



Together We Advance

FY 2023 Corporate
Sustainability Report



This version of the report was reissued in November 2024 and includes a limited assurance statement.
Certain environmental and H&S data was revised as a result of the assurance process.

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[Annual Report](#)
[BD Sustainability](#)

Letter to our stakeholders



Tom Polen

Chairman, CEO and President

For more than 125 years, our work at BD has made a significant impact on human lives. Today, as a global MedTech leader, we are accelerating innovative technologies that make health care simpler, safer, and provide opportunities for better outcomes. Our work touches billions of people in nearly every country in the world, and our growth and size result from one thing – trust.

At BD, we know that our stakeholders trust us to make responsible business decisions that will address today’s challenges and have a lasting impact on the future of health care. That’s why our *Together We Advance* strategy is centered around the health of our company, planet, communities and the people we serve.

Trust depends on meeting our commitments. We do this by focusing on excellence in everything we do, and by joining in shared efforts for collective impact, since no one company can do this alone, like the United Nations Sustainable Development Goals.

Trust, excellence, collaboration – these are the bedrock for our approach to sustainability and corporate responsibility. I’m proud to report FY 2023 progress across our *Together We Advance* 2030+ goals.

Protecting our planet

People trust their health to our industry, and in turn, it’s our shared responsibility to address health care’s environmental footprint. As we lower emissions, reduce waste and drive efficiency, we can play an important role in contributing to decarbonization and protecting human and planet health.

BD is doing our part, reducing total operational (Scopes 1 and 2) emissions by 5% year-over-year, and 19% since 2019. We committed to a 50% reduction in

Scopes 1 and 2 greenhouse gas emissions by 2030 through our White House-Health and Human Services climate pledge. In 2021, we committed to setting science-based targets by joining the U.N. Race to Zero and Business Ambition for 1.5°C. We are pleased to report that the Science Based Targets initiative recently approved our near-term and 2050 Net-Zero targets. As part of our industry leadership in climate action, we serve as an executive committee member of a new industry coalition, Collective Healthcare Action for Reducing MedTech Emissions (CHARME).

Collaborating for a resilient, sustainable supply chain

BD is a trusted leader for the health care ecosystem, enabling us to drive impact beyond our walls and strengthen the health care supply chain so our customers and their patients have the quality products they need, when they need them. We are engaging suppliers to help them measure and reduce emissions, and working with customers to manage packaging, deliveries and end-of-life disposal. We launched our supplier climate action program earlier this year to encourage suppliers to set their own science-based targets and reduce emissions, which will in turn help us reach our goals to decarbonize our value chain.

Additionally, we are advancing innovative recycling efforts with partners around the world to decrease the impact of our footprint while maintaining product quality and safety, like our pilot project to recycle used syringes and needles that diverted 40,000 pounds of medical waste last year, and our collaboration to recycle used blood collection tubes without compromising the quality of the material.

Our BD Excellence business system and culture of quality also play an important role. Our focus on continuous improvement has empowered our teams to deliver meaningful results against our BD 2025 strategy. Last year, we continued to transform our exciting innovation pipeline, launching 27 new products that are

benefiting patients worldwide. We obtained 510(k) clearance for the updated BD® Alaris™ Infusion System, the most comprehensive and connected infusion system on the market. Our BD Sustainable Medical Technology Institute, a first for our industry, is focused on identifying ways we can improve the footprint of our products, through collaborations on novel polymers, biomaterials and biodegradable packaging. Through this work, we are maintaining our high standards of patient safety, quality and efficacy, like working to create minimum Human Health and Environment criteria for our products.

Supporting our workforce, communities and health equity

The trust of our people is paramount. Not only do our associates expect a great place to work and build a career, they also expect the opportunity to be part of something bigger, where their efforts and ideas benefit patients, families and communities around the world.

As part of our long-running health equity work, we are leading efforts targeted to eradicate HPV and cervical cancer in the U.S., Kenya, India and Colombia, expanding capacity for antimicrobial resistance diagnostics across 16 countries via the Fleming Fund and strengthening tuberculosis resistance testing and diagnostic systems in Asia. We also signed the World Economic Forum’s Zero Health Gaps Pledge, targeting equity opportunities through technology and innovation, public-private partnerships and investment in stronger health systems.

BD continues to build a diverse, inclusive workforce in line with our 2030+ goals by attracting and developing associates with a commitment to providing equitable access to growth opportunities. In 2023, we achieved gender base pay equity with our female and male associates globally, and we continue to hold ourselves accountable for ensuring equitable pay across our associate base. Our Associate Resource Groups, which have grown in membership by 47% in the last two years, play an impactful role in advancing and shaping our cultural priorities, holding us accountable for driving positive change.

Ensuring transparency, accountability and excellence

At the core of it all, we engage employees to understand and unite behind our position as a responsible, high-performing business and a trusted partner. It’s why we’ve launched company-wide initiatives to protect our organization, customers and patients, including efforts that helped us achieve ISO certification for enterprise-level cybersecurity.

At BD, responsibility is embedded in our long-term strategy, our efficient operations and the mindset of our associates. We’ve worked this way for more than 125 years, and we continue to do the same for today’s challenges and the future.

It’s this proven commitment, global leadership and enduring impact that our stakeholders trust as we continue to deliver on our purpose of *advancing the world of health™*.


Tom Polen
Chairman, CEO and President



About this report

This report provides information about our global sustainability 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 fiscal year (FY) 2023 (October 1, 2022, to September 30, 2023) and the first half of fiscal year 2024 (October 1, 2023, to March 31, 2024). Performance data regarding our 2030+ ESG goals is provided through the end of fiscal year 2023 (October 1, 2022, to September 30, 2023). All information is provided for BD (Becton, Dickinson and Company) and our subsidiaries.

Reporting frameworks and materiality

As part of BD’s 2030+ goal of transparent disclosure, we prepared this report with reference to the Global Reporting Initiative™ (GRI) Standards and the Sustainability Accounting Standards Board (SASB) Medical Equipment and Supplies Sustainability Accounting Standard. The report is not intended to be in accordance with the GRI or SASB standards.

We also evaluated the United Nations Sustainable Development Goals (SDGs) as part of our sustainability assessment and outlined our support and alignment with the goals later in this section.

Throughout this report, we use the GRI definition of materiality to identify and prioritize our environmental, social and governance topics. GRI defines material topics as “topics that represent the organization’s most significant impacts on the economy, environment and people, including impacts on their Human Rights.” This standard is different from the definition and concept of materiality in the securities laws that we use to assess, among other things, required disclosure in U.S. Securities and Exchange Commission (SEC) filings. Topics identified as “material” for the purposes of this report may not be considered material to the company as a whole, including for SEC reporting purposes. A GRI index, an SASB index, commonly used acronyms, a glossary of terms and links to BD documents are in the appendices. More details about our reporting boundaries and definitions are provided in our [Basis of Reporting](#).

We align our climate management program with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and we continue to use this framework to advance our initiatives and disclose relevant information. 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.”

Our TCFD disclosures are in the appendices and are also included in our long-standing public disclosure via the CDP (formerly the Carbon Disclosure Project).

Reporting boundary

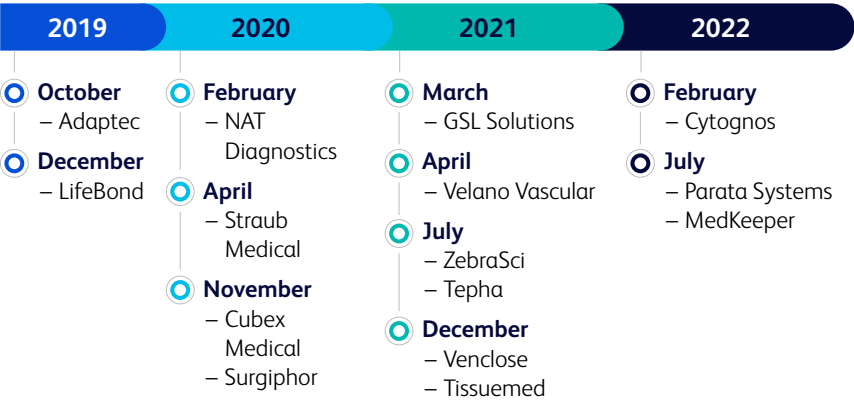
We have made several acquisitions in recent years. A materiality determination of our acquisitions deemed them collectively as not material due to the small percentage relative to the overall dataset. Accordingly, unless otherwise noted, we included environmental data in our dataset once it became available, and our baseline years of 2021 (Scope 3 emissions) and 2019 (all other environmental goals) were recalculated. Accordingly, the data reported in this report includes all Scope 1 and 2 emissions and environmental performance data from all acquisitions through FY 2023.

In April 2022, we completed the spinoff of our diabetes care business to create a new independent, publicly traded company, Embecta Corp. (embecta). Unless noted, data related to embecta has been removed from the dataset.

On July 18, 2022, BD completed the acquisition of Parata Systems (Parata), an innovative provider of pharmacy automation solutions and our largest acquisition since C.R. Bard in FY 2018. Since the acquisition date, financial results for Parata’s product offerings, along with other data, have been reported with the results for BD Medical segment’s Medication Management Solutions unit.

The data in this report applies to facilities that we operate, including leased and owned facilities.

RECENT ACQUISITIONS



All monetary amounts are U.S. dollars unless otherwise stated. Due to rounding, percentages may not add to 100%.

External assurance

We have processes to ensure that reporting on key sustainability performance indicators is as accurate and robust as possible, and we continue to improve them. Several environmental and safety data indicators were externally assured by ERM CVS. The assurance statement is included at the end of this [report](#). Various data tables are in the appendices.

Find out more

A disclaimer regarding forward-looking statements is on the final page of this report. Statements regarding BD’s goals, commitments and objectives may include statistics or metrics that are based on estimates and assumptions under developing standards that may change in the future. Such goals and commitments are not intended to be promises or guarantees, and actual results may differ, possibly materially. We seek feedback from stakeholders each year, which informs our selection of content for sustainability reporting. For contact information, see the [Stakeholder engagement](#) section in the appendices and the [final page of this report](#). Our previous sustainability reports are available on our [website](#). Click here for our [Policies, Guidelines and Statement Center](#).

Sustainability highlights



Company health

- [Announced a collaboration agreement with Techcyte](#), to offer an artificial intelligence AI-based algorithm that guides cytologists and pathologists to identify evidence of cervical cancer and precancer using whole-slide imaging.
- [Announced a collaboration agreement with Hamilton](#), a leading global manufacturer of laboratory automation technology, to develop automated applications together with robotics-compatible reagent kits.
- Launched the [BD FACSDuet™ Premium Sample Preparation System](#), which uses liquid-handling robotics to automate the sample preparation process, resulting in improved standardization and reproducibility in cellular diagnostics.
- Received 510(k) clearance from the U.S. Food and Drug Administration (FDA) for the [BD® MiniDraw™ Capillary Blood Collection System](#).
- Received FDA approval for BD Onclarity™ HPV Assay, which allows women to self-collect vaginal specimens for HPV testing in a health care setting.

Planet health

- Received validation from the Science Based Targets initiative for our near-term and 2050 Net-Zero targets.
- Signed the [White House/Health and Human Services Health Sector Climate Pledge](#).
- Launched a [circularity pilot program](#) with waste management firm Casella Waste Systems, a resource management provider, to recover and recycle a wide range of red box waste, including used syringes and needles, and expanded to additional waste streams in early FY 2024.
- Successfully completed a Denmark-based polyethylene terephthalate (PET) plastic [recycling feasibility study](#) for used blood collection tubes.
- Became one of the first companies to meet the U.S. Health Care Climate Council's rigorous Climate Excellence Standard.

Community health

- Donated more than \$19 million in cash and product through BD and the BD Foundation.
- Spent more than \$1.2 billion with small and diverse-owned businesses across the United States.
- Launched a Responsible Sourcing Toolkit for BD suppliers to access tools, resources and best practices to implement BD's [Expectations for Suppliers](#).

Human health

- Signed the World Economic Forum's [Zero Health Gaps Pledge](#).
- Launched a collaboration with the Kenyan Government through the [National Cancer Institute-Kenya](#) to advance access to critical cancer diagnostics for women in Kenya.
- [Announced a partnership with Bio Farma](#) to combat tuberculosis (TB) by providing access to BD's innovative TB diagnostics portfolio and establishing a partnership to optimize the supply chain for TB solutions in Indonesia.

Awards and recognition



DiversityInc, “Noteworthy Company” in the Top 50 Companies for Diversity survey, 2023



Bloomberg Gender-Equality Index, fourth consecutive year, 2023



TRANSPARENCY
AWARDS
2023

Labrador fifth annual U.S. Transparency Awards, 2023 (top 10 among S&P 250 companies)



3BL Media, 100 Best Corporate Citizens of 2023



Society of Women Engineers, Gold Professional Mission Award, 2023



Fortune, America’s Most Innovative Companies, 2024



Disability IN, Best Places to Work for Disability Inclusion, 2023

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

S&P Global, Dow Jones Sustainability Index North America, 2023



FTSE4Good
FTSE Russell FTSE4Good Index series, 2023¹



Healthcare Industry Resilience Collaborative, named as a Transparency Partner, 2024



¹ FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Becton, Dickinson and Company has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

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 our 70,000+ 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, visit [bd.com](https://www.bd.com).

Our purpose

Our Purpose—*advancing the world of health™*—is the driving force behind everything we do.

By the numbers



70k+

BD associates



34B+

devices made annually



190+

countries served



\$1B+

annual research and development (R&D) investment and five global enterprise R&D centers of excellence



33,000+

active patents



52

consecutive years of dividend increases

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.
- Win as one BD.
- Have the courage to iterate, try new things and embrace change.

