Employment		
401-1	New employee hires and employee turnover	Healthy workforce & communities – ID&E Data tables – ID&E
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Healthy workforce & communities – Compensation, benefits and well-being

GRI Disclosure	Disclosure requirement	Response or disclosure location
Occupational Health and Safety		
403-1	Occupational health and safety management system	Climate change – EHS management Healthy workforce & communities – Health & safety
403-2	Hazard identification, risk assessment, and incident investigation	Climate change – EHS management Healthy workforce & communities – Health & safety
403-3	Occupational health services	Healthy workforce & communities – Health & safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Healthy workforce & communities – Health & safety
403-5	Worker training on occupational health and safety	Climate change – EHS management Healthy workforce & communities – Health & safety
403-6	Promotion of worker health	Healthy workforce & communities – Compensation, benefits and well-being
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Climate change – EHS management Healthy workforce & communities – Health & safety
403-8	Workers covered by an occupational health and safety management system	Climate change – EHS management Healthy workforce & communities – Health & safety
403-9	Work-related injuries	Healthy workforce & communities – Health & safety
Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Healthy workforce & communities – ID&E Data tables – ID&E
405-2	Ratio of basic salary and remuneration of women to men	Healthy workforce & communities – ID&E
Human Rights Assessment		
412-2	Employee training on human rights policies and procedures	Responsible supply chain – Responsible sourcing

GRI Disclosure	Disclosure requirement	Response or disclosure location
Local Communities		
413-2	Operations with significant actual and potential negative impacts on local communities	Climate change – Environmental justice
Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	Responsible supply chain – Responsible sourcing
414-2	Negative social impacts in the supply chain and actions taken	Responsible supply chain – Responsible sourcing
Public Policy		
415-1	Political contributions	Transparency – Participation in the policymaking process
Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	Product impact – Product safety
416-2	Incidents of noncompliance concerning the health and safety impacts of products and services	Product impact – Product safety
Marketing and Labeling		
417-1	Requirements for product and service information and labeling	Product impact – Management of materials of concern Transparency – Ethics in sales and marketing

GRI Disclosure	Disclosure requirement	Response or disclosure location
417-2	Incidents of noncompliance concerning product and service information and labeling	While we have implemented, and continue to improve upon, programs and management systems around product labeling, we may, on occasion, be subject to legal actions. For a description of certain legal actions, see our Annual Report on Form 10-K for our 2021 fiscal year and our subsequent SEC filings.
417-3	Incidents of noncompliance concerning marketing communications	While we have implemented, and continue to improve upon, programs and management systems around product marketing, we may, on occasion, be subject to legal actions. For a description of certain legal actions, see our Annual Report on Form 10-K for our 2021 fiscal year and our subsequent SEC filings.
Socioeconomic Compliance		
419-1	Noncompliance with laws and regulations in the social and economic area	While we have implemented, and continue to improve upon, programs and management systems around relevant social and economic issues in relation to which we are subject to laws and/or regulations, we may, on occasion, be subject to legal actions. For a description of certain legal actions, see our Annual Report on Form 10-K for our 2021 fiscal year and our subsequent SEC filings.

SASB index

SASB Disclosure	Disclosure requirement	Response or disclosure location
HC-MS-250a.1	Number of recalls issued, total units recalled	Product Impact – Product safety
HC-MS-250a.2	List of products listed in the FDA’s MedWatch Safety Alerts for Human Medical Products database	Product Impact – Product safety
HC-MS-250a.3	Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience	Product Impact – Product safety
HC-MS-250a.4	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMPs), by type	Product Impact – Product safety
HC-MS-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	While we have implemented, and continue to improve upon, programs and management systems around product marketing, we may, on occasion, be subject to legal actions. For a description of certain legal actions, see our Annual Report on Form 10-K for our 2021 fiscal year and our subsequent SEC filings.
HC-MS-270a.2	Description of code of ethics governing promotion of off-label use of products	Transparency – Ethics in sales and marketing
HC-MS-410a.1	Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	Product Impact – 2030+ commitments; Management of materials of concern
HC-MS-410a.2	Total amount of products accepted for takeback and reused, recycled or donated, broken down by (1) devices and equipment and (2) supplies	Product Impact – Product takeback Healthy workforce & Communities – Healthy communities

SASB Disclosure	Disclosure requirement	Response or disclosure location
HC-MS-430a.1	Percentage of (1) entity’s facilities and (2) Tier I suppliers’ facilities participating in third-party audit programs for manufacturing and product quality	95 percent of manufacturing sites and 91 percent of design centers have quality management systems externally certified to either ISO 13485, ISO 9001 or ISO 17025. These locations will receive audits of their management systems as part of the ongoing certification process. Supplier quality audits are carried out by an internal BD team using a risk-based approach determined by the goods or service. Supplier quality audits are part of a comprehensive supplier management approach that also includes monitoring of key metrics and supplier corrective action as required. Product Impact – Product safety
HC-MS-430a.2	Description of efforts to maintain traceability within the distribution chain	BD has implemented a series of procedures and technology solutions to ensure end-to-end identification and traceability of materials and products throughout the supply chain. Our procedures describe assignment of stock keeping unit (SKU) level material, product and batch unique identifiers, as well as how these identifiers are managed within our enterprise resource planning (ERP) systems. These traceability and identification principles also include BD’s purchased finished goods. Traceability is maintained throughout all stages of manufacturing, storage and distribution, from receipt through and including installation, return and repair (where applicable). Additionally, BD has acquired and deployed a control tower solution which monitors and tracks real-time shipments across ocean, air and ground to internal and customer ship-to addresses.
HC-MS-430a.3	Description of the management of risks associated with the use of critical materials	Responsible Supply Chain – Responsible sourcing
HC-MS-510a.1	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	While we have implemented, and continue to improve upon, programs and management systems around ethics and compliance, we may, on occasion, be subject to legal actions. For a description of certain legal actions, see our Annual Report on Form 10-K for our 2021 fiscal year and our subsequent SEC filings. For further information about antibribery and anticorruption, see Transparency – Ethics and compliance.
HC-MS-510a.2	Description of code of ethics governing interactions with healthcare professionals	Transparency – Ethics in sales and marketing

TCFD disclosures

The disclosures in this report follow the recommendations and guidance set out in “Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures” (October 2021).

Governance

At the Board level, the Corporate Governance and Nominating Committee has oversight responsibility for the processes, policies and practices related to climate change, and will receive updates on topics concerning climate change at least annually.

The full Board also receives reports on topics concerning climate change at least annually.

At the management level, the ERC provides oversight of our enterprise risk management (ERM) program, our 2030+ commitments and goals, and other ESG priority matters—these include climate change. The ERC is responsible for reporting to the Board and its committees on management of ESG risks and overseeing external and internal reporting on climate change.

Further details about Board oversight of ESG matters and the ERC can be found [here](#).

The VP S&EHS leads the company’s strategy around climate change. The VP S&EHS reports to the company’s EVP ISC. This position reports to the CEO and is part of the company’s Executive Leadership team. The CEO is also chair of our Board of Directors.

As important matters arise, such as climate issues impacting business continuity or regulatory updates that could impact the company’s strategy, the VP S&EHS will brief the ERC as needed; the ERC chairperson will brief the relevant Board committee and the full Board if applicable.

The following central teams have responsibility for management of climate change emissions and the identification and management of risks related to specific areas of our value chain.

The S&EHS team is resourced to address a number of broad areas of focus regarding climate change, including:

- stakeholder engagement and reporting;
- human rights; and
- sustainable operations.

This team is responsible for compiling our greenhouse gas (GHG) inventory and working with BD sites to reduce emissions through energy reduction and renewable energy projects. This team also partners with central and business teams to incorporate climate risks, such as extreme weather, into business continuity planning programs. The S&EHS team also works with the ERM team to provide input on risks and opportunities related to climate change through our company’s ERM program.