Our business

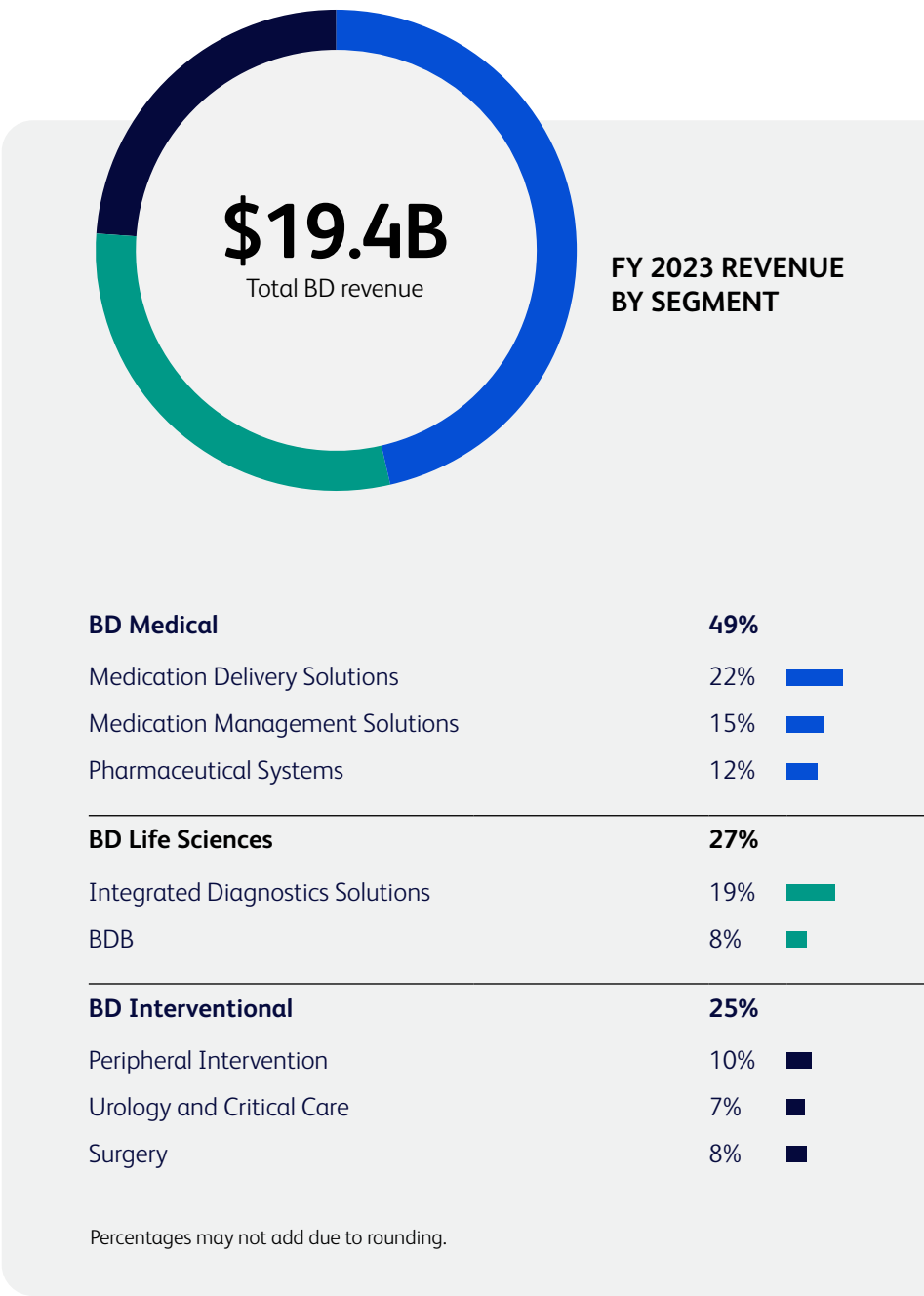
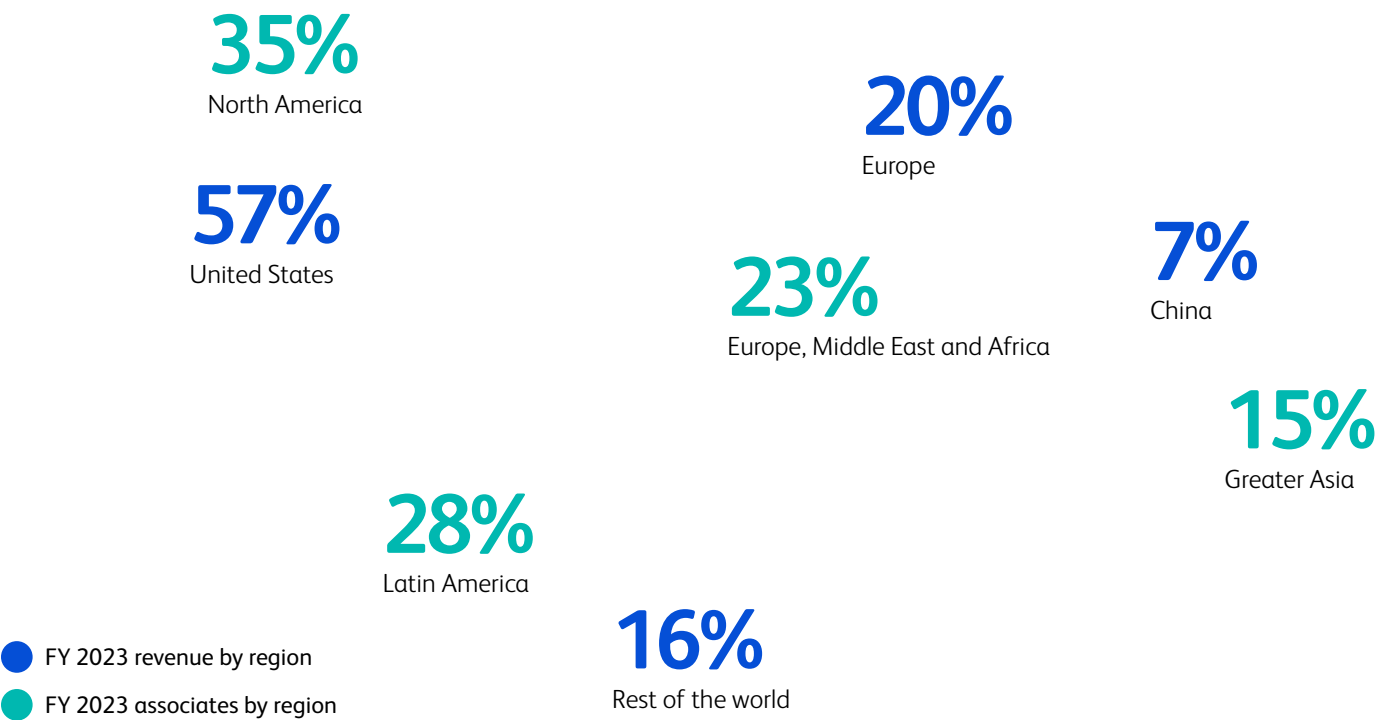
Our 2025 strategy

Our 2025 strategy is anchored in three key pillars—grow, simplify and empower. FY 2023 was another year of consistent, strong financial performance, reflecting our BD 2025 strategy in action. Through purposeful R&D investments and tuck-in M&A strategy we are shifting into higher growth markets positioning us well for the future.

In addition, our performance is supported by our unrelenting focus on continuous improvement, our culture of quality, execution on our RECODE improvement and simplification programs as well as BD Excellence – our unique business performance system.

Our collective efforts are driving momentum and continued confidence in our ability to deliver great performance through FY 2025.

Our teams consistently execute against our goals and commitments by delivering shareholder value with a disciplined and balanced capital deployment strategy. We continue to shift into higher-growth markets through our innovation pipeline and tuck-in merger and acquisition (M&A) opportunities.



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. This segment primarily serves hospitals and clinics, physicians’ office practices, consumers and retail pharmacies, governmental and nonprofit public health agencies, pharmaceutical companies, and healthcare workers.

Key categories

Medical Delivery Solutions

- Vascular access devices.
- Vascular care and maintenance.
- Infusion specialty disposables.

Medication Management Solutions

- Acute infusion.
- Acute dispensing.
- Non-acute medication management.

Pharmaceutical Systems

- Prefilled syringes.
- Self-administered injection systems.
- Safety and shielding solutions.

BD Life Sciences

Our BD Life Sciences segment provides products for the safe collection and transportation of diagnostic specimens as well as instruments and reagent systems to detect infectious diseases, healthcare-associated infections and cancers. Additionally, it produces research and clinical tools that facilitate the study of cells to gain a better understanding of normal and disease processes, aid in the development of new drugs and vaccines, and improve the diagnosis and management of diseases.

Customers served by BD Life Sciences include hospitals, laboratories and clinics; blood banks; healthcare workers; public health agencies; physicians’ offices; retail pharmacies; academic and government institutions; and pharmaceutical and biotechnology companies.

Key categories

Biosciences

- Research flow cytometry.
- Clinical flow cytometry.
- Single-cell multiomics.

Integrated Diagnostic Solutions

- Microbiology.
- Specimen management.
- Molecular and women’s health.

Point of Care

- Professional POC diagnostics.
- At-home diagnostics.

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 to be used once and then discarded or 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

Peripheral Intervention

- Peripheral vascular disease.
- End-stage kidney disease.
- Oncology.

Surgery

- Hernia repair and reconstruction.
- Infection prevention.
- Biosurgery.

Urology and Critical Care

- Acute urological drainage.
- Endourology.
- Homecare urology.
- Targeted temperature management.

BD Excellence

BD Excellence is our mindset and operating system that empowers our teams to continuously improve and strive for excellence everywhere, while upholding the highest levels of quality and staying true to our cultural values in The BD WAY.

Beginning as an important strategic enabler in Integrated Supply Chain (ISC), we are expanding our BD Excellence system across BD as we continue to transform into a company with world-class end-to-end operational excellence. Our continued deployment of the BD Excellence system will be one of the most transformational bodies of work for us, both with BD 2025 and beyond. One great example of this work in action is the dedication of more than 3,000 of our global associates who successfully executed hundreds of Kaizen events across our manufacturing facilities worldwide, resulting in significant improvements across critical lines. We are scaling this across our end-to-end integrated supply chain in FY 2024 as we continue to deliver superior value for our customers and stakeholders and advance performance throughout our company.



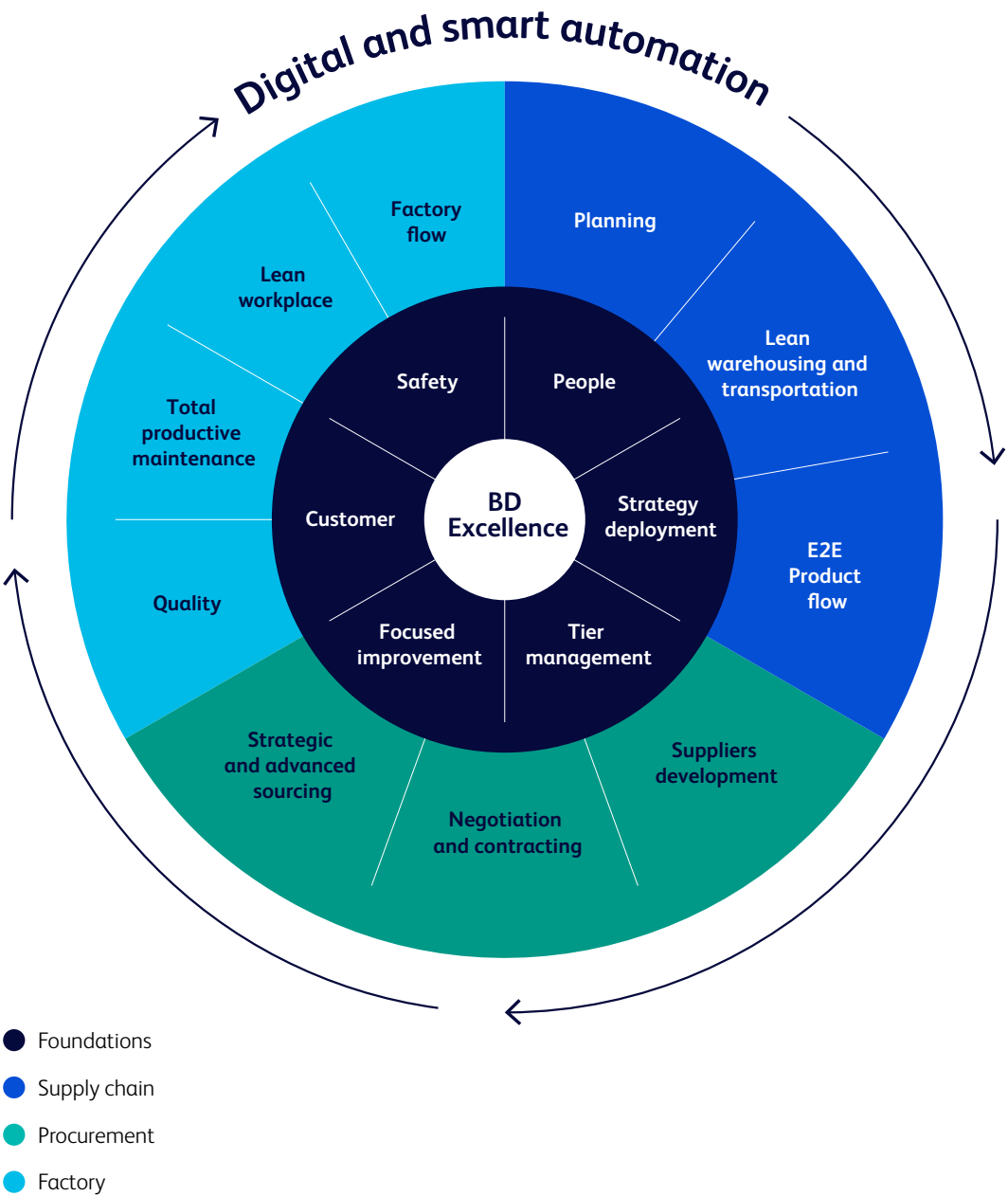
Quality

Quality is a key component of BD Excellence, enabling teams to analyze quality issues based on root cause type—human, machine, method or material—and focus on corrective and preventive actions using a risk-based approach to prioritize issues. This helps us simplify and streamline our processes, create a more agile manufacturing organization, and contribute to our efforts to reduce our carbon footprint.



One of the most significant accelerations in FY 2023 was our work to scale BD Excellence across the integrated supply chain as the new way we work to drive safety, quality, performance and cost leadership.”

David Shan
Executive Vice President, Chief Integrated Supply Chain Officer



Innovation at BD

Research and development

Our R&D activities are conducted in operating units and global enterprise centers of excellence in the United States, India, China, Singapore and Ireland, with the majority of activities in North America. BD also collaborates with certain universities, medical centers and other entities on our programs and retains individual consultants and partners to support our efforts in specialized fields. We target ~6% of sales for our R&D spend with 60% of that spend directed toward what we deem Transformative Solutions.

Management highlights

BD’s Scientific Advisory Board (SAB) comprises key leaders with expertise in medicine, science and technology, and innovation. Launched in 2022, the SAB is tasked with reviewing our technology capabilities, innovation pipeline, tuck-in M&A opportunities and early stage investments. The SAB also advises our leadership on the company’s growth prioritization as well as emerging trends in healthcare, science and technology and any potential implications for BD. In FY 2023, we continued to foster strategic partnerships and launch or expand access to innovative new products.

During the year, we:

- [Announced a collaboration agreement with TechcYTE](#), a world leader in AI-based digital diagnostics, to offer an AI-based algorithm that guides cytologists and pathologists to identify evidence of cervical cancer and precancer using whole-slide imaging.
- [Announced a collaboration agreement with Hamilton](#), a leading global manufacturer of laboratory automation technology, to develop automated applications together with robotics-compatible reagent kits. The initiative will

- enable greater standardization and reduced human error when conducting large-scale single-cell multiomics experiments.
- [Announced a partnership with Bio Farma](#), a state-owned life science company in Indonesia, to combat TB by providing access to BD’s innovative TB diagnostics portfolio and establishing a partnership to optimize the supply chain for TB solutions in Indonesia.
 - Launched the [BD FACSDuet™ Premium Sample Preparation System](#), which uses liquid-handling robotics to automate the sample preparation process, resulting in improved standardization and reproducibility in cellular diagnostics.
 - Received 510(k) clearance from the U.S. FDA for the [BD® MiniDraw™ Capillary Blood Collection System](#), a novel blood collection device that obtains blood samples from a fingerstick and is less invasive than a traditional venous blood draw. The product uses capillary blood collected from a patient’s finger by a trained healthcare worker, without the need for a phlebotomist to collect blood from a vein in order to produce lab-quality results for some of the most commonly ordered blood tests.
 - Received FDA approval for BD Onclarity™ HPV Assay, which allows women to self-collect vaginal specimens for HPV testing in a health care setting.



We’re not just revolutionizing medical technology; we’re seamlessly integrating cutting-edge innovations to empower healthcare providers to deliver safer and smarter care – care that is more personalized, effective and efficient. Ultimately, our mission is to enhance patient outcomes, improve accessibility and ensure that every individual receives compassionate, world-class treatment. It’s about much more than algorithms and widgets; it’s about improving outcomes that matter to patients and those that care for them.”

Elizabeth McCombs
EVP and Chief Technology Officer

Greening our product portfolio

We are innovating our product portfolio to implement sustainability principles by designing products that minimize waste and resource consumption. Below are a few examples. For more information about sustainable innovation, see the [Product impact](#) section later in this report.

ChloraPrep™ Applicator



BD ChloraPrep™ single use sterile skin applicators may be more sustainable than traditional prep methods and pre-op skin prep trays. They may:

- Generate less hospital waste vs. ancillary materials needed with bulk antiseptic bottles.
- Minimize the operating room footprint and ancillary materials to be handled as clinical waste.
- Ensure that the appropriate volume of antiseptic for a procedure is utilized, thereby reducing excess antiseptic waste.

[Learn More](#)

PureWick™ Catheter



The PureWick™ female external catheter (FEC) negates the need for using the Foley catheter, the catheter bag, the pulp urinal or continence products and wash bowls, thus reducing the use of these paper and plastic-based products.¹

PureWick™ FEC can save 692g of clinical waste per patient per day, resulting in a reduction of approx. 19,890 kg of clinical waste per year.^{2,3}

[Learn More](#)

BD Emerald™ Syringes



BD Emerald™ Syringes are made entirely from non-toxic materials, and use up to 30% less material than other syringes.⁴

This product is manufactured in a facility with ISO 14001 and ISO 50001 certifications for environmental and energy management systems, and uses 100% renewable electricity.

[Learn More](#)

BD Vacutainer®



BD has collaborated with a consortium of health care institutions in Denmark to recycle Vacutainer® and other used blood collection tubes without compromising hygiene, safety or quality of the material.

Used blood collection tubes are considered biohazardous and regulated medical waste that cannot be cleaned and reused like some other medical devices made of glass or metal. However, PET plastic is highly suitable for recycling and is one of the most recycled plastic materials. By transitioning from incineration to recycling, 33 tonnes of high-quality plastic would be diverted from incineration within the pilot project's region each year.

[Learn More](#)

¹ Based on product weights and daily utilization from an NHS Trust

² The calculation takes into account the percentage of patients that are incontinent and the percentage of those patients that use body worn pads. Condon M, Mannion E, Molloy DW, O'caoimh R. Urinary and Faecal Incontinence: Point Prevalence and Predictors in a University Hospital. Int J Environ Res Public Health. 2019;16(2)- Based on primary research interviews with 16 HCPs (data collected specifically for the nursing home setting)

³ The calculation is also based on the average number of patients in a 500 bed hospital from the Hospital Episodes Statistics (HES) data.

⁴ BD Data on File, Comparison of syringe weights memo of BD Emerald™ products and comparative syringes, April 2011



Sustainability issue management

Sustainability assessment

During FY 2022, we carried out an [environmental justice assessment](#) and updated our [water risk assessments](#). We built on these assessments in FY 2023 by launching a Human Rights salience assessment in partnership with BSR®, a sustainable business network and consultancy.

These latest assessments follow our 2019 assessment of sustainability issues relevant to our company and stakeholders. With the help of a series of interviews conducted across stakeholder groups, geographies and job levels and a workshop with associates, we identified and refined relevant issues for the organization.

A full list of our key issues and how we define them is in the [appendices](#), along with a matrix displaying each of the topics in relation to their importance to BD and their importance to our stakeholders. Also indicated are issues identified as highly dynamic and/or moved to the top right quadrant (increased in importance) during our future scenario assessment.

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 SEC, 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.

Stakeholder engagement

Due to our global reach and the nature of our work, we serve and rely on a wide range of stakeholders. We engage and collaborate with them through a variety of channels across many parts of our organization. We listen to our stakeholders’ views and suggestions and use that feedback to improve our products, services and business practices.

In FY 2023, as part of our annual shareholder outreach and engagement program, we offered engagement meetings to our top 75 shareholders, representing approximately 69% of our outstanding shares. As a result, our senior representatives met virtually with shareholders holding approximately 42% of our outstanding shares. The lead director and other members of the Board participated in several of these meetings, which also included senior representatives from one or more of our corporate secretary, investor relations, sustainability, human resources, regulatory and quality teams.

BD senior management also engages with our shareholders in one-on-one meetings, at industry conferences, company-hosted events, roadshows and equity sell-side events. Topics of interest have included corporate strategy, Board composition and refreshment, sustainability and climate change, human capital management, inclusion, diversity and equity (ID&E), and executive composition plan design and practices. To learn more about how we conduct meaningful engagement with each of our stakeholder groups, see the [appendices](#).



Together we advance

BD’s corporate sustainability strategy—Together We Advance—directly supports our Purpose of *advancing the world of health™* and addresses the most relevant environmental, social and governance issues for our organization and our stakeholders. The strategy focuses on enhancing stewardship of the company, communities, human health and the planet. All of these are interconnected, and Together We Advance embraces these connections with the ultimate goal of driving positive collective outcomes and a healthy, resilient world for all.

2030+ impact areas and goals

BD has set goals to achieve by 2030 (and beyond) in five key areas where we see the most opportunity for meaningful and measurable change over the next decade. Our commitments across these five areas provide shared value to our stakeholders while making a positive impact across the pillars of health and driving positive health outcomes.



Together We Advance—our companywide sustainability strategy—enables us to unlock new opportunities for growth and value creation by identifying and mitigating the right risks and embedding our sustainability goals into our core business strategy. No one person or team can enact change alone. In order to ensure our business remains resilient, it takes the work of our collective organization and working with our value chain partners.”

Maureen Mazurek
Chief Sustainability and Environmental Health and Safety (EHS) Officer

Alignment with the United Nations Sustainable Development Goals





Good health and well-being

BD tackles infectious disease challenges through the use of technologies that are integral to diagnosis and management. We are stepping up in a meaningful way to positively impact chronic disease treatment, a leading global health priority, using technology innovation. Our long-standing work to protect the safety of health workers—through our products and partnerships, our partnerships that strengthen the capacity of health systems in developing economies, and our efforts to reduce and prevent hospital infections—promotes good health and well-being. We also have business units focused on addressing noncommunicable diseases, including cervical cancer.



Gender equality

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 and our efforts to support the economic inclusion of diverse-owned and small business suppliers and partners.

We conduct targeted annual pay assessments with the goal to expand our assessment to our global associates on a biennial basis. We remain focused on managing our compensation processes to achieve 100% pay equity, with the goal of identifying and remedying practices that may contribute to pay gaps, now and over time. We partner with nongovernment organizations (NGOs) to make investments in women-focused health programs, including advancing mental health, reducing avoidable newborn deaths, and expanding access to women’s health services at U.S. free clinics and community health centers.



Decent work and economic growth

Our Global Human Rights Policy is guided by the principles outlined in the United Nations Universal Declaration of Human Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. The policy extends beyond BD processes and practices to those in our supply chains. Our 2030+ sustainability goal for a healthy workforce and communities, as well as programs such as our Good Jobs Strategy, also support decent work and economic growth.

Our Good Jobs Strategy provides a framework to offer attractive careers to our manufacturing associates by fostering a safe work environment, providing job satisfaction and a sense of belonging, and offering competitive healthcare and compensation as well as training and development opportunities.



Industry, innovation and infrastructure

We foster innovation through our development of products and services related to healthcare and medical research. Through our technology and innovation, public-private partnerships and investment in health systems, our work is grounded in an intentional strategy aimed at advancing equity and access.

Through R&D and M&A investments, we are reshaping the future of global healthcare by enabling the shift into new healthcare settings, using technology such as AI and robotics to ensure smart connected care and employing medical technology innovation to diagnose and treat chronic diseases.



Climate action

We are committed to reducing emissions, and we joined the United Nations Race to Zero via the Business Ambition for 1.5 °C and Science Based Targets initiative (SBTi). Our goal to reach net-zero greenhouse gas emissions across the value chain by FY 2050, as well as our 2030+ goal to use our capabilities to contribute to solutions that address unmet climate-related health needs, contribute to the achievement of this SDG. In addition, our 2030+ goals regarding product impact are aimed at addressing plastic and packaging consumption in our product portfolio.

Climate change and environment

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Climate change and environment management

Our commitment: Minimize our contribution to global emissions and use our capabilities to address unmet health needs for climate-vulnerable populations.

2030 goals	Current status
1 We will commit to setting science-based emissions reduction targets across all scopes, in line with the SBTi. Reduce Scopes 1 and 2 emissions by 50% (from 2019 baseline, absolute) by 2030. Scope 3 emissions targets for material Scope 3 categories are expected to be set within 2 years.	BD's science-based targets were approved by the Science Based Targets initiative (SBTi) in Q2 FY 2024. For further details, click here. Decreased by 19% (market-based). We have committed that 75% of our suppliers and customers by emissions covering purchased goods and services, capital goods, upstream transportation and distribution, use of sold products and end-of-life treatment of sold products, will have science-based targets by 2028. For further details, click here.
2 We will advocate for net zero emissions.	As a part of our Scope 3 emissions reduction efforts, we're focused on reducing our emissions from purchased goods and services, and as part of this work, we encourage our suppliers to set science-based targets by 2028 to reduce their emissions. Read more here.
3 We will achieve additional environmental efficiency targets in our direct operations. Reduce energy consumption by 25% (from 2019 baseline, normalized to Cost of Products Sold [COPS]) by 2030. Reduce water consumption by 40%(from 2019 baseline, normalized to COPS) by 2030. Reduce nonhazardous waste by 50% (from 2019 baseline, normalized to COPS) by 2030. Increase landfill diversion to 90% (from 2019 baseline, absolute) by 2030. Increase recycling to 80% (from 2019 baseline, absolute) by 2030. Reduce hazardous waste by 50% (from 2019 baseline, normalized to COPS) by 2030. Reduce volatile organic compounds (VOCs) and hazardous air pollutants (HAPs) by 30% (from 2019 baseline, normalized to COPS) by 2030. Reduce ozone-depleting substances (ODS) by 50% by 2030 (from 2019 baseline, normalized to COPS). Eliminate use of R22 by 2030 (absolute).	Reduced by 21%. Reduced by 21%. Reduced by 17%. Diversion rate of 71%. Recycling rate of 57%. Decreased by 3%. Reduced by 35%. Reduced by 98%. To date, 65 sites (59%) have converted their R22 refrigerant systems to equipment with lower ozone-depleting potential.
4 We will use our capabilities to contribute to solutions that address unmet climate-related health needs.	No progress to date.