The central S&EHS team also oversees the Sustainability Operations Council. Sponsored by the VP S&EHS and chaired by the senior director, sustainability operations, the Council consists of representatives from each business team on behalf of our manufacturing facilities, distribution center and large campus locations. The Council tracks performance against Scope 1 and 2 targets and aligns resources to build a multiyear pipeline of sustainability projects to achieve our 2030+ climate change management goals.

The central Procurement team is responsible for tracking Scope 3, category 1 emissions from Purchased Goods and Services and partnering with our suppliers to lower those emissions. The S&EHS team also partners with the central Procurement team on the development and implementation of our energy demand reduction and renewables strategy.

The central Procurement team also oversees the Responsible Sourcing Operating Committee, which has been established to guide and facilitate the human rights supplier due diligence and reduction efforts of our Scope 3, category 1 emissions. The Committee is chaired by the director, procurement effectiveness. Overall progress and major action items are reported to the SVP of global procurement and to the VP S&EHS on a quarterly basis.

Further details on Scope 3, category 1 emission reduction programs can be found in the [Responsible Supply Chain](#) section.

The central Supply Chain team is responsible for tracking Scope 3, category 4 and 9 emissions from upstream and downstream transportation and distribution, and reducing those emissions. This team is also responsible for reducing Scope 1 and 2 emissions from our distribution centers. Further details on category 4 and 9 emission reduction programs can be found in the [Responsible Supply Chain](#) section.

The central R&D team is responsible for establishing and tracking emissions for Scope 3, category 11 and 12 emissions from use of and end-of-life disposal of products. The central R&D team will coordinate with business teams on this work via the [Sustainable Medical Technology Institute](#). The central R&D team also partners with business teams on life cycle assessments of products.

The central R&D and S&EHS teams have established a Product Impacts Council to support and track progress toward achieving our 2030+ product impact goals. This includes establishing baselines and targets for Scope 3, category 11 and 12 emissions and establishing a life cycle assessment community of practice to support the business teams. The Council is sponsored by the executive vice president and chief technology officer, and the EVP ISC.

The teams listed above report on progress at least annually to the ERC and on specific risks as necessary.

Strategy

A summary of climate risks and opportunities that could have a substantive impact on our business is outlined below.

We define substantive strategic risk as climate-related risks that have more variability and uncertainty over a longer time frame than is normally considered for financial risk. The majority of disclosures in this report fall under the category of substantive strategic risk.

Any risk or opportunity that could result in a change in business operations, revenue or expenditure, thereby prompting disclosure in other company filings (e.g., 10-K) may be considered financially substantive for the purposes of TCFD-recommended and CDP disclosures. This applies to both supply chain and direct operations.

When considering climate-related risks and opportunities, we define the magnitude of potential impact as follows:

- Low – insignificant impact on revenues and/or minor disruption of operations.
- Medium – some impact on revenues and/or some disruption to operations, likely limited to a geographic region and/or number of business units. This may result in disclosure in financial reports.
- High – significant impact on revenues and/or severe disruption to operations, likely affecting multiple regions and/or business units. This will likely result in disclosures in financial reports.

We consider a short-term horizon to be up to three years in the context of climate-related risks and opportunities. This is in alignment with other general financial planning and business practices (such as financial planning for energy-efficiency projects).

Medium-term time horizons are defined as three to 10 years in alignment with general financial planning and business processes with a medium-term outlook, such as power purchase agreements, which often have terms of around 10 years.

Long-term time horizons are aligned with other business practices and long-term goals. For example, our company's 2030+ goals with a 2019 baseline and carbon neutrality goals fit into a long-term time horizon.

Risks

Where the risk occurs in the value chain	Direct operations
Risk type	Acute physical
Climate-related driver	Increased severity and frequency of extreme weather events such as cyclones and floods
Potential financial impact	Decreased revenues due to reduced production capacity
Time horizon	Medium-term
Likelihood	About as likely as not
Magnitude of impact	Low – medium
Description	<p>There is evidence to suggest that climate change is already impacting the frequency and severity of tropical storms. The impact of an extreme weather event on healthcare was exemplified by hurricane Maria. As reported in the results for our first fiscal quarter in 2018, costs of \$7 million were incurred as a result of hurricane-related damage to our production facilities in Puerto Rico from Hurricane Maria. We have manufacturing sites all over the world. In some instances, the manufacturing of certain of our product lines is concentrated in one or more of our plants. Interruptions to our manufacturing operations resulting from weather or natural disasters, regulatory requirements or issues in our manufacturing process, equipment failure or other factors, could adversely affect our ability to manufacture our products. In some instances, we may not be able to transition manufacturing to other BD sites or a third party to replace the lost production. A significant interruption of our manufacturing operations could result in lost revenues and damage to our relationship with customers. In addition, many of our products require sterilization prior to sale, and we utilize both BD facilities and third parties for this process. In some instances, only a few facilities are qualified under applicable regulations to conduct this sterilization. To the extent we or third parties are unable to sterilize our products, whether due to lack of capacity (e.g., caused by disruption from an extreme weather event), regulatory requirements (e.g., related to reducing greenhouse gas emissions) or otherwise, we may be unable to transition sterilization to other sites or modalities in a timeline- or cost-effective manner, or at all, which could have an adverse impact on our operating results.</p>
Our response	<p>Our 2030+ commitments and goals include targets to reduce GHG emissions across our value chain, in addition to a commitment to creating a supply chain that is adaptable to disruption and able to contribute to strong environmental and social performance; this includes a goal to incorporate climate risk into supply chain and network architecture strategies.</p> <p>Hurricane Maria demonstrated how important it is to continue our work in this area, in order to manage and reduce risk from future extreme-weather-related events around the world. Risks to our operations, including those caused by potential natural disasters, are identified as part of our Enterprise Risk Management process. Each BD facility that is in an area of risk for natural disasters has a crisis/emergency plan specific to its location. If needed, we also implement projects that increase or improve our backup systems and resilience to physical extremes.</p> <p>Case study: We are continuously increasing the resilience of our facilities by investing in resilience projects. For example, a CHP unit in our Drogheda, Ireland, location will reduce reliance on the power grid and increase resilience; by producing our own energy on-site, we are able to continue to operate in situations causing energy outages, such as extreme weather. We are also updating our strategy to incorporate climate-change considerations. BD undertook climate scenario analysis to better understand how climate-related risks (such as climate-induced water scarcity) and opportunities could impact the business. BD partnered with BSR, a global nonprofit organization of sustainable business experts that works with its global network of the world's leading companies to build a just and sustainable world, to develop four scenarios corresponding to warming by 2100 that explored climate-related risks and opportunities, and other key uncertainties for BD's business. These scenarios incorporated credible and publicly available climate projections for emissions reductions and climate impacts. These scenarios were reviewed by BD's management in early 2020 and insights from the scenario analysis were incorporated into the development of BD's 2030+ commitments and goals.</p>