Metrics & targets

In December 2023, we signed the U.S. White House–Department of Health and Human Services pledge to reduce GHG emissions, reinforcing our commitment to achieving net zero emissions. As part of this pledge, we increased our Scopes 1 and 2 emissions reduction target from 46% to 50% by 2030, from a 2019 baseline. This target ambition is in line with a 1.5 °C trajectory.

In April 2024, the SBTi approved our near- and long-term emission reduction targets.

Overall net zero target

BD commits to reach net zero GHG emissions across the value chain by FY 2050.

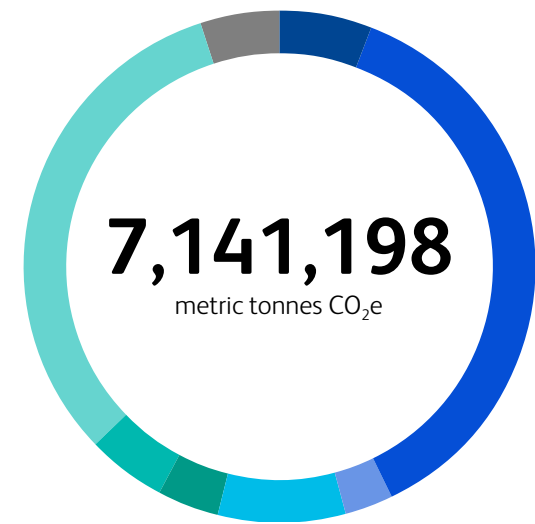
Near-term targets

BD commits to reducing absolute Scopes 1 and 2 GHG emissions 50% by 2030 from a 2019 base year. BD also commits that 75% of its suppliers and customers by emissions covering purchased goods and services, capital goods, upstream transportation and distribution, use of sold products and end-of-life treatment of sold products, will have science-based targets by 2028.

Long-term targets

BD commits to reducing absolute Scopes 1 and 2 GHG emissions 90% by 2050 from a 2019 base year. BD commits to reducing Scope 3 GHG emissions 97% per unit of sold product by 2050 from a 2021 base year.

Climate Change



FY 2023 GHG EMISSIONS, BY SCOPE AND CATEGORY

SCOPE 1 & 2	6%
SCOPE 3 CATEGORY 1	37%
SCOPE 3 CATEGORY 2	3%
SCOPE 3 CATEGORY 4	8%
SCOPE 3 CATEGORY 9	4%
SCOPE 3 CATEGORY 11	5%
SCOPE 3 CATEGORY 12	32%
OTHER SCOPE 3 CATEGORIES	5%

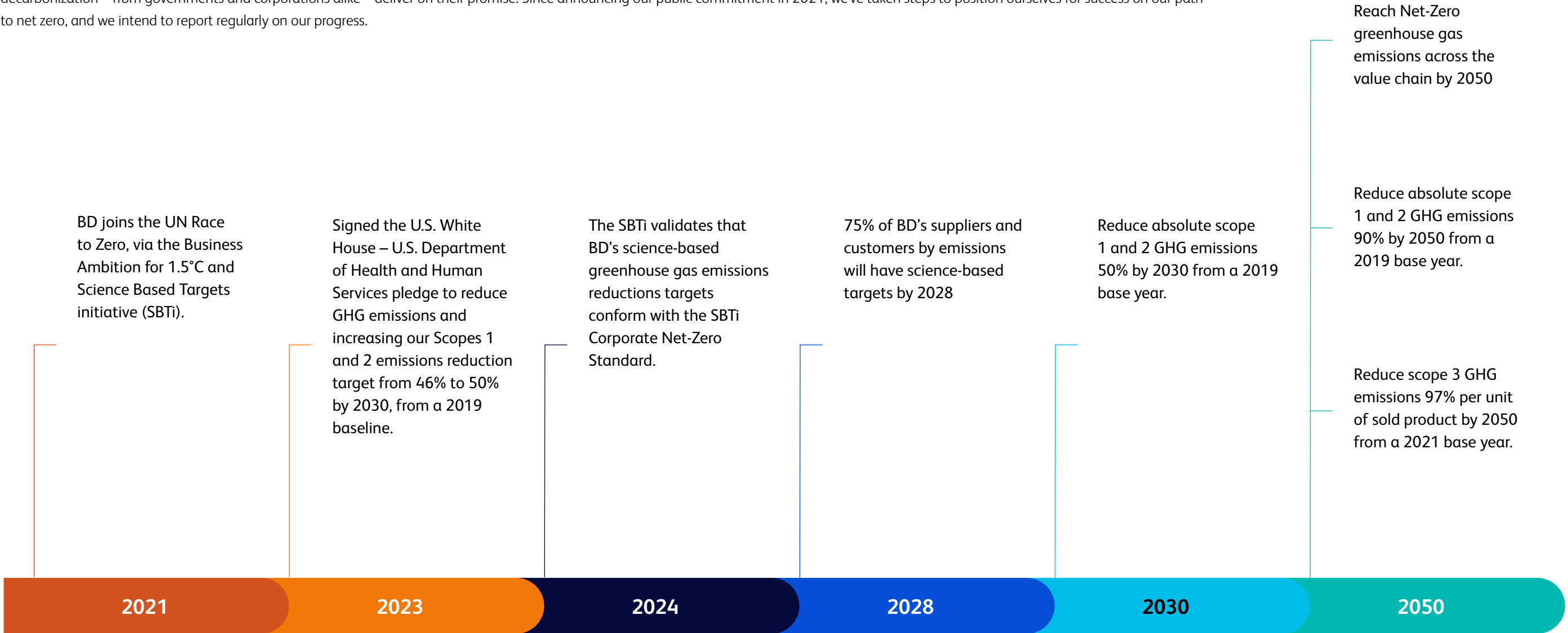


FY 2023 GHG INTENSITY (SCOPES 1, 2 AND 3)

364 metric
tonnes CO₂e per \$million revenues

Our journey to net zero

Net zero has rapidly evolved from a scientific concept to global policy in less than a decade. As we move forward, the next three decades will be critical in determining whether the commitments to decarbonization – from governments and corporations alike – deliver on their promise. Since announcing our public commitment in 2021, we’ve taken steps to position ourselves for success on our path to net zero, and we intend to report regularly on our progress.



Planning for our transition to net-zero

We’re decreasing our own footprint, tackling our Scopes 1 and 2 emissions through demand reduction, improved efficiency and increased use of renewables. We have developed roadmaps for every operations location, which include year-on-year reduction targets and project pipelines.

Although critically important, Scopes 1 and 2 emissions represent only a small fraction of our total GHG emissions footprint. We require the same level of rigor to ensure that we successfully reduce our Scope 3 emissions and achieve our net-zero targets.

Due to the range of our portfolio and product life cycles, individual glidepaths to net zero are being co-created with each business unit, along with the central Sustainability team, Responsible Sourcing team and central R&D team. Through FY 2024, we’re partnering with a top-tier strategic consulting firm to carry out this work. These glidepaths will identify bold and transformative moves to get us to net zero, providing projections of how each business unit’s emissions may change over time given a specific set of assumptions on actions that the business unit can take.

To ensure that glidepaths are embedded in our strategy and aligned with other initiatives, their creation and execution will be carried out under the umbrella of BD Excellence.

Our Scope 3 emissions are driven primarily by activities in our upstream supply chain that are associated with the purchase of goods and services, transportation and distribution, and the use and disposal of products.

Reducing emissions and achieving our targets will require coordinated action across three main levers:



Engaging with our suppliers and supporting them on their journeys to setting and achieving science-based targets



Designing out GHG from our products and packaging across the life cycle



Building ecosystems and partnerships across the value chain to decarbonize healthcare

Work is already underway across each of these levers. Examples of how we are designing out GHG from our products can be found [here](#).

In early 2024, the Responsible Sourcing team invited 30,000+ global suppliers to an interactive training to support them in setting their own science-based GHG reduction targets by 2028. Further details are in the [Responsible Sourcing](#) section of this report.

[Our pilot project with Casella](#) to collect and recycle products at end-of-life is just one example of building partnerships.

BD is also a foundational participant and an executive committee member of the Collaborative for Healthcare Action to Reduce MedTech Emissions (CHARME). CHARME is an initiative convening health systems, medical device and equipment suppliers, distributors, GPOs, and other key industry stakeholders to define, implement, and champion best practices to reduce emissions from the medical technology supply chain. CHARME members will work collaboratively to implement actions along a 24-month decarbonization roadmap defined in the white paper Catalyzing Collective Action to Decarbonize Healthcare Roadmap for Health Systems and MedTech Suppliers, published in May 2023 with input from over 30 organizations, (of which BD was one of three supplier advisors).

In addition to tracking GHG emissions, we use several additional metrics and targets used to assess and manage climate-related risks including the following:

	Metric	Target
Transition risks – upstream	Number of sustainability desktop audits of suppliers completed.	Sustainability desktop audits for strategic, preferred and critical suppliers completed by 2023; 90% of total spend reflected in completed supplier sustainability desktop audits by 2025.
Physical risks – operations	Reduction in water consumption.	Reduce water consumption by 40% by 2030 (from 2019 baseline, normalized to COPS).
Transition risks – operations	- Reduction in energy consumption. - Number of projects implemented to reduce energy consumption. - Annual savings (\$) associated with purchase of energy.	Reduce energy consumption by 25% by 2030 (from 2019 baseline, normalized to COPS).

We expect to identify and assess further metrics for suitability to measure climate-related risk and opportunity.

Scopes 1, 2 and 3 emissions data, including calculation methodology where relevant, is in the data tables in the [appendices](#). We also disclose emissions annually via the CDP (formerly the Carbon Disclosure Project). Details of how we manage governance, strategy, and risks and opportunities is in the TCFD section of the appendices.

Better Buildings, Better Plants Challenge (Energy and Water)

For several years, BD has been a part of the U.S. Department of Energy (DOE) Better Buildings, Better Plants Challenge for energy and water. In early FY 2024, we joined the DOE Better Climate Challenge, which joins us with other manufacturing companies in striving to improve the operational efficiency of our manufacturing plants within 10 years. With our commitments to the Better Climate, Better Water and Better Energy initiatives, we aim for:



50%
GHG reduction



40%
reduced water consumption



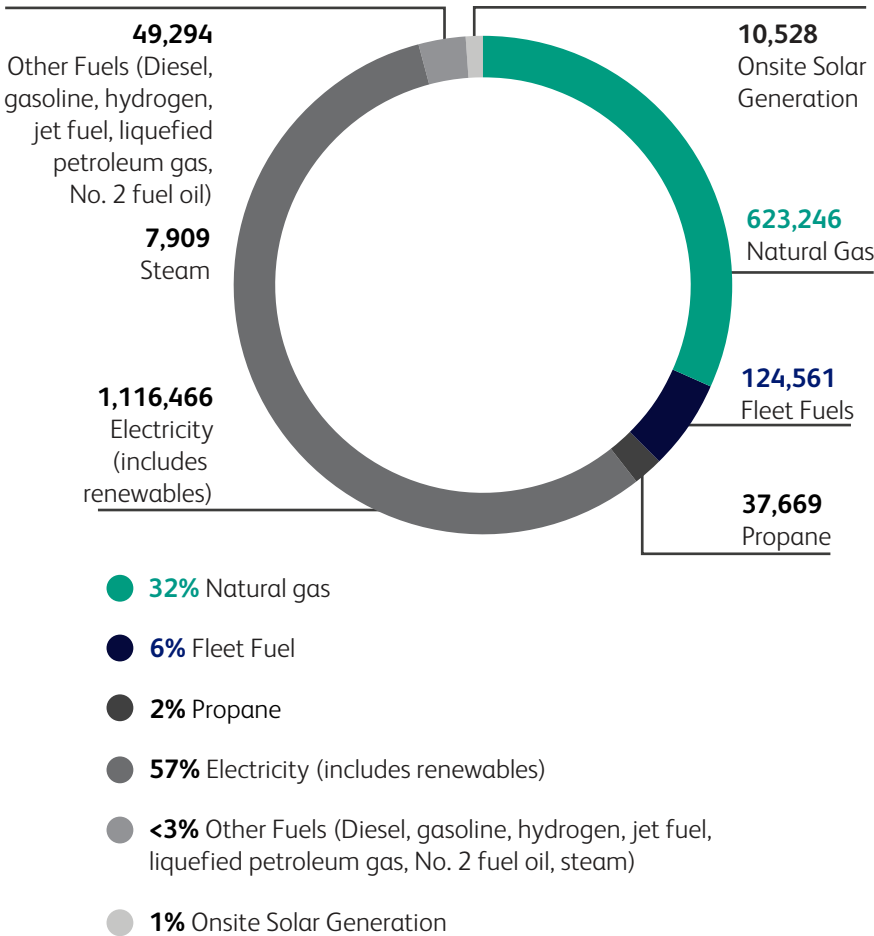
25%
reduced energy intensity of our entire portfolio

Energy

In FY 2023, we achieved a 9% year-on-year reduction in energy usage intensity, driven primarily by significant reductions in our manufacturing facilities from process optimization and equipment upgrades.

Including all sources of renewable energy, 42% of our electric power in FY 2023 came from renewable sources, a slight increase over FY 2022.

FY 2023 ENERGY SOURCES (MEGAWATT HOURS)



Percentages may not add due to rounding

Water management

In FY 2023, we achieved a year-on-year reduction in water use intensity of 9%, resulting in an overall 21% reduction from our 2019 baseline. Since 2019, we have implemented several projects, including equipment upgrades and process optimization.

Water risk

We conduct water risk assessments annually for basin water risk¹ and operational water risk² using the World Wildlife Fund (WWF) Water Risk Filter.³ The screening tool assesses types of water-related business risk—physical, regulatory and reputational.

Once an assessment has been completed, the results are shared with our Sustainable Operations Council as well as impacted sites, which are required to develop and implement strategies to reduce consumption or improve demand through projects such as rainwater harvesting.

Our FY 2023 water risk analysis revealed that basin water risk and operational water risk are low⁸ or medium,⁶ with the exception of one facility with a high⁷ operational water risk.

¹ Basin water risk refers to the nature and condition of the water basins in which sites operate
² Operational water risk refers to how sites depend on and potentially impact water
³ <https://riskfilter.org/water/home>
⁴ Water consumption is the portion of water use that is not returned to the original water source after being withdrawn
⁵ Water use occurs when water is lost in the atmosphere through evaporation or incorporated into a product and is no longer available for reuse
⁶ WWF Water Risk Filter categorizes medium risk between 2.6 and 3.4
⁷ WWF Water Risk Filter categorizes high risk between 3.4 and 4.2
⁸ WWF Water Risk Filter categorizes low risk between 1.8 and 2.6

BASIN WATER RISK

- Overall basin level risk is medium.
- 9 locations are identified as high basin water risk and account for 13% of water consumption and 8% of water usage; these facilities are in the Yamuna, Mediterranean Sea, Gulf of Mexico and Rio Grande river basins.
- 61 locations are classified as medium basin water risk and account for 67% of water consumption and 67% of water usage.
- 30 locations are classified as low basin water risk and account for 21% of water consumption and 25% of water usage.

OPERATIONAL WATER RISK

- 1 location with high operational water risk accounts for less than 1% of BD consumption and 1% of usage.
- A water reduction project was completed at this location in FY 2023.

WATER CONSUMPTION⁴ AND WATER USE⁵

- 26 river basins with 78 BD facilities account for 99% of water consumption and 99% of water use.
- 4 river basins with 26 BD facilities account for 42% of water consumption and 57% of water use.
- 2 river basins with 6 BD facilities account for 28% of water consumption and 37% of water use.

Waste

We’re committed to reducing our nonhazardous and hazardous waste 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 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 waste generation is reported by each of our locations via an online system, and this data is reviewed on an ongoing basis. This enables us to assess the types and amount of materials generated and to identify opportunities for improvement that can occur on a local or regional level.

Waste performance

As we continue to assess and implement waste reduction projects, our efforts have resulted in a decrease in total nonhazardous waste generated in FY 2023.

2030 goals	Current status
1 Reduce nonhazardous waste by 50% by 2030 (from 2019 baseline, normalized to COPS).	Reduced by 17%. In FY 2023, we achieved a 9% year-on-year waste reduction (17% from the 2019 baseline) through process optimization projects at multiple facilities.
2 Increase landfill diversion to 90% by 2030 (from 2019 baseline, absolute).	Diversion rate of 71%. The landfill diversion rate was relatively flat year-on-year, with total amounts landfilled decreasing due to reductions in waste generation. We diverted 74% of our waste from the landfill and are still tracking toward a 90% diversion rate by 2030.
3 Increase recycling to 80% by 2030 (from 2019 baseline, absolute).	Recycling rate of 57%. This rate was flat from FY 2022. We expect new circularity pilot projects from several of our facilities to improve this percentage in future years.
4 Reduce hazardous waste by 50% by 2030 (from 2019 baseline, normalized to COPS).	Decreased by 3%.



Air emissions

2030 goals

- 1

Reduce volatile organic compounds (VOCs) and hazardous air pollutants (HAPs) by 30% by 2030 (from 2019 baseline, normalized to COPS).
- 2

Reduce ozone-depleting substances (ODS) by 50% by 2030 (from 2019 baseline, normalized to COPS).
- 3

Eliminate use of R22 by 2030 (absolute).*

Current status

Reduced VOCs+HAPs by 35% since 2019, driven by a 17% year-on-year reduction in VOC emissions.

Reduced by 98%.
Compared to the 2019 baseline, we have achieved a reduction of more than 100 metric tonnes of ODS emitted due to process changes that eliminated the use of HCFC materials, as well as replacement of units containing R22 at multiple locations.

Throughout FY 2021 and FY 2022, we audited all our locations worldwide to capture the number and types of units that used R22. A replacement schedule is under development. Using our Replace with a Purpose approach, we will develop site-level plans 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 help ensure that the long-term needs of our sites are met.

* 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.





Environmental data governance and collection

Environmental data is collected from all locations globally via a third-party data collection and analysis platform. The central Sustainability team uses data in this platform to track energy and water use, waste disposal, and emissions data for GHGs, HAPs and VOCs and to monitor performance toward our environmental targets using site roadmaps and scorecards.

Our Environmental Inventory Management Plan (IMP) documents key governance and measurement processes for energy, GHG emissions, water and waste. It also defines roles, responsibilities and processes, including triggers for recalculation and restatement (for example, a merger, acquisition or divestiture that results in a significant structural change to the data). The IMP seeks to provide confidence in our data to support decision-making and consistent and transparent reporting.

All of our manufacturing sites, distribution centers and large supply chain locations have set annual individual targets for each environmental performance metric, representing approximately 99% of our Scopes 1 and 2 GHG emissions.

We use an operational control approach to set inventory boundaries at facilities where BD has operational control, whether the location is wholly owned or not. 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 reporting boundary include major offices, manufacturing facilities, R&D facilities and distribution centers. We apply screening approach every year to determine sites that should be excluded from the operational boundary, based on an established materiality threshold. The threshold values are updated every 3 to 4 years, or when significant acquisitions occur.

Environmental data process and data governance

The central Sustainability team meets with all sites monthly to review and resolve issues with data and to receive operational insight into projects that are underway or planned. Improvements in our operational practices and improved visibility into environmental performance metrics have encouraged emissions reduction and facilitated identifying water and waste reduction opportunities.

The Sustainability Operations Council also reviews data monthly. The council is led by the senior director of operations sustainability and comprises individuals from each business unit as well as relevant central teams such as procurement and facilities management. The purpose of the council is to align site, regional and central team resources to build a multiyear pipeline of sustainability projects tied to site roadmaps to achieve the 2030+ climate change goals.

Updates on performance and site roadmaps are provided to the Integrated Supply Chain leadership team at least quarterly. At the company level, progress on overall sustainability performance is reviewed with the Enterprise Risk and ESG Committee (ERC) and the Board of Directors at least annually.

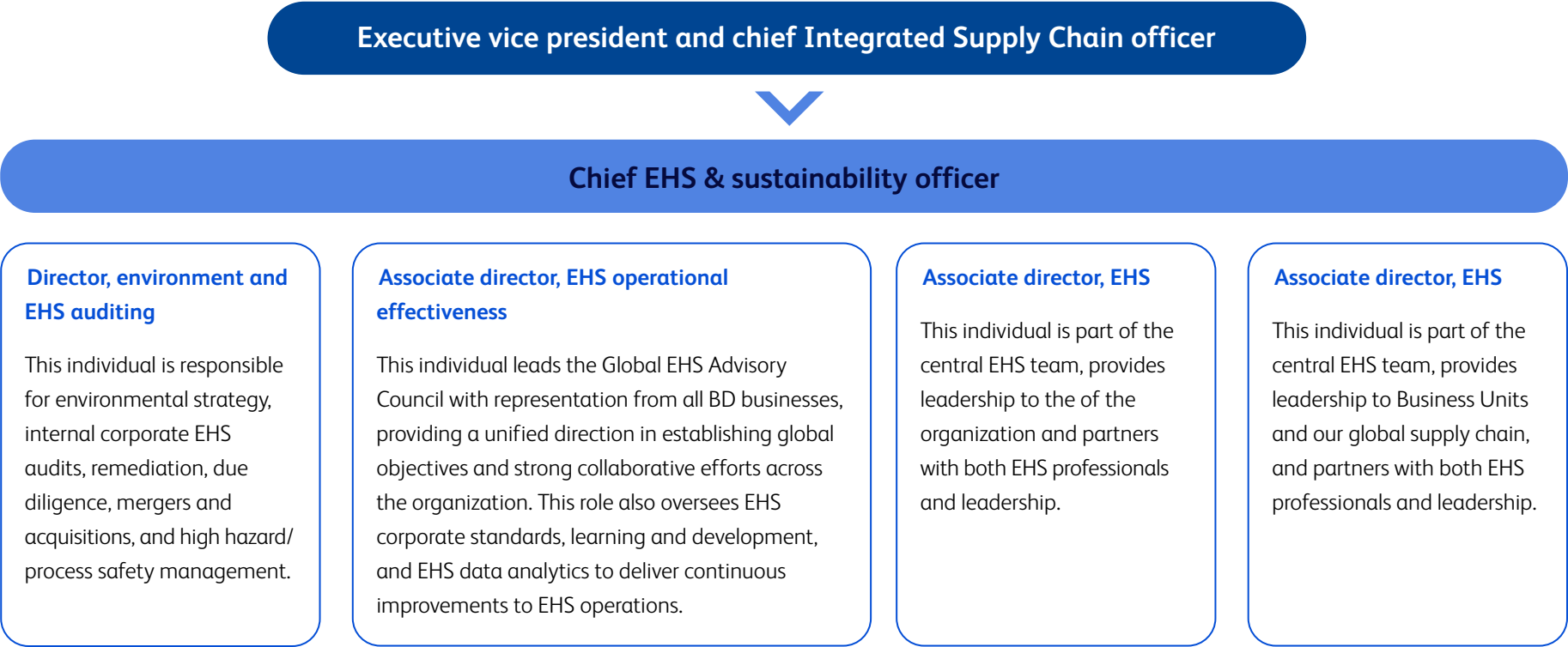
Environmental, health and safety management

At BD, we promote environmentally sound practices and protect the health, safety and security of our associates, customers and partners and of the communities where we live and work. We aim to prevent work-related accidents, injuries, illnesses and environmental harm through innovation, associate engagement and continuous improvement methodologies. We set expectations for EHS management via three key BD documents-our Code of Conduct, Expectations for Suppliers, and EHS Policy.



Environmental, health and safety governance

At the corporate level, BD's EHS team is led by the chief sustainability and EHS officer, who reports to the company's executive vice president & chief integrated supply chain officer. To continue to build strong accountability and provide continuous improvement of EHS across the organization, an EHS Leadership structure is in place. Additionally, an assistant general counsel of regulatory law is dedicated to the EHS organization.



Environmental, health and safety management systems

To foster continuous improvement of environmental performance at the facility level, BD has implemented ISO 14001:2015-certified environmental management systems (EMS) at our manufacturing sites around the world. Most of these sites are manufacturing locations, but headquarters offices and some sales offices in Europe are also certified. Around 62% of BD manufacturing sites are certified to the ISO-14001 EMS standard. Two additional manufacturing sites, in Puerto Rico and Tijuana, Mexico, are in the process of obtaining their certifications.

Around two-thirds of the certified locations are part of group certificates with established standardized procedures and methods for program implementation. This approach allows sites to work together collaboratively 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 experiences and taking proactive actions that will prevent similar issues from happening at other sites. Furthermore, every EMS-certified site sets environmental improvement objectives annually, and they are reviewed for progress quarterly. We plan to continue ISO 14001:2015 certification at all BD manufacturing plants in the coming years.

The ISO 50001 energy management standard provides a framework of requirements to measure and employ 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.

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 associates. 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 of the ISO 45001 standard.

For additional details on FY 2023 work related to associate health and safety, visit the [Healthy Workforce and Communities](#) section of this report.



47

BD sites are certified to the ISO 14001:2015 Energy Management Standard



2

BD facilities in Spain and Hungary are certified to the ISO 50001 Energy Management Standard



5

BD sites in Spain, Italy and China are certified to the ISO 45001 Occupational Health and Safety Management Standard





Learning and development

EHS training is an integral part of establishing workplace health and safety.

The central EHS team provides new hire orientation customized to roles and responsibilities. It encompasses a comprehensive EHS curriculum that includes training on all applicable EHS management information system platforms. 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, and training is provided upon deployment of new or revised standards. The central EHS team uses a variety of mediums, including classroom training, webinars and on-demand compliance training via our company’s online training system. Completion of training is evaluated as part of our corporate audit program.

Last year, the central EHS team deployed BD Recordability and Incident Classification, Root Cause Analysis Workshops, Maintenance Safety, Advanced Hazardous Waste and Golden Rules Awareness. These trainings enhance awareness of safety hazards, elevate the importance of the safety and environmental processes, and reinforce responsibilities to safety through all levels of the organization.

Individual sites are responsible for identifying site-specific EHS training needs and implementing training programs on a variety of EHS topics, taking into consideration risks, local regulatory requirements, job roles and requirements set by corporate EHS standards.

Environmental, health and safety information management systems

In FY 2023, we continued to drive adoption of the new EHS management of information system across the company, specifically the EHS Incident Management application to provide data transparency. We offered additional application-focused training and provided guidance tools, and we continue to maintain a platform to solicit user feedback for an improved experience. Additionally, the corporate audit module was configured and integrated into the EHS management of information system to streamline processes. Aligning with our platforms that are used to communicate metrics across the organization, EHS launched a dashboard showing incident data across business units and sites.