Where the risk occurs in the value chain	Direct operations
Risk type	Emerging regulation
Climate-related driver	Carbon-pricing mechanisms
Potential financial impact	Increased indirect (operating) costs
Time horizon	Medium-term
Likelihood	Exceptionally unlikely
Magnitude of impact	Low
Description	<p>Our operations are global and are affected by complex state, federal and international laws relating to various areas, including environmental protection. Violation of these laws can result in criminal or civil sanctions, including substantial fines and, in some cases, exclusion from participation in healthcare programs. Environmental laws, particularly with respect to the emissions of greenhouse gases, are also becoming more stringent throughout the world, which may increase our costs of operations or necessitate the closures of or changes to our manufacturing plants or processes or those of our suppliers, or result in liability for BD. The enactment of additional laws in the future may increase our compliance costs or otherwise adversely impact our operations. Additionally, new laws or regulations adopted in response to climate change could also increase energy and transportation costs, as well as the costs of certain raw materials and components. In particular, we purchase supplies of resins, which are oil-based components used in the manufacture of certain products, and any significant increases in resin costs could adversely impact future operating results. Increases in oil prices can also increase our packaging and transportation costs. We may not be able to offset any increases in our operational costs. Local and national governments may implement taxes on fuel and energy to mitigate the impacts of climate change, and these taxes may increase over time in the areas where BD operates. BD is currently subject to regulatory programs in regions we operate, which impacts the cost of utilities, taxes and compliance fines in these regions. While only carbon schemes such as the U.K. CRC have impacted our operations to date, we operate in 16 countries where there is existing carbon regulation. In a transition to a low-carbon economy, it is possible that these locations or our global operations may qualify for carbon pricing. We consider this scenario to be extremely unlikely in the medium-term, particularly as it applies to our global operations.</p>
Our response	<p>In our climate change impact area, we have set goals to reduce our GHG emissions. We will achieve this reduction through two mechanisms – reduced energy demand and increased use of renewables.</p> <p>Each facility has identified a pipeline of projects aimed at reducing our GHG emissions and will utilize a traditional capital funding process to implement these projects. This process will continue to increase the number of projects with potential sustainability benefits and associated cost savings and contribute to BD’s competitiveness both in the short- and long-term.</p> <p>Previous projects have included HVAC replacements, chiller upgrades, compressed-air upgrades and LED installations, in addition to larger projects such as the installation of cogeneration facilities and various major solar installation projects.</p> <p>As part of our procurement strategy, we evaluate all new energy deals for a green-energy option. We currently purchase green tariffs in Germany, Ireland, Spain, Belgium, the Netherlands and the U.K. In FY 2021, we invested over \$2.5 million in solar and wind energy through power purchase agreements (PPA) and RECs from existing contracts.</p> <p>Case study: In FY 2021, we implemented 142 projects that include solar installations, updating building controls, HVAC replacements, lighting retrofits, machine replacements, process optimization and other efficiency upgrades in the production process. The projects were expected to generate a \$5.1 million annual saving in energy cost and 19,266 metric tonnes of CO₂e reduction starting throughout FY 2021 and into FY 2022.</p>

Where the risk occurs in the value chain	Downstream
Risk type	Acute physical
Climate-related driver	Increased severity and frequency of extreme weather events such as cyclones and floods
Potential financial impact	Decreased revenues due to reduced demand for products and services
Time horizon	Medium-term
Likelihood	About as likely as not
Magnitude of impact	Low – medium
Description	<p>We sell products to researchers at pharmaceutical and biotechnology companies, academic institutions, government laboratories and private foundations. Research and development spending of our customers can fluctuate based on spending priorities and general economic conditions. A number of these customers are also dependent for their funding upon grants from U.S. government agencies, such as the U.S. National Institutes of Health (“NIH”) and agencies in other countries. Climate change could impact our customers as severe weather events increase in frequency and distribution. Hospitals and other medical care facilities can be impacted by severe weather through reduced demand, where patients may cancel or defer elective treatments and procedures, and/or physical damage to infrastructure and facilities may require the suspension of operations. Following natural disasters, the number of uninsured or underinsured patients can also increase, which can lead to lower rates of reimbursement for our U.S. customers. These factors may lead to budget restrictions for our customers, and potentially lower revenues for BD. Though not related to severe weather, we have seen similar trends in the recent COVID-19 pandemic. As a result of measures taken in response to the COVID-19 pandemic, we experienced significant reductions in the demand for certain of our products, resulting in reductions in elective and nonessential procedures, lower utilization of routine testing and related specimen collections, reduced capital spending by customers and a decrease in research activity due to laboratory closures and reduced clinical testing.</p>
Our response	<p>We manage this risk through our 2030+ commitments, partnerships and scenario analyses.</p> <p>Our 2030+ commitments and goals include targets to reduce GHG emissions across our value chain, in addition to a commitment to creating a supply chain that is adaptable to disruption and able to contribute to strong environmental and social performance; this includes a goal to incorporate climate risk into supply chain and network architecture strategies.</p> <p>As part of our 2030+ Product Impact commitment, we have to set a goal to work to address the impact of plastics through existing and new strategic partnerships that work across the value chain. This includes our membership in the Sustainable Healthcare Coalition, a healthcare sector-led group that looks for the greatest opportunities to inspire sustainable practices in healthcare through the collaboration of its members. We see the value of partnerships and evolving discussion with this and other coalitions.</p> <p>Scenario analysis can be a valuable tool to envision alternative scenarios and challenge conventional wisdom about the future.</p> <p>Case study: BD undertook climate scenario analysis to better understand how climate-related risks (such as climate-induced water scarcity) and opportunities could impact the business. BD partnered with BSR, a global nonprofit organization of sustainable business experts that works with its global network of the world’s leading companies to build a just and sustainable world, to develop four scenarios corresponding to warming by 2100, which explored climate-related risks and opportunities, and other key uncertainties for BD’s business. These scenarios incorporated credible and publicly available climate projections for emissions reductions and climate impacts. These scenarios were reviewed by BD’s management in early 2020 and insights from the scenario analysis were incorporated into the development of BDs 2030+ commitments and goals.</p>

Where the risk occurs in the value chain	Upstream
Risk type	Market
Climate-related driver	Increased cost of raw materials
Potential financial impact	Increased direct costs
Time horizon	Short-term
Likelihood	About as likely as not
Magnitude of impact	Medium
Description	<p>BD has more than 900 critical-to-healthcare suppliers that provide many different types of raw materials and components, including plastics, glass, metals, textiles, paper products, agricultural products, electronic and mechanical subassemblies, and various biological, chemical and petrochemical product. Our results of operations could be negatively impacted by volatility in the cost of raw materials, components, freight and energy, which, in turn, increases the costs of producing and distributing our products. New laws or regulations adopted in response to climate change could also increase energy and transportation costs, as well as costs of certain raw materials and components. In particular, we purchase supplies of resins, which are oil-based components used in the manufacture of certain products, and any significant increases in resin costs could adversely impact future operating results. Increases in oil prices can also increase our packaging and transportation costs. We may not be able to offset increases in these costs through other cost reductions.</p>
Our response	<p>This is managed through procurement and engineering expertise. BD's strategic sourcing teams continuously assess our sole-sourced raw materials and maintain business continuity plans with our suppliers. BD's continuity plans may include securing secondary supply with alternative suppliers, qualification of alternative manufacturing facilities, maintaining contingency stock, internal development of supply and establishment of technology escrow accounts. We also strive to increase our material efficiency through design and ongoing sustained engineering efforts. Sustaining engineering teams work on material reduction, packaging reduction and product improvements in order to mitigate our exposure to these risks. In 2016, we refined our approach to supplier risk profiling by adding reputational risks into our Enterprise Supplier Risk Management process, for direct suppliers. An initial set of risks were identified, and mitigation plans are in progress. We will continue to refine our risk model and adjust our top risks accordingly.</p> <p>As part of our 2030+ Product Impact commitment, we have to set a goal to work to address the impact of plastics through existing and new strategic partnerships that work across the value chain. This includes our membership in the Healthcare Plastic Recycling Council, www.HPRC.org.</p>

Where the risk occurs in the value chain	Upstream
Risk type	Market
Climate-related driver	Availability of raw materials
Potential financial impact	Increased direct costs
Time horizon	Short-term
Likelihood	About as likely as not
Magnitude of impact	Medium
Description	<p>A reduction or interruption in the supply of certain raw materials and components could adversely affect our operating results. We purchase many different types of raw materials and components used in our products. Certain raw materials and components are not available from multiple sources. In addition, for quality assurance, cost effectiveness and other reasons, certain raw materials and components are purchased from sole suppliers. The price and supply of these materials and components may be impacted or disrupted for reasons beyond our control, such as extreme weather events. While we work with suppliers to ensure continuity of supply, no assurance can be given that these efforts will be successful. In addition, due to regulatory requirements relating to the qualification of suppliers, we may not be able to establish additional or replacement sources on a timely basis or without excessive cost. The termination, reduction or interruption in supply of these raw materials and components could adversely impact our ability to manufacture and sell certain of our products.</p>
Our response	<p>This is managed through procurement expertise. BD's strategic sourcing teams continuously assess our sole-sourced raw materials and maintain business continuity plans with our suppliers. BD's continuity plans may include securing secondary supply with alternative suppliers, qualification of alternative manufacturing facilities, maintaining contingency stock, internal development of supply and establishment of technology escrow accounts. In 2016, we refined our approach to supplier risk profiling by adding reputational risks into our Enterprise Supplier Risk Management process, for direct suppliers. An initial set of risks were identified, and mitigation plans are in progress.</p> <p>We will continue to refine our risk model and adjust our top risks accordingly.</p> <p>In addition, our 2030+ commitment to creating a supply chain that is adaptable to disruption and able to contribute to strong environmental and social performance includes a goal to partner with strategic/preferred/critical suppliers to evaluate risk in Tier 2 by 2030.</p>

Opportunities

Where the opportunity occurs in the value chain	Direct operations
Opportunity type	Resource efficiency
Climate-related driver	Use of more efficient production and distribution processes
Potential financial impact	Reduced indirect (operating) costs
Time horizon	Short-term
Likelihood	About as likely as not
Magnitude of impact	Low
Description	Increased cost for traditional energy as a result of climate change makes capital investments in renewable energy (or projects with a longer ROI) more feasible and saves more money over the lifetime of the project. This is particularly relevant for BD, where rising costs from both our energy usage and a portion of our raw-material base (plastic resins), as well as competition from low-cost producers around the world, can reduce our competitive advantage.
Strategy to realize opportunity	<p>In our climate change impact area, we have set goals to reduce our GHG emissions. We will achieve this reduction through two mechanisms—reduced energy demand and increased use of renewables.</p> <p>Each facility has identified a pipeline of projects aimed at reducing our GHG emissions and will utilize a traditional capital funding process to implement these projects. This process will continue to increase the number of projects with sustainability benefits and associated cost savings and contribute to BD’s competitiveness in both the short- and the long-term.</p> <p>Previous projects have included HVAC replacements, chiller upgrades, compressed-air upgrades and LED installations, in addition to larger projects such as the installation of cogeneration facilities and various major solar installation projects.</p> <p>As part of our procurement strategy, we evaluate all new energy deals for a green-energy option. We currently purchase green tariffs in Germany, Ireland, Spain, Belgium, the Netherlands and the U.K. In FY 2021, we invested over \$2.5 million in solar and wind energy through power purchase agreements and RECs from existing contracts.</p> <p>Case study: In FY 2021, we implemented 142 projects that include solar installations, updating building controls, HVAC replacements, lighting retrofits, machine replacements, process optimization and other efficiency upgrades in the production process. The projects were expected to generate a \$5.1 million annual saving in energy costs and 19,266 metric tonnes of CO₂e reduction starting throughout FY21 and into FY 2022.</p>

Where the opportunity occurs in the value chain	Direct operations
Opportunity type	Resource efficiency
Climate-related driver	Reduced water usage and consumption
Potential financial impact	Reduced indirect (operating) costs
Time horizon	Short-term
Likelihood	About as likely as not
Magnitude of impact	Low
Description	<p>Reliable and high-quality water is particularly important to our business in order to maintain strict quality specifications. There are many instances where projects have savings and efficiencies in multiple sustainability categories—e.g., a project that reduces energy consumption may also have a significant water reduction associated with it. For example, we have implemented water recovery processes (e.g., at water purification plants) that have both conserved water and reduced our energy consumption; similarly, optimizing process heating reduces the use of steam and water. As water is still a relatively low-cost resource in most of the regions where we operate, water efficiency projects often do not have as favorable return on investment (ROI) as other sustainability or capital investment projects. However, for facilities in water-stressed areas, reducing our consumption now will help build resilience over the long-term. Managing this risk enables us to capitalize on more opportunities, such as reduced operational costs over the long-term.</p>
Strategy to realize opportunity	<p>As part of our 2030+ commitments, we have set targets to reduce our water usage by 40 percent by 2030 (from a baseline of 2019 and normalized to COPS). This opportunity is managed by implementing projects with significant energy/water/waste savings. We utilize a traditional capital funding process at the facility level to implement projects that will reduce water usage and increase efficient use of water. This process will continue to increase the number of projects with sustainability benefits and associated cost savings and contribute to BD's competitiveness in both the short- and the long-term. These methods have contributed to more than \$12 million in cost savings in both energy and water since FY 2019.</p> <p>Case study: BD implemented or approved eight water-related projects in the United States, Puerto Rico, Mexico and China in FY21 that are projected to reduce annual water costs by \$194,000 per year. Increased cost for water as a result of constrained availability makes capital investments in water conservation methods (or projects with a longer ROI) more feasible and saves more money over the lifetime of the project. We will continue to identify and implement viable water reduction projects.</p>

Where the opportunity occurs in the value chain	Downstream
Opportunity type	Products and services
Climate-related driver	Shift in consumer preferences
Potential financial impact	Increased revenues resulting from increased demand for products and services
Time horizon	Medium-term
Likelihood	More likely than not
Magnitude of impact	Medium
Description	<p>We face changing customer preferences and requirements, including increased customer demand for more environmentally preferable products as they become more concerned about climate change and its impacts. While climate change criteria are not currently used as a purchasing criterion by our customers, we receive a significant number of requests for sustainability information. While no formal tracking mechanism exists, we estimate sustainability criteria to be included in most of the RFPs from European-based customers, some from Australia/New Zealand and a significant portion from U.S.-based customers as well.</p> <p>Particularly notable is the U.K.'s NHS, which in October 2020 became the world's first health service to commit to reaching carbon net zero. The NHS' Net Zero Supplier Roadmap will require suppliers to publish a carbon reduction plan and to meet requirements for product carbon footprinting. Also, from 2030, suppliers will be able to qualify for NHS contracts only if they can demonstrate their progress through published progress reports and continued carbon emissions reporting.</p> <p>We have also had increased interest from, and engagement with, our pharmaceutical customers around our carbon reduction plans and how we can assist in lowering carbon emissions across the pharmaceutical value chain.</p> <p>As a company with a proven reputation for maintaining the quality and safety of our products while reducing our carbon footprint, we are strategically positioned to manage this opportunity. We also benefit from reducing the energy-related costs associated with a product as it increases our competitiveness in a market that increasingly looks toward low-cost solutions.</p>
Strategy to realize opportunity	<p>As part of our 2030+ commitment to climate change and product impact, we have set a number of goals to realize this opportunity.</p> <p>First, we are committed to setting targets to reduce Scope 3 emissions that result from the use of, and end-of-life disposal of, our products.</p> <p>Second, we have set a number of goals to realize our commitment to reducing the environmental impact of our portfolio and addressing the sustainability needs of our customers.</p> <p>These priorities led us to form the Sustainable Medical Technology Institute.</p> <p>Case study: We see the value of partnerships and evolving discussion with coalitions. Our memberships in the Sustainable Healthcare Coalition and Healthcare Plastic Recycling Council have allowed us to gain insights into developing and evolving customer expectations.</p>