We also continue to use third-party platforms to manage safety data sheets within our operations.

Internal audits

Our global EHS audit program covers 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 2023, the BD EHS team implemented a new time-based audit schedule and increased the number of sites audited each year. High-hazard sites are audited every 3 years, manufacturing sites every 4 years, and R&D and distribution sites every 5 years.

Initial audits typically last 3 full days and consist of an opening meeting, a site tour, document examination and a closing meeting. Findings are included in the audit tool, and the site is responsible for ensuring that all actions are closed out.

Executive summaries of each audit are provided to site management, operational leaders, EHS business team leaders, the chief EHS & sustainability officer, the EVP & chief integrated supply chain officer, and the CEO. All corrective actions are tracked to closure with follow-up audits carried out approximately 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. All findings that remain open after the follow-up audit are tracked monthly and communicated to top management.

Environmental justice

Background

We recognize and embrace the important role we play in healthcare. How we deliver on our Purpose—*advancing the world of health™*—is as important as what we accomplish. The BD WAY sets the values-based foundation for how we behave. With unwavering commitment to our culture and values, we follow this simple principle: We do what is right.

In January 2021, a U.S. Presidential Executive Order underscored the federal government’s focus on environmental justice (EJ), requiring every federal agency to consider the EJ aspects of their actions and signaling the most comprehensive federal-level EJ agenda. The White House Environmental Justice Advisory Council and the White House Environmental Justice Interagency Council were subsequently created to oversee such efforts. In April 2023, an [Executive Order](#) directed the U.S. Environmental Protection Agency (U.S. EPA) and other federal agencies to pursue a whole-of-government approach to EJ, requiring all federal agencies to evaluate whether any environmental federal actions disproportionately impact low-income, minority and other potentially affected communities.

The U.S. EPA defines *environmental justice* as “the just treatment and meaningful involvement of all people regardless of race, color, national origin or income with respect to the development, implementation and enforcement of

environmental laws, regulations and policies.” The U.S. EPA’s [EJ](#) policy strives for a healthy, sustainable and resilient environment accessible to all regardless of background or identity.

BD’s strategy and approach

At BD, our culture is rooted in doing what’s right for our associates, customers, business partners and communities. For decades, BD has demonstrated environmental stewardship through our EHS Management System, with emissions reductions as a central element. For example, since 2019, we have reduced HAPs by 50%, improved water use efficiency by 21% and reduced nonhazardous waste to landfill by 18%. Our most recent improvements can be found [here](#). We maintain EHS management systems at our facilities globally to help identify, manage and mitigate EHS risks. For more information about our overall management approach and ISO 14001 environmental management certifications, see the [EHS](#) section.

As we developed BD’s *Together We Advance* strategy, which defines a set of ambitions and our 2030+ goals in specific areas, we identified the greatest potential for BD to create meaningful, measurable change over the next decade. The [2030+ goals](#) include addressing *climate change* by continuing to minimize our contribution to global emissions via reductions in energy and water usage, waste generation and landfill disposal, and air emissions, including GHGs, VOCs, HAPs, and ODS. Our *Healthy Workforce and Communities* focus area formalizes our ongoing efforts to foster a culture of inclusion, safety and well-being, contributing to the global communities where we operate. Our [Products Impact](#) focus area aims to reduce the environmental impact of our portfolio. Our [Responsible Supply Chain](#) area allows us to identify and manage environmental and social risks with our suppliers. For more information, see our [Responsible Supply Chain](#) section. Our EJ efforts span all of these areas by aligning with our goal of reducing the environmental footprint of our operations, products and supply chain while engaging our associates and our communities.

OUR 2030+ ENVIRONMENTAL GOALS



**50% GHG
(Greenhouse
gas) reduction**



**25%
Energy
reduction**



**40% Water
usage
reduction**



**50% Waste
reduction
(waste leaving
the sites)**



**90% Landfill
diversion**



**80%
Recycling**



**50% Hazardous
Waste reduction**



**30% VOC/HAP
reduction**

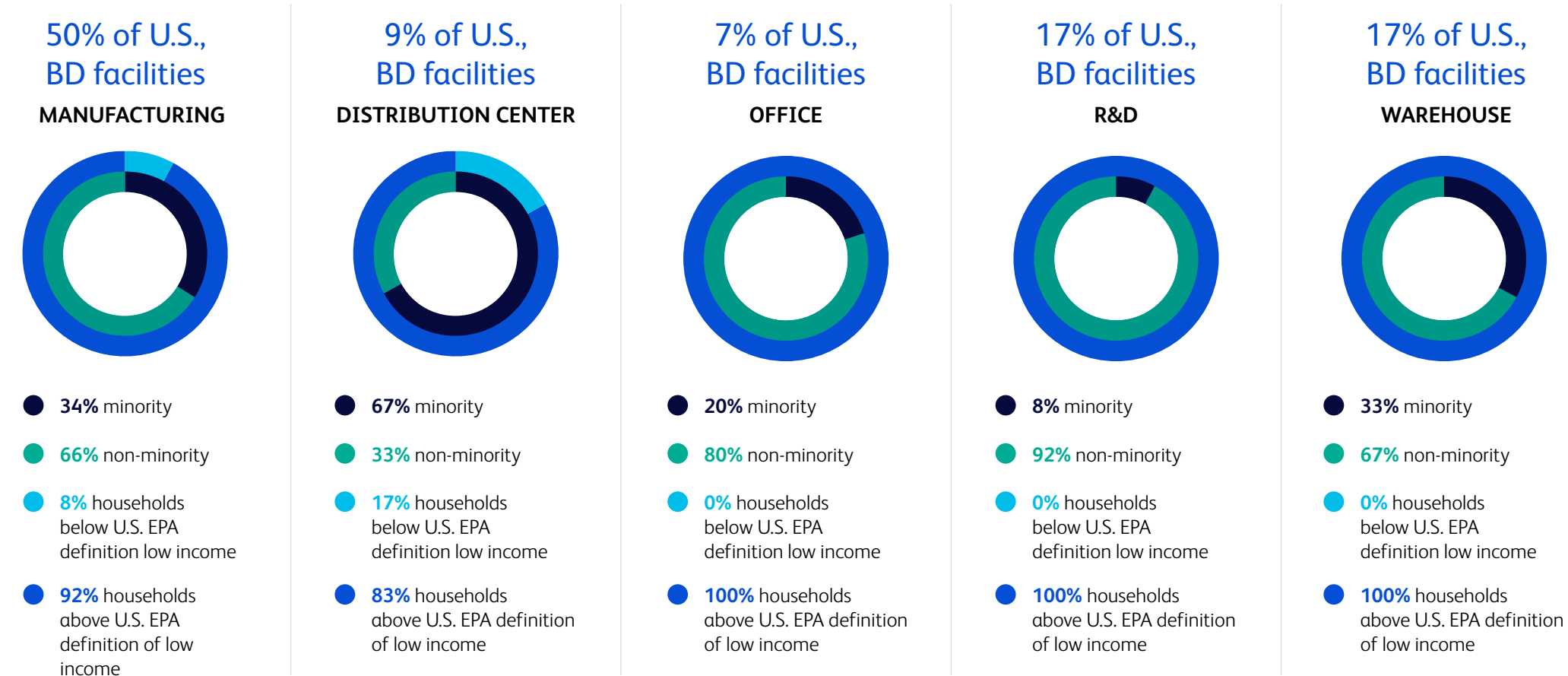


**50% ODS
reduction**

To help drive our Product Impacts focus area, BD established the Sustainable Medical Technology Institute (SMTI). This brings together BD researchers and engineers, as well as quality, regulatory, policy and operational expertise, to focus on reducing the environmental impact of the company’s product portfolio in three areas: developing and deploying sustainable sterilization technologies, addressing materials of concern and adopting sustainable product design strategies. One focus of the SMTI has been to identify options for the sterilization of medical devices, including the evaluation of novel technologies.

In FY 2022, BD set out to enrich our understanding of EJ through a formal stakeholder engagement process and study of publicly available EJ screening tools. As a result, we enhanced our Human Rights Salience Assessment process and implemented an EJ Impact Review of our sites in the United States. The review included a site screening process using publicly available tools, identified during our stakeholder outreach as the most credible – the U.S. EPA EJ Screen and the Council on Environmental Quality’s Climate and Economic Justice Screening Tool. In FY 2023, we developed a methodology using a screening radius around each facility.

Households within a 1-mile radius of BD sites as compared to U.S. EPA EJ Screen defined low-income (exterior circle) with percent of population within 1 mile of BD sites as defined by EPA EJ Screen (interior circle)



Medical devices sterilization: At BD, we continually strive to improve the safety and operations of our medical sterilization facilities. Complying with applicable regulations is part of our culture of doing what is right. As an industry leader and one of the first companies accepted into the U.S. FDA EtO Innovation Challenge, we maintain our focus on improving our sterilization facilities by developing and implementing capture and control technologies to reduce ethylene oxide (EtO) emissions. In the United States, BD has invested more than \$70 million at its Georgia, Nebraska and Utah facilities for fugitive EtO emission control upgrades. The most recent of these projects was completed in May 2023, using the best available EtO emission control technology in the industry. In addition, BD achieved more than 99.95% destruction of EtO from stack emissions at these sites. As part of our strategy to improve efficiency and reduce emissions, we continue to optimize our EtO sterilization during cycles by using less EtO per cycle, decreasing cycle times and increasing the volume of product that can be effectively sterilized each cycle. This work includes a robust team and process to ensure that the products being sterilized with lower amounts of EtO and/or shorter time cycles still meet regulatory sterility requirements to protect patients, and each new cycle requires revalidation of product registrations with regulatory authorities. We champion these efforts globally as well.

Governance

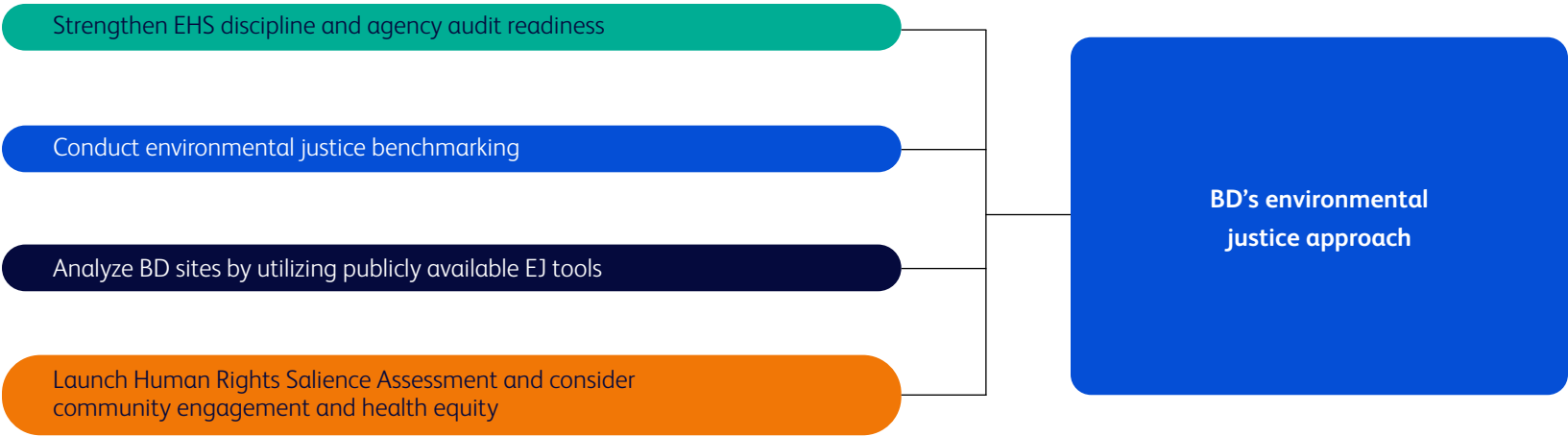
BD established the EJ Operations Working Group (the Working Group) in 2023, with members from our EHS, Operations, Communications, Legal, and Sustainability teams. The Working Group reports its progress biannually to the Enterprise Risk and ESG Committee (ERC), which oversees BD’s Enterprise Risk Management program and our priority sustainability matters. We also regularly report progress on our [2030+ goals](#), including those relating to EJ, to the Corporate Governance and Nominating Committee of the Board of Directors. As a result of the Working Group’s efforts, we recently enhanced BD’s Human Rights Policy to include EJ.

Multisector engagement and collaboration

We engaged in multisector initiatives and collaborated with external stakeholders to incorporate feedback and inform our EJ work. For example, we collaborated with other corporate Human Rights professionals through our membership in the BSR Human Rights Working Group, and we conducted outreach through our annual shareholder engagement calls with our top 75 institutional investors to solicit their views on the company, including our *Together We Advance* corporate sustainability efforts.

We also sought input from some of our large institutional investors for our Human Rights salience assessment to incorporate their views on important topics to our business with respect to Human Rights and EJ. BD already has extensive processes, policies and systems to help us to address these risks, and we view the assessment as a lens through which to evaluate our actions, inform whether they are focused on the right aspects of a particular risk area, and identify whether any risk areas may require more robust policies and procedures. We also engaged with external stakeholders who emphasized that they believe BD appreciates the significance and importance of EJ and takes it seriously. Our [Human Rights](#) section includes more information about our approach and the identified priorities that arose from our salience assessment.

Actions to inform our approach



As part of our process to enrich our understanding of EJ, we participated in an inaugural multisector Environmental Justice Summit, which brought together numerous companies and other stakeholders with a shared EJ ambition.