Where the opportunity occurs in the value chain	Upstream
Opportunity type	Products and services
Climate-related driver	Increased need for products and services
Potential financial impact	Increased revenues resulting from increased demand for products and services
Time horizon	Medium-term
Likelihood	More likely than not
Magnitude of impact	Medium
Description	With health-related impacts of climate change expected to increase, the need for products and solutions provided by BD, such as diagnostics and delivery systems, may increase as well. Health impacts could include: an increase in vector-borne and infectious diseases; alterations in disease patterns requiring diagnostic and surveillance solutions; emergence of new diseases requiring BD technologies that enable medical research; an increase in antimicrobial resistance (exacerbated by climate change), potentially increasing demand for BD's diagnostic and surveillance solutions; and disproportionate climate-related health impacts in developing countries, which may increase demand for BD's low-cost innovations.
Strategy to realize opportunity	<p>As part of our 2030+ commitments to climate change, we have set a goal to use our capabilities to contribute to solutions that address unmet climate-related health needs, recognizing the connection between climate change and human health.</p> <p>Case study: BD undertook climate scenario analysis to better understand how climate-related risks (such as climate-induced water scarcity) and opportunities could impact the business. BD partnered with BSR, a global nonprofit organization of sustainable business experts that works with its global network of the world's leading companies to build a just and sustainable world, to develop four scenarios corresponding to warming by 2100, which explored climate-related risks and opportunities, and other key uncertainties for BD's business. These scenarios incorporated credible and publicly available climate projections for emissions reductions and climate impacts. These scenarios were reviewed by BD's management in early 2020 and insights from the scenario analysis were incorporated into the development of BDs 2030+ commitments and goals.</p>

How risks and opportunities have influenced our strategy and financial planning processes

The aspects of climate change that have most influenced our strategy are:

- physical risks to operations and supply chain;
- market risks due to increasing cost and/or availability of raw materials;
- availability of water for our operations; and
- the increasing expectations of our customers, and reputational considerations in both the short- and the long-term.

These risks have translated into our 2030+ commitments and goals across the areas of climate change, product impact and a responsible supply chain, and our public commitment to the UN Race to Zero.

Opportunities such as customer preferences for environmentally preferable products have resulted in our 2030+ commitment to reducing the environmental impact of our portfolio and addressing the sustainability needs of our customers.

While our 2030+ commitments and goals are managed at the corporate level by various central teams, the integration of these goals into business strategy varies among our company's segments because of diverse geographic locations and product portfolios. All business segments work toward the same 2030+ commitments and goals to increase operational efficiency, but certain segments have a heavier emphasis on product sustainability. For example, the BD Medical segment produces drug delivery systems (such as needles, syringes and catheters) that are primarily single-use, in order to prevent the spread of infection. Therefore, environmentally preferable product considerations such as less material and recycled content (where possible) are a heavier area of focus for this segment. In other business segments where instruments are part of the portfolio, the use phase

has the greatest impact, and more consideration is given to the energy efficiency of products. Our work to establish baseline Scope 3 emissions from the use and end-of-life disposal of our products, as well as increased utilization of life-cycle assessments, will provide insights to identify areas of opportunity to reduce emissions and environmental impact across our portfolio.

The following describes where and how specific risks and opportunities have influenced our strategy and financial planning.

Part of the value chain



Description of influence

How our strategy has been influenced: Some suppliers, facilities or product lines could be impacted by the risk of climate-related issues in products and services. Carbon regulation and the rise of raw-material costs due to acute and chronic climate change events could impact the cost of products. At BD, we view climate change as an issue affecting the health of the global population, which will likely disproportionately impact vulnerable populations such as those without access to healthcare. The global greenhouse gas (GHG) emission trajectory is expected to increase the frequency and intensity of some extreme weather events and, along with increasing temperatures, these factors will bring about a range of health risks and population impacts. Heat-related fatalities and illnesses, such as heat stroke and respiratory illnesses, will increase due to rising temperatures and levels of air pollution. Increased flooding will affect waterborne illnesses and the spread of vector-borne diseases, such as malaria, Zika virus and West Nile virus. These factors will place strain on the healthcare infrastructure, so we believe it is imperative that we take steps not only to reduce GHG emissions from our own operations, but also to manage—and where possible mitigate—the potential risks and negative impacts of climate change across our value chain. Finally, improvements to our products and solutions to reduce their carbon footprint across their life cycle will support our customers in pursuit of their sustainability goals. This could include designing electrical equipment to be more energy-efficient, considering alternative materials and making our supply chain networks more efficient. The magnitude of this impact has been small compared to revenue from other types of products and services in our portfolio. Time horizons covered include short- and medium-term.

Case study of substantial strategic decisions: Inherent in our Purpose of *advancing the world of health™* is working to meet emerging or unmet health needs that our products, solutions and expertise can address. We have a portfolio of solutions that can help detect and diagnose illnesses that will be exacerbated by climate change, such as antimicrobial resistance (AMR). Additionally, chronic disease risks are likely to increase with climate change. Our growth strategy will focus on transformative solutions to positively impact the treatment of chronic disease.

Part of the value chain

Supply chain

Description of influence

How our strategy has been influenced: The risks and opportunities in our supply chain are in the form of rising energy costs that would impact our process and cause a reduction or interruption in the supply of certain raw materials and components that could adversely affect our operations. Severe weather that impacts our supply chain would increase our risk of disruption to customers. This is managed through procurement expertise. BD's strategic sourcing teams continuously assess our sole-sourced raw materials and maintain business continuity plans with our suppliers. BD's continuity plans may include securing secondary supply with alternative suppliers, qualification of alternative manufacturing facilities, maintaining contingency stock, internal development of supply and establishment of technology escrow accounts. In 2016, we refined our approach to supplier risk profiling by adding reputation risks into our Enterprise Supplier Risk Management process, for direct suppliers. An initial set of risks were identified, and mitigation plans are in progress. We will continue to refine our risk model and adjust our top risks accordingly. The magnitude of impacts on our supply chain from climate change has been small compared to other factors. However, if frequency of disruption increases, potential impacts could be significant as our supply chain is large and complex. Time horizons covered include short- and medium-term.

Case study of substantial strategic decisions: As part of our 2030+ commitment to create a supply chain adaptable to disruption and able to contribute to strong environmental and social performance, we have set goals to (1) complete ESG desktop audits for strategic, preferred and critical suppliers by 2023 and (2) have 90 percent of total spend reflected in completed supplier ESG desktop audits by 2025.

Using third-party survey platforms, such as Ecovadis, we are able to collect different environmental KPIs (GHG emissions, water usage, waste generated, etc.) and assess suppliers' policies and processes to manage various ESG issues.

Investment in R&D

How our strategy has been influenced: At BD, we view climate change as an issue of public health. The global greenhouse gas (GHG) emission trajectory is expected to increase the frequency and intensity of some extreme weather events, and along with increasing temperatures, these factors will bring about a range of health risks and population impacts. Heat-related fatalities and illnesses, such as heat stroke and respiratory illnesses, will increase due to rising temperatures and levels of air pollution. Increased flooding will affect waterborne illnesses and the spread of vector-borne diseases, such as malaria, Zika virus and West Nile virus. These factors will place strain on the healthcare infrastructure, so we believe it is imperative that we take steps not only to reduce GHG emissions from our own operations, but also take steps to manage—and where possible mitigate—the potential risks and negative impacts of climate change across our value chain.

As part of our 2030+ commitment to minimize our contribution to global emissions, we have also set a goal to utilize our capabilities to address unmet health needs for climate-vulnerable populations. While we do not currently have a specific program around investment in R&D for climate-related diseases, we see risks and opportunities related to the nexus of climate change and human health as something that would surface as part of our work to address unmet health needs. We would allocate investments through existing funding channels within the organization. The magnitude of this impact is expected to be small in relation to other R&D investments. Time horizons covered include medium and long-term.

Case study of substantial strategic decisions: Inherent in our Purpose of *advancing the world of health™* is working to meet emerging or unmet health needs that our products, solutions and expertise can support. We have a portfolio of solutions that can help detect and diagnose illnesses that will be exacerbated by climate change, such as antimicrobial resistance (AMR). Additionally chronic disease risks are likely to increase with climate change. Our growth strategy will focus on transformative solutions to positively impact the treatment of chronic disease. In FY 2022, BD announced the formation of the BD Sustainable Medical Technology Institute (BD SMTI), which will develop and support programs to achieve our 2030+ Product Impact goals.

Part of the value chain

Operations

Description of influence

How our strategy has been influenced: Risks from climate change in operations are intensified for some suppliers, facilities or product lines. This could include carbon regulation increasing operational costs, acute and chronic events such as an increase in extreme hurricanes impacting BD manufacturing facilities and/or supplier facilities, and chronic events such as prolonged drought increasing water costs in operations.

We have incorporated this risk into our business continuity planning for operations by evaluating where we manufacture products that are classified as critical to healthcare and pursuing redundant manufacturing capabilities where appropriate. In addition to goals set for our climate change impact area, we have set a 2030+ goal to incorporate climate risk into supply chain and network architecture strategies. The magnitude of this impact has been small compared to other factors like operational expenditures and annual revenue. Time horizons covered include short- and medium-term.

Case study of substantial strategic decisions: In our climate change impact area, we have set goals to reduce our GHG emissions. We will achieve this reduction through two mechanisms—reduced energy demand and increased use of renewables.

Each facility has identified a pipeline of projects aimed at reducing our GHG emissions and will utilize a traditional capital funding process to implement these projects. This process will continue to increase the number of projects with sustainability benefits and associated cost savings and contribute to BD’s competitiveness in both the short- and the long-term.

Previous projects have included HVAC replacements, chiller upgrades, compressed-air upgrades and LED installations, in addition to larger projects such as the installation of cogeneration facilities and various major solar installation projects.

Indirect costs, capital expenditures and assets

How our strategy has been influenced: Risks and opportunities that would affect operating costs and capital expenditure/capital allocation are factored into our financial planning through normal budgeting processes for the short-term. These risks include increased operational costs from regulation or rising energy costs. Each facility has identified a pipeline of projects aimed at reducing our GHG emissions through demand reduction and increase in the use of renewables, and will utilize a traditional capital funding process to implement these projects.

The magnitude of impact is relatively small (less than 5 percent of total operating costs). Time horizons covered by financial planning are short- to medium-term.

Risks and opportunities from climate change in asset financial planning are impacted for some suppliers, facilities and product lines. Risks include property damage from acute physical impacts from increased severity of extreme weather events—as seen through Hurricane Maria. These risks are managed as part of general business continuity planning over the medium-term.

Case study of substantial strategic decisions: BD has entered into multiple power purchase agreements (PPAs) at various facilities to secure a supply of renewable energy for our operations. These PPAs range from on-site renewable energy installations to indirect procurement of green energy off-site. By signing these agreements and fixing our energy costs over a long period of time, we are managing our operating costs as well as reducing climate impacts. Time horizons covered by financial planning are short- to medium-term.

Scenario analysis

In 2019, responding to the need for strategic resilience in a time of rapid change, as well as a desire to assess and report to investors on climate risk in line with the TCFD Recommendations, BD undertook climate scenario analysis to better understand how climate-related risks and opportunities could impact the business. [BD partnered with BSR](#), a global nonprofit organization of sustainable business experts that works with its global network of the world's leading companies to build a just and sustainable world. BSR and BD collaboratively developed qualitative scenarios, augmented them with information from relevant climate projections and completed a climate scenario to analyze and assess the resilience of BD's corporate strategy to climate-related risks and opportunities, in line with the TCFD Recommendations.

Four scenarios were developed that corresponded to warming by 2100 allowing us to explore climate-related risks and opportunities, and other key uncertainties for our business. The time horizons covered included both the medium and the long-term (2030+). In order to incorporate information from climate projections into the scenarios, specific temperature increases and climate projections were assigned to each scenario. Two of the resulting scenarios were created based on the RCP 2.6 scenarios with the 1.5°C trajectory by 2100; the remaining two were created based on RCP 8.5, which is also the business-as-usual scenario. The areas that were considered as part of the scenario analysis include supply chain, business strategy, policy, market trends and technology.

A cross-functional workshop was held, in order for participants to explore the strategic implications of the four future scenarios. The results were used to determine (1) issues that are likely to increase in importance, regardless of scenario, and (2) highly dynamic issues that are very responsive to different scenarios and therefore require close monitoring and a foresight-driven management approach. These insights were incorporated into the development of BD's 2030+ commitments and goals, including the science-based target that was announced at the end of 2020.

Under the business-as-usual scenarios, a number of issues increased in importance, including water and global systemic health challenges related to climate change. Under the remaining scenarios with the 1.5°C trajectory by 2100, energy and emissions from our operations; social impact and access for underserved populations; talent; diversity and inclusion; and global systemic health challenges related to climate change increased in importance. These issues are addressed under our 2030+ commitments.

Further information about which of our ESG issues increased in importance and/or were dynamic can be found in the [material ESG issues section](#).

Risk management

At a company level, climate-related risks are identified by the central S&EHS team. The process for identifying risks involves stakeholder engagement with our internal technical experts, customers, shareholders, BD associates, business partners (e.g., suppliers), communities, governments, international agencies and nongovernmental organizations.

Climate-related risks are identified and evaluated by the S&EHS team through general sustainability materiality assessments and are informed by our ERM program and business continuity planning in areas such as disaster planning (including severe storms).

Physical (operational) risks posed by climate change that could impact our direct operations and/or supply chain and result in disruption to business continuity are identified and evaluated via processes established within the ISC team. Risk teams within the ISC team partner with individual facilities, business teams and subject matter experts to identify and evaluate risks (which may include but are not confined to climate change impacts). The central Risk Management team is responsible for monitoring compliance to property protection standards through which longer-term systematic risks can be evaluated. The process includes, but is not limited to, aggregation of insurance reports, sustainability risk assessments and

third-party tools, such as water risk assessments. Examples of these physical risks include damage to facility and/or product from severe weather (such as Hurricane Maria's impact on our facilities in Puerto Rico) and upstream fluctuations in the availability of materials (such as hurricanes in Texas impacting refineries and, by extension, resins.).

Transitional risks posed by climate change (financial, external, legal and compliance, and strategic) are evaluated by the central S&EHS team. Both physical and transitional risks posed by climate change may also be reviewed within the ERM program, based on risk assessment and other procedures performed to identify and assess risks against established guidelines. Though risks that are identified as part of our ERM program may be impacted by climate change (for example, supply chain disruption due to extreme weather), climate change may not be named as a specific individual risk. Any climate-related risks that may be captured within our ERM program will be managed in accordance with the ERM program governance.

For further information regarding management and Board oversight or our ERM program, please refer to the [ESG Governance section](#).

Once risks and opportunities from climate change have been identified, they are evaluated and prioritized by the central S&EHS team. This includes assessing key risk areas, evaluating the likelihood and impact, and ranking these risks. Key prioritization components include the magnitude of the event should it occur (financial or reputational), the probability of such an event happening and our direct control to mitigate the risk.

Climate-related risks (including GHG emissions and water scarcity) were also identified by the central S&EHS team as risks to the company as a part of the [ESG issue materiality assessments](#).

Our 2030+ commitments and goals were implemented to mitigate or manage these risks. Various central teams are responsible for collectively managing or mitigating climate change risk. Details can be found throughout this report.

Updates on our progress against our 2030+ goals are reported internally to management via the ERC and to the Board. Externally, progress is shared via our sustainability reporting (including annual reporting to the CDP). External reporting is carried out to meet growing stakeholder expectation for transparency, and therefore it helps to manage any reputational risk.