Included in BD’s EJ Operations Working Group is an environmental justice advisor, Deb Gallagher, who is the director of climate change at BSR and a professor emeritus at Duke University.



Environmental justice and climate justice acknowledge that underresourced communities have a right to a healthy and climate-resilient environment. Leading companies, like BD, understand the importance of incorporating a focus on these issues into their relationships with the communities in which they work.”

Deb Gallagher
Director, Climate Change, BSR and Professor Emeritus, Duke University



Community Engagement

Our manufacturing and distribution center sites engage with their communities in ways that are important to the sites, our local employees and their communities. This includes supporting local nonprofits and fundraising events, such as blood drives, Habitat for Humanity and food banks, as well as opportunities to drive science, technology, engineering, and mathematics (STEM) education, access to healthcare and more. Site leadership is often part of the local Chamber of Commerce, which gives us firsthand exposure to important community issues and initiatives. Additionally, associates in eligible locations are permitted to take paid time off to volunteer in their local communities and support some of the organizations that are important to them. The [Healthy Workforce and Communities](#) section of this report includes information on volunteer programs outside the United States.

SPOTLIGHT: economic empowerment in Sandy, UT

As announced at the One Utah Summit in 2022, BD was the first to collaborate with Intermountain Healthcare on a new program called Impact Hire. This program helps to help create jobs for residents who live in economically disadvantaged areas around Salt Lake City by providing living wages, retirement options, comprehensive health benefits and career development guidance. BD committed to recruitment efforts that targeted new hires, in these areas in the Salt Lake City area. In FY 2023, BD committed to 12 program hires and as the year closed out, the Sandy, UT plant far exceeded this target, hiring 96 people via the Impact Hire program.



SPOTLIGHT: supporting community needs in Four Oaks, NC

As a member of the Johnston County Chamber of Commerce, Alvin Norman, associate director of warehouse operations of the BD Four Oaks Distribution Facility, learned that 50% to 60% of Johnston County residents travel outside their local communities for employment because they believed that local opportunities were not available. BD Four Oaks began actively working to change that by raising awareness of BD and the rewarding careers offered. The site helped sponsor the Annual Acorn Festival and the Annual Oyster Roast in partnership with other businesses in the area. Because of this partnership, Four Oaks hired 105 Johnston County residents over a 2-year period.

As a close partner in the community, BD Four Oaks identified another need: The Johnston County Police Department was not equipped with automated external defibrillator (AEDs) or budgeted for them. To help the community, BD Four Oaks donated these potentially lifesaving devices to the police department.

When Johnston Community College was in need, they knew they could turn to BD Four Oaks for support. Through BD’s STEM education efforts, the site donated 52 pallets of personal protective equipment to support student laboratories and research programs.



Right to left: Vic McCormick, associate vice president of continuing education; Fran Scott, clinical coordinator and instructor for health education/nurse aide; Connie Grady, director for health education/nurse aide; Angela Fortson, instructor for health education/nurse aide; Dedra Rhodes, instructor for health education/nurse aide; Sandy Parrish, instructor for health education/nurse aide; and Samantha Clark, instructor for health education/nurse aide.



I'm delighted to recognize and celebrate the invaluable partnerships we've established throughout our community. We believe community partnerships exemplify the power of collaboration, showing that when we work together, we can achieve remarkable outcomes. Through such partnerships, we've been able to achieve our shared goals and contribute to the well-being of our community. As we look ahead, we seek new opportunities to continue to support and help build a stronger, more inclusive community. Together, we're making a difference at a time when making a difference matters most."

Alvin Norman
Associate Director, Warehouse Operations, BD Four Oaks



Transparency

BD also participates in stakeholder transparency initiatives such as the Chemical Footprint Project (CFP), which seeks to transform global chemical use by measuring and disclosing data on the use of safer chemicals. The CFP provides a tool for benchmarking companies as they select safer alternatives and reduce their use of chemicals of high concern. For nearly 10 consecutive years, BD has responded to the survey and remains on the Disclosure Leaders list. For added transparency, we allow our survey response to be made public. Our [Transparency](#) section includes more information.

SPOTLIGHT: Women's health in Duluth, GA

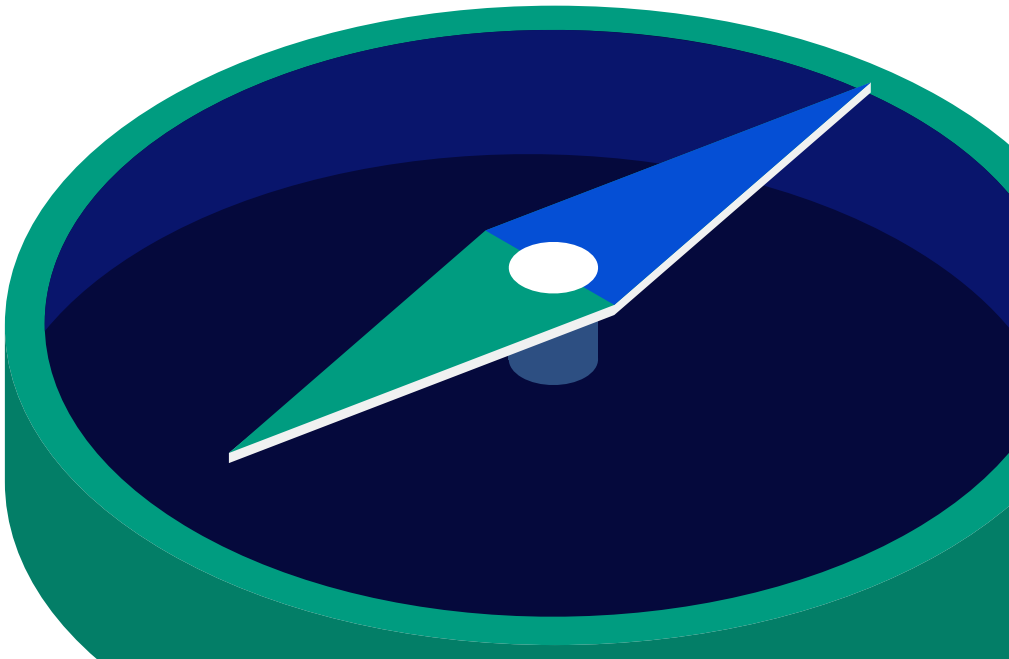
ICNA Relief Shifa Clinic, a free clinic in Duluth, GA, received a grant from BD in partnership with the National Association of Free and Charitable Clinics. The grant helped open a Women's Health Center, a milestone development for the clinic. With a team of expert healthcare providers and community health workers, the centers offer cervical cancer screening and have expanded services for mammograms and cancer awareness education programs.

SPOTLIGHT: Affordable housing in Columbus, NE

BD provided a grant to the Columbus Area Chamber of Commerce for its Rural Workforce Housing Fund, which will help establish affordable housing in the Columbus area. As a member of the Columbus community for 75 years, BD is supporting the resilience of the community by helping to address social determinants of health, such as access to housing, that play a role in the health of the community and its people.



Left to right: Anisha Alluri, women's health project coordinator; Dr. Noor Al Shibli, OB/GYN consultant; and Mouzen Zabalawi, chief clinic volunteer



Enabling our communities in Georgia

Covington, Georgia is home to both BD’s Urology & Critical Care (UCC) business unit headquarters and a key Global Distribution Center. Associates at these facilities embrace opportunities to support and give back to their community.

This past January, more than 70 BD associates from Covington participated in one of the local [Rise Against Hunger Experience](#) meal packaging events, packing over 15,000 meals to help fight food insecurity locally. In total, BD hosted 22 events nationwide, packing over 372,000 meals collectively to honor the legacy of Dr. Martin Luther King.

The Covington chapter of BD’s African American Resource Group (AABD) has also partnered with [Open Hand Atlanta](#), the largest community-based home-delivered meal provider in the Southeast, to provide medically-appropriate meals and nutrition education to thousands of those who are either too sick to cook for themselves, disabled, elderly and/or home-bound.

BD also partners with organizations directly related to healthcare whenever possible. In Covington, this includes the [Atlanta Hospital Hospitality House](#) “a home away from home” to patients and caregivers from outside of the city who have found themselves in need of lodging and support while seeking treatment, BD associates from Covington cooked and served meals to patients and caregivers in their community.

As part of a broader partnership between BD Hispanic Associate Resource Group and World Vision, Covington associates supported [ViewPoint Health](#), a community of providers offering a full continuum of behavioral health services to individuals needing mental health, intellectual developmental disability or substance use services. Approximately 100 hygiene kits with messages of encouragement were assembled and donated to local community organizations.

The BD team also collaborated with [MedShare](#), a humanitarian aid organization dedicated to improving the quality of life of people, communities, and our planet. Together BD volunteers from Covington helped sort, identify, and package critical medical supplies that will be distributed to communities in need around the world.

In honor of the people who have served and given their lives for our country, BD’s Veteran Employee and Troop Support (VETS) associate resource group participated in several events in our local Georgia community. At our Covington site, associates and guests enjoyed the Memorial Day BBQ Lunch and our annual [Poppy Day Fundraising Event](#) raised funds matched by BD to support Veterans and their families.

In addition, 13 BD associates alongside five [American Legion Post 233](#) members installed nearly 500 crosses in front of the Post along Highway 78 in Loganville, GA to honor the memories of those who made the ultimate sacrifice in service to our country.

Covington associates participated in the [Ride for America](#) hosted by the American Legion Post 233. Funds raised were used to support local veterans, including homeless veterans, and their families as well as local children's programs and scholarships.



Product impact

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Product impact

Our goal: 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.

Current status

BD’s Sustainable Medical Technology Institute (SMTI) supports our 2030+ product impact goals through a focus on three key areas: materials of concern, new and more sustainable sterilization technologies, and sustainable product design.

The central product stewardship team and SMTI work to understand the impact of emerging requirements regarding materials of concern on our product portfolio. SMTI is actively developing strategies for identifying and evaluating replacement materials in response to these requirements.

SMTI has developed a simplified life cycle assessment (LCA) tool to allow easy identification of areas of opportunity to improve the environmental footprint of existing and under-development products. The tool is currently undergoing pilot testing by business team R&D associates.

In early FY 2024, we launched a Design for Sustainability Framework 5Rs, Rethink, Reduce, Reuse, Replace and Recycle.

The draft Human Health and Environmental (HHE) criteria is undergoing review.

BD is a proud member of the Healthcare Plastics Recycling Council (HPRC), and as part of HPRC’s Executive Committee, provides us with the opportunity to work with other committee members to influence the direction of HPRC’s work.

We are involved in several circularity projects around the world, including a number of pilots to recover and recycle plastic products.

For further details, click [here](#).

Materials of concern and product stewardship

The central Product Stewardship team monitors changing global environmental regulations that apply to our product portfolio and governs compliance efforts for each of our nine business units. The team is led by the director of product stewardship compliance, who reports to the chief EHS and sustainability officer (CSO).

There are significant new and proposed changes to chemical-related and extended producer responsibility regulations and directives. These include the EU Green Deal, which introduced an ambitious set of proposals that will lead to the first climate-neutral continent by 2050. With respect to packaging, we are subject to the EU Packaging and Packaging Waste Directive, the Model Toxics in Packaging Legislation from the US Toxics in Packaging Clearinghouse, and other similar extended producer responsibility (EPR) legislation worldwide. Additionally, there are many other new and emerging requirements related to materials of concern and reducing the environmental impact of products and packaging around the world, including Greater Asia and Latin America.

In order to monitor and comply with these requirements, the central Product Stewardship team maintains the materials of concern [\(MOC\) list](#) and the central database used to manage chemical information for over 100,000 components. Our MOC list, which is updated twice per year, contains both regulated and nonregulated substances that we consider to be of concern. The list is a guide for our efforts to reduce MOCs across our portfolio.

We use a third-party platform to request chemical compliance and packaging information from our suppliers. Our Supply Base Compliance (SBC) and Extended Producer Responsibility team uses a defined process to accept all supplier-provided information, which in turn is reviewed and verified by relevant business teams before being accepted for use in our products.

BD considers the potential impact of the materials we use in our products and packaging, and reviews customer preferences related to materials of concern and waste criteria in our sales portfolio. 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, draws on functional and subject matter expertise in procurement, legal, regulatory, and toxicology areas and includes representation from across the business, including the BD Sustainable Medical Technology Institute (SMTI) and business teams.

Working closely with our business units and regions, the central Product Stewardship team also creates and manages our thousands of safety data sheets, and tracks packaging waste reporting requirements across 28 entities.



Named a **Disclosure Leader** by the **Chemical Footprint Project**, an initiative aimed at tracking businesses' progress toward safer chemicals.

By the numbers:



270,500
points of feedback from suppliers



1,200+
substances incorporated into BD MOC list



>3,900
suppliers contacted as part of the Product Stewardship data collection program

Sterilization

BD is among the world’s largest producers of medical products that are critical for patient care. To protect patients from the risks of infectious diseases caused by bacteria, viruses and fungi, the U.S. Food and Drug Administration (FDA) requires the sterilization of medical devices and clinical products.

Products manufactured and sterilized at BD facilities save lives and improve patient outcomes in hospitals and care facilities around the world. Our facilities produce more than 34 billion essential medical products each year, the majority of which require terminal sterilization. BD utilizes radiation, moist heat, and dry heat to safely and effectively sterilize products. However, for numerous types of devices and other sensitive medical products, including IV catheters, PICC catheters, surgical prep devices, surgical kits, Foley trays, glass syringes, chemotherapy ports, EtO currently is the only type of sterilization that can be used. Other sterilization methods may damage the products or are unable to ensure the required level of sterility. About half of BD products currently can only be sterilized with EtO.