BD has also developed a best-in-class Supply Base Resiliency program that evaluates supplier risk against 14 different risk factors. These factors include environmental risk (supplier practice and policy to account for their own climate-based risks and greenhouse gas emissions), location risk (including indicators such as a country’s reliance on fossil fuels and the emission of carbon dioxide), which accounts for hazardous environments/locations potentially caused by climate change and may also impact supplier operations, and geopolitical risk, which can account for potential risk brought on by environmental/sustainability policy (or lack thereof). Suppliers included in this risk program are evaluated based on risk criteria and, if the risk rating is high, asked to develop an improvement plan to better account for that risk.

Metrics and targets

Details of our metrics and targets can be found in the [Climate Change](#) section.

Performance data can be found in the [data tables](#).

The following paragraphs detail how various risks are considered in our climate-related risk assessments:

Current regulation	Current regulation is relevant and always included in climate-related risk assessments. Specific risk assessments including monitoring of local regulations such as carbon taxes and emission trading scheme applicability are reviewed. These climate-related risks are assessed through strategy planning sessions, materiality assessments and business continuity planning.
Emerging regulation	Emerging regulation is relevant and always included in climate-related risk assessments, where “emerging” is defined as regulation likely to happen in the next 1 – 2 years. Risks are monitored at the facility level as part of normal business continuity planning. Specific risk assessments include monitoring of local regulations such as carbon taxes and emission-trading schemes. We continue to review emerging regulation in Europe as part of the energy-efficiency schemes and anticipate undergoing audits as part of this regulation. New laws or regulations adopted in response to climate change could also increase energy costs as well as the costs of certain raw materials and components, which are evaluated on an ongoing basis. We may not be able to offset increases in these costs through other cost reductions. Environmental laws, particularly with respect to the emission of greenhouse gases, are also becoming more stringent throughout the world, which may increase our costs of operations or necessitate changes in our manufacturing plants or processes or those of our suppliers, or result in liability to BD. These climate-related risks are assessed through strategy planning sessions, materiality assessments and business continuity planning.
Technology	Technology risk is relevant and sometimes included in climate-related risk assessments. Risks associated with a transition to a lower-carbon economic system on the operational side include the use of renewable energy. Solar power, combined heat and power, and fuel cells are used at various BD facilities to reduce carbon and increase energy-efficiency to aid in achieving our 2030+ climate change commitment, which was developed to mitigate climate-related risks. These climate-related risks are assessed through strategy planning sessions, materiality assessments and business continuity planning.
Legal	Legal risks are not relevant because no litigation claims linked to climate-related issues have been identified to date.
Market	Market risks are relevant and sometimes included in climate-related risk assessments. Plastics are used extensively across our portfolio of products, therefore regulations on carbon and fossil fuels could result in fluctuating prices. These climate-related risks are assessed through strategy planning sessions, materiality assessments and business continuity planning. Mitigation measures include projects to reduce material usage on products and packaging.
Reputation	Reputation risks are relevant and sometimes included in climate-related risk assessments. They are monitored from a general standpoint through customers that prioritize sustainability in their RFPs or purchasing specifications, as well as through ESG-oriented investors and analysis of BD from ESG ratings agencies. These climate-related risks are assessed through strategy planning sessions, materiality assessments and business continuity planning.
Acute physical	Acute physical risks are relevant and sometimes included in climate-related risk assessments. These assessments are generally performed at an asset level and incorporated into Business Continuity Plans. For example, the impact of Hurricane Maria in 2017 on our facilities in Puerto Rico resulted in updates to standard extreme weather evaluations and planned mitigation activities as part of business continuity planning. These climate-related risks are assessed through strategy planning sessions, materiality assessments and business continuity planning.
Chronic physical	Chronic physical risks are relevant and sometimes included in climate-related risk assessments. Risks evaluated include supply disruptions that may result from water scarcity in our direct operations. These climate-related risks are assessed through strategy planning sessions, materiality assessments and business continuity planning.

Policies, guidelines and statements center

The following list provides links to commonly referenced BD documents.

BD Websites	bd.com	
About BD	https://www.bd.com/en-us/about-bd/our-company	Includes information about BD’s business segments, leadership, and ethics and compliance
Careers website	https://jobs.bd.com	Career opportunities at BD
Cybersecurity	https://cybersecurity.bd.com	Links to the Trust center, bulletins and patches, and vulnerability disclosures, plus the annual Cybersecurity report
ESG	https://www.bd.com/en-us/about-bd/esg	Links to Sustainability (including report archive), Global Public Health and Social Investing
Inclusion, diversity and equity	https://investors.bd.com/esg/inclusion-diversity-inclusion	Links to our ID&E report
Investor Relations	https://investors.bd.com	Links to our financial reports and SEC filings; press releases, events and presentations, and corporate governance information, including public policy positions and PAC and corporate contributions
Newsroom	https://news.bd.com	Latest BD news, the BD blog and ESG news
BD policies, guidelines and statements		
Australia Modern Slavery and Human Trafficking statement	https://www.bd.com/content/dam/bdcom-assets/en/en-us/documents/policies-guidelines-and-statements/suppliers/BD-FY2021-AUS-Modern-Slavery-Statement.pdf	
California Transparency in Supply Chains Act	https://www.bd.com/content/dam/bdcom-assets/en/en-us/documents/policies-guidelines-and-statements/guidelines/BD_CA-Transparency-in-Supply-Chains_EN.pdf	
BD Code of Conduct	https://www.bd.com/content/bd-com/na/us/en-us/about-bd/our-company.html?containerId=our-company-code-of-conduct&activeTab=4	
Conflict Minerals Policy	https://www.bd.com/content/dam/bdcom-assets/en/en-us/documents/policies-guidelines-and-statements/policies/bd_conflict-minerals-policy_en.pdf	
BD Expectations for Suppliers	https://www.bd.com/en-us/about-bd/policies/expectations-for-suppliers-page	
Global Human Rights Policy	https://www.bd.com/content/dam/bdcom-assets/en/en-us/documents/policies-guidelines-and-statements/Corporate/BD-Global-Human-Rights-Policy.pdf	
U.K. Modern Slavery and Human Trafficking statement	https://www.bd.com/content/dam/bdcom-assets/en/en-us/documents/policies-guidelines-and-statements/suppliers/BD-FY2021-UK-Modern-Slavery-Statement.pdf	
Global Antibribery and Anticorruption Policy	https://www.bd.com/content/dam/bdcom-assets/en/en-us/documents/policies-guidelines-and-statements/Corporate/BD-ABAC_Policy.pdf	
Global EHS Policy	https://www.bd.com/content/dam/bdcom-assets/en/en-us/documents/policies-guidelines-and-statements/Corporate/BD-Global-Environment-Health-Safety-Policy.pdf	
Global Humane Handling Care and Use of Animals Policy	https://www.bd.com/content/dam/bdcom-assets/en/en-us/documents/policies-guidelines-and-statements/Corporate/BD-Global-Humane-Handling-Care-and-Use-of-Animals-Policy.pdf	
Materials of Concern list	https://www.bd.com/content/dam/bdcom-assets/en/en-us/documents/policies-guidelines-and-statements/suppliers/BD_Materials-of-Concern_List_EN.pdf	
Privacy statement	https://www.bd.com/en-us/about-bd/policies/privacy-policy-statement	

Acronyms and glossary

The following is a non-exhaustive list of acronyms and terms used throughout this report that are included to provide clarity. Not all acronyms are exclusive to BD.

AAALAC	Association for Assessment and Accreditation of Laboratory Animal Care	DCs	Distribution centers	HAP	Hazardous air pollutant
AAMI	Advancement of Medical Instrumentation	DEFRA	Department for Environment, Food and Rural Affairs	HIPAA	Health Insurance Portability and Accountability Act
AdVaMed	Advanced Medical Technology Association	DJSI	Dow Jones Sustainability Indices	HPRC	Healthcare Plastics Recycling Council
AI	Artificial Intelligence	DST	Drug susceptibility testing	HQ	Headquarters
AMR	Antimicrobial resistance	EC/IRB	Ethics Committee/Institutional Review Board	HR	Human resources
ARFC	Antimicrobial Resistance Fighters Coalition	EEIO	Environmentally Extended Input-Output	HRC	Human Right Campaign
ASLM	Africa Society for Laboratory Medicine	EFS	Expectations for Suppliers	HSCC	Healthcare & Public Health Sector Coordinating Council
BD	Becton, Dickinson and Company	EHS	Environment, health and safety	HVAC	Heating, ventilation, and air conditioning
BD SMTI	BD Sustainable Medical Technology Institute	EM	Equipment Management	IACUC	Institutional Animal Care and Use Committee
BDPS	BD Production System	EMS	Environmental management system	ID&E	Inclusion, Diversity and Equity
BRAD	Biomedical Research Awareness Day	EPP	Environmentally preferable purchasing	ID/AST	Identification, and antimicrobial susceptibility testing
BSR	Business for Social Responsibility	ERC	Enterprise Risk and ESG Committee	IDA	Industrial Development Agency
CDC	Center for Disease Control	ERM	the company, Environmental Resources Management	IEA	International Energy Agency
CEO	Chief Executive Officer	ERM	Enterprise Risk Management	IIR	Injury and illness rate
CFP	Chemical Footprint Project	ESG	Environmental, social and governance	ILO	International Labor Organization
cGMP	current Good Manufacturing Practices	ESOs	Environmental, Health and Safety Opportunities	IMP	Inventory management plan
CIDRAP	Center for Infectious Disease Research and Policy	EVP	Executive Vice President	ISA	International Society of Automation
CISA	Cybersecurity and Infrastructure Security Agency	EVP ISC	Executive Vice President, Integrated Supply Chain	ISC	Integrated supply chain
COE	Center of Excellence	FBI	Federal Bureau of Investigation	ISO	International Organization for Standardization
COPS	Cost of products sold	FDA	Food and Drug Administration	IVDR	In vitro diagnostic medical device regulation
CPA	Center for Political Activity	FY	Fiscal Year	KPI	Key performance indicators
CQRB	Corporate Quality and Regulatory Board	GCA	Global clinical affairs	LASCC	Latin America Shared Service Center
CRBSI	Catheter related blood stream infection	GCP	Good clinical practice	LC	Liquid culture
CRC	Clinical Research Collaboration	GJS	Good Jobs Strategy	LLME	Laboratory Leadership & Management Essentials
CSR	Corporate Social Responsibility	GHG	Greenhouse gas	LMIC	Low-and middle-income countries
CTD	Central TB Division	GHGP	Greenhouse Gas Protocol	LSHTM	London School of Hygiene & Tropical Medicine
CTP	Corporate TB Pledge	GLEC	Global Logistics Emissions Council	LTIFR	Lost time injury frequency rate
CVE®	Common Vulnerability and Exposures	GMS&G	Global Medical Safety and Governance	M&A	Merger and Acquisition
		GRI	Global Reporting Initiative™	MASC	Medical Safety Specialists

MAUDE	Manufacturer and User Facility Device Experience
MDIC	Medical Device Innovation Consortium
MDR	Medical device regulation
MES	Manufacturing execution system
MIS	Management information system
MNT	Maternal and neonatal tetanus
MOC	Materials of Concern
MOH	Ministry of Health
MSS	Medical Safety Specialists
NACD	National Association of Corporate Directors
NGO	Nongovernmental organizations
NIH	National Institutes of Health
NIST	National Institute of Standards and Technology
NOX	Nitrogen oxides
NTEP	National TB Elimination Program
NTP	National TB Program
ODA	Official Development Assistance
ODS	Ozone-depleting substances
OEM	Original equipment manufacturer
OHS	Occupational health and safety
OIFR	Occupational illness frequency rate
PAC	Political action committee
PEPFAR	President’s Emergency Plan for AIDS Relief
POC	Point of care

PPA	Power purchase agreements
PPE	Personal protective equipment
QAN	Quality Audit Network
QMS	Quality management system
R&D	Research and development
RCSI	Royal College of Surgeons
	Registration, Evaluation, Authorisation and Restriction
REACH	of Chemicals
REC	Renewable Energy Credits
RFP	Request for proposal
RMW	Regulated Medical Waste
RoHS	Restriction of Hazardous Substances Directive
ROI	Return on investment
RRA	Remote Regulatory Assessment
S&EHS	Sustainability and environment, health and safety
SAB	Scientific Advisory Board
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets initiative
SDS	Safety Data Sheets
SEC	Securities and Exchange Commission
SHC	Sustainable Healthcare Coalition
SHEA	Society for Healthcare Epidemiology of America
SKU	Stock keeping unit
	Stepwise Laboratory Improvement Process Towards
SLIPTA	Accreditation in the African Region

SOPs	Standard operating procedures
SOP	Strategic Organizational Plan
SOX	Sulfur oxides
STEM	Science, Technology, Engineering, and Math
STRIDES	Strengthening TB Resistance Testing and Diagnostic Systems
SVP	Senior vice president
TB	Tuberculosis
TCFD	Task Force on Climate-related Financial Disclosures
UL	Underwriters’ Laboratories
UN SDGs	United Nations Sustainable Development Goals
UNICEF	United Nations International Children’s Emergency Fund
USAID	U.S. Agency for International Development
VoA	Voice of the Associate
VOC	Volatile organic compounds
VP	Vice president
VP GCA	Vice President of Global Clinical Affairs
	Vice President, Sustainability and Environment, Health
VP S&EHS	and Safety
VST	Volunteer Service Trip
WARM	Waste Reduction Model
WBCSD	World Business Council for Sustainable Development
WHO	World Health Organization
WRI	World Resources Institute

The “strong teams” operating model outlines our approach to how different parts of the organization can come together to deliver value. The foundation for this model is empowerment of teams and servant leadership. At the center are our customers.

Central team	These teams are typically corporate functions and drive people, process and systems excellence.
Business team	These teams drive strategy and product portfolio. The teams are arranged by segment, business unit and platform.
Regional team	These teams are focused on channels, customers and service. The teams are arranged by region, country and sales team.

Advancing the world of health™	Our Purpose.
BD 2025	Our current phase of value creation, anchored in three key pillars—Grow, Simplify and Empower.
THE BD WAY	A set of behaviors that embodies who we are, what we stand for and why we exist.
Together we advance	Our ESG strategy, a four-pillar framework through which we address the most relevant ESG issues for our business and stakeholders.
2030+ commitments	A set of commitments and goals in five impact areas—climate change, product impact, responsible supply chain, healthy workforce and communities, and transparency. These are areas where we see the most opportunity for BD to create meaningful and measurable change over the next decade and beyond.

To find out more about sustainability at BD or to provide feedback on our reporting, please contact BD_Sustainability_Office@bd.com

This report contains information about BD and its operations around the world. Statements regarding our future business direction and intent represent goals and objectives only and are subject to change or withdrawal without notice. We undertake no obligation to update the statements or information contained in this report.

Cautionary statement regarding forward-looking statements

This report contains certain forward-looking statements within the meaning of the federal securities laws regarding BD's business, strategy, goals, commitments and objectives. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed, projected, anticipated or implied in such statements. All statements, other than statements of historical facts, may be forward-looking statements. Some forward-looking statements may be identified by the use of words such as "plan," "expect," "believe," "intend," "will," "may," "anticipate," "estimate," "target," and other words of similar meaning in conjunction with, among other things, discussions of future operations and financial performance and strategy for growth, future product development, regulatory approvals, competitive position, sustainability initiatives and expenditures. Readers should not place undue reliance on forward-looking statements. Forward-looking statements are, and will be, based on management's then-current views and assumptions regarding future events, developments and operating performance, and speak only as of their dates.

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