Investing in safety

BD is an industry leader in developing and implementing capture and control technologies to reduce EtO emissions. Our sterilization facilities use the best available EtO emission control technology in the industry, achieving more than 99.95% destruction of EtO from stack emissions at our sterilization facilities. This level of EtO emissions control goes well beyond what is currently required under the Clean Air Act.

We have also voluntarily made significant investments to upgrade emission controls at facilities nationwide and have programs and procedures in place to ensure compliance with all applicable regulatory requirements. We invested over \$70 million at our Georgia, Utah, and Nebraska U.S. facilities for fugitive emissions upgrades from 2020 to 2023. We are focused on continuous improvement at our sterilization facilities throughout the United States and continue to evaluate new technologies as they are introduced and validated.

Globally, we are in the process of upgrading primary emissions controls and aeration.

FDA innovation challenge

In 2019, the FDA launched its second innovation challenge focused on reducing EtO emissions. BD was selected as one of eight participants for the challenge. The goal is to develop strategies or technologies to reduce emissions to as close to zero as possible from the ethylene oxide sterilization process. Innovative strategies may entail changing current sterilization processes or workflow, such as changes in the supply chain, transportation of medical devices or procedures in the sterilization site. Strategies may also include making alterations to ethylene oxide process waste to reduce emissions.

As part of our strategy to improve efficiency and reduce emissions, we are optimizing our EtO sterilization cycles, to increase the volume of product that can be effectively sterilized each cycle. To date, around 83% of cycles (by volume) in the U.S. have been optimized, with the remainder undergoing optimization.

Globally, 35% of cycles have been optimized, 40% are undergoing optimization, with the remainder under evaluation.

FDA experiential learning program

In May 2022, BD delivered an FDA Experiential Learning Program (ELP) module focused on EtO sterilization. As part of a larger effort around engagement and education, BD submitted three ELP proposals to the FDA. This represented the second of three FDA ELP modules that we plan to deliver.

In an effort led by our Regulatory Policy team, approximately 68 FDA staff members were in attendance to learn how BD is innovating and ensuring access to our products that are critical to healthcare. Presentations covered our sterilization network, and the activities we undertook as part of the FDA EtO innovation challenge, as well as a discussion of the research and development activities we are exploring for other sterilization modalities.

Further information and resources about EtO are available from etosafety.bd.com.



BD’s facilities are at least

20 times more efficient

at removing EtO per cubic meter of air than currently required by the Clean Air Act.



Over 60% of the medical devices

on FDA’s list of essential devices are sterilized with EtO



Less than 1% of all EtO

used for industrial purposes is used for medical product sterilization

Design for Sustainability

Rethink

Reduce

Recycle

Replace

Reuse

Partnerships, collaborations and thought leadership

BD also is involved in and contributes to several collaborative initiatives and thought leadership opportunities with respect to sustainable operations and product sustainability. For example, BD is represented on ASTM International's Sustainable Healthcare subcommittee. BD is also a founding member of the [Healthcare Plastics Recycling Council](#), a private technical consortium of industry peers across the healthcare, recycling and waste management industries seeking to improve the recyclability of healthcare plastic products and packaging. As part of our industry leadership in climate action, we serve as an executive committee member of a new industry coalition, Collective Healthcare Action for Reducing MedTech Emissions (CHARME) and are members of the Sustainable Healthcare Coalition.

Advancing circularity in our operations

1 U.S. Northeast

Over the past decade, BD has partnered with Casella Waste Systems, a resource management provider, to recover, process and recycle manufacturing waste from BD operating locations across the U.S. We currently recycle essentially 100% of the non-saleable product (such as off-specification syringes and related manufacturing waste) generated from our manufacturing processes.

Beginning in the first half of 2023, we launched a circularity pilot program with Casella to recover and recycle a wide range of red box waste, including used syringes and needles, from a variety of care facilities in the U.S. The pilot led to 40,000 pounds of medical waste (from multiple manufacturers) being recycled and diverted from disposal, and demonstrated the feasibility of collecting these waste streams to put back into the manufacturing process. In addition to eliminating landfill or incineration, recovery of these materials provides an additional local sourcing option for manufacturing plants, which can alleviate supply chain pressures for raw materials.

In early FY 2024, BD expanded the project to include additional waste streams, becoming the first manufacturer in the world to successfully recycle pharmaceutical and red bag waste, as well as materials from chemo-related medical care. Going forward, the program will continue to expand regionally to additional hospitals and non-acute care facilities, and to reclaim the used devices and return them to the manufacturing process. We have prioritized this program within the BD R&D pipeline and are investing significantly in our research and development processes to be able to use the recycled resin in our products.

2 Australia/New Zealand

Several initiatives are underway in Australia and New Zealand to collect and recycle a variety of used medical materials. Highlights from FY 2023 are outlined below.

- *Used medical waste recycling:* Seven Hospitals in New Zealand diverted ~4 tonnes of plastic syringes from landfill by collecting them to be recycled into plastic materials such as fence posts. In FY 2024, the program is continuing to expand to additional hospitals.
- *Expired/damaged products:* BD partnered with a resource management provider to recycle unsellable product. When the pilot first began, 20% landfill diversion was achieved, which was quickly scaled up to 75% within 6 months for the Australia market. This initiative is able to achieve comparable costs to recycle compared to landfilling the material.
- *Alaris Infusion Pumps:* BD has partnered with customers and two waste management firms in Australia and New Zealand to recycle BD Alaris infusion pumps. Following the rollout of a new fleet of infusion devices, our customers were interested in recycling possibilities for devices that had reached the end of their useful life, that would also ensure the secure removal of clinical and network configuration data. In Australia, BD partnered with the recyclers Shred X to recycle pumps collected from the Central Gippsland Health Service – Sale Hospital. In New Zealand, we partnered with Abilities Group, a registered charity that employs people with disabilities to dismantle infusion pumps collected from Te Toka Tumai Auckland (formerly known as Auckland District Health Board) for recycling. Through this pilot program, over 1,200 pumps were recycled, diverting 3 tonnes of electronic waste from incineration or landfill.

3 San Diego

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 2023, 31,597 units were processed through our facility, representing nearly 3,000 metric tonnes of materials that were either refurbished, reused or recycled.

4 Denmark

In FY 2023 and early FY 2024, BD collaborated with a consortium of health care institutions in Denmark to innovate a method to recycle used blood collection tubes without compromising the hygiene, safety or quality of the material. The pilot study showed that these used tubes, which are made from high-quality polyethylene terephthalate (PET) plastic, can be cleaned, shredded and molded into new articles.

Used blood collection tubes are considered biohazardous and regulated medical waste, and in Denmark, they are currently disposed through incineration. While the used blood tubes cannot be cleaned and reused like medical devices made of glass or metal, the PET plastic is still highly suitable for recycling.

Further research is required to determine the best method for cleaning and recycling that optimize both the quality of the material and the climate impact of these processes. The study demonstrated the potential to reduce the environmental footprint of our product portfolio, while maintaining patient safety, quality and efficacy. By transitioning from incineration to recycling, 33 tonnes of high-quality plastic would be diverted from incineration within the region each year.

The collaborative effort was funded by the Region of Southern Denmark and is part of a broader effort to further progress toward Denmark's Climate Action Strategy, which aims to reduce the country's greenhouse gas emissions by 70% in 2030 from a 1990 baseline. Read more [here](#).

Product safety

Safety, quality and service are at the heart of how we design, manufacture and deliver products. We help patient and customer safety through the predictable delivery of high-quality, effective products and services. We comply with global regulatory requirements related to worker safety and product performance, and we develop innovative solutions in accordance with our Purpose: *advancing the world of health™*.

Inspire quality

We're 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.

We're delivering meaningful enhancements to our Quality Management System (QMS) by streamlining compliance goals for our businesses and regions to ensure that each site maintains certifications throughout the harmonization process and enables other BD sites to move toward certification status. All BD sites have established QMSs that are compliant with industry standards, and more than 90% of all worldwide sites maintain certifications for them. We also continue to expand our footprint of Medical Device Single Audit Program certifications throughout our organization.





Our Quality Policy refresh

At BD, we understand that there is a patient at the end of everything we do. With the recent refresh of our policy we have emphasized patient safety to underscore our commitment to delivering quality products for our customers and patients around the globe, while also embracing a continuous improvement mindset in our work. Our Quality Policy offers a daily reminder of the critical importance of this work and our commitment to putting the patient first in all that we do.

The BD Quality Policy is available on the [Quality Transparency Center](#) in 21 languages.



117
sites



28
sites



5
sites

Our Quality Policy



BD is committed to providing our patients and customers with high-quality products and services aligned with our purpose of *advancing the world of health™*. This is achieved through an effective quality system that prioritizes patient safety, promotes continuous improvement and complies with regulatory requirements.”

Tom Polen,
Chairman, CEO and President

Quality culture

Our work to foster a culture of quality across the organization is the foundation of customer and patient trust. It’s embedded in The BD WAY through our value to “thrive on innovation and demand quality.”

We’re also driving our quality culture through annual training for our BD associates as well as site- and job-specific training based on function and role. We provide training primarily through our online learning platform, on topics ranging from our core values and customer impact to our QMS and compliance reporting. We have also expanded our quality rewards and recognition program to all BD associates to recognize our evolving culture and mindset shift, as quality is everyone’s responsibility at BD.

BD teams across the globe celebrated our culture of quality as part of our annual Global Inspire Quality Week and World Quality Week activities. Associates across all functions came together through education, awareness and awards programs as well as our new Quality Connections program, an opportunity for associates to meet 1:1 with their Quality peers and ask questions in an informal setting. We believe these personal relationships help build trust and advance product quality.



Quality oversight

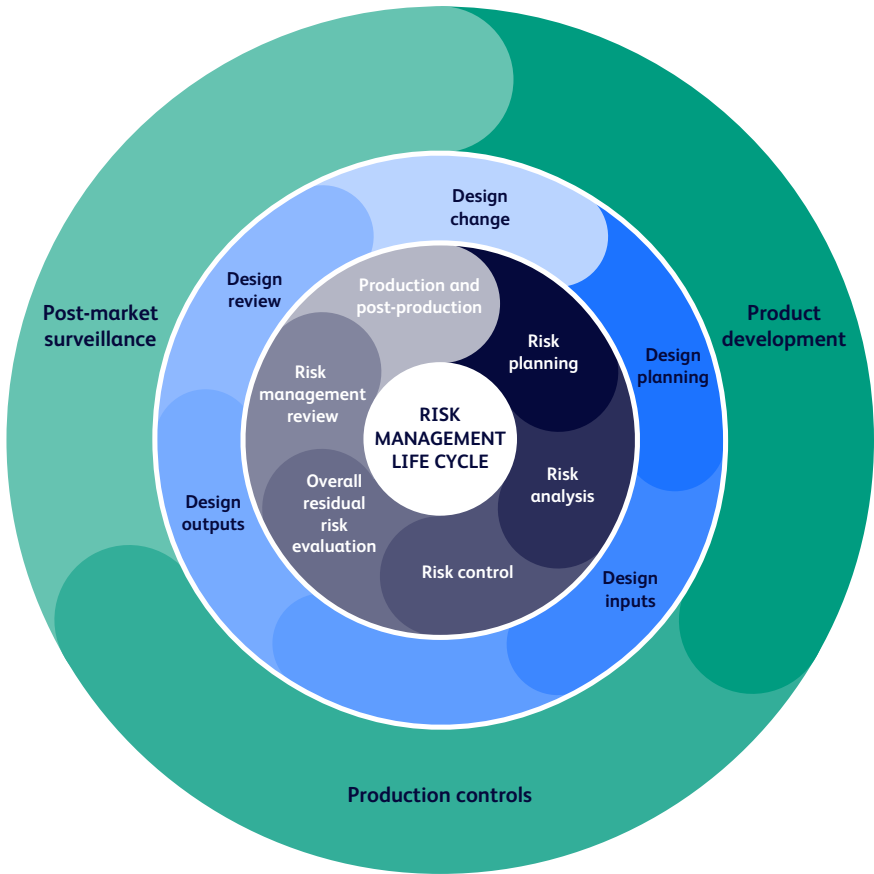
In FY 2023, we continued to streamline and strengthen our cross-functional governance mechanisms, leveraging the Corporate Quality and Regulatory Review Board to oversee key quality, regulatory, medical and clinical matters. This enhanced system has empowered our leaders with management responsibility for quality matters—including Regulatory Affairs, Medical Affairs, Product Cybersecurity, Integrated Supply Chain and R&D—to drive proactivity, transparency and cross-functional ownership of product safety and quality.

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. Additionally, our Board of Directors has established a [Quality and Regulatory Committee](#) that oversees matters relating to regulatory affairs, regulatory compliance, product quality and safety, and product cybersecurity. The full Board of Directors also receives updates on product quality and patient safety risks.

Quality goals are also an integral part of our corporate key driver goals. BD tracks performance against those goals quarterly.

Quality by design

BD began a digital transformation initiative in FY 2023 to enhance our abilities in product development and product life cycle management. The initiative will adopt unified processes and digital solutions for managing product requirements, risk and changes from idea to production. It will also enable good quality review and access to product information and documentation, improving the speed, quality and compliance of product development and product life cycle management. The initiative is a strategic and long-term investment that is designed to help BD realize the vision behind *advancing the world of health™* by delivering products that meet customer and stakeholder needs while ensuring quality, safety and performance.



Technology solutions

As part of our multiyear effort to improve operations and quality, we're embedding digital technologies in manufacturing. This initiative is intended to optimize performance resulting in reliable, agile, flexible and sustainable operations; provide consistent and faster delivery of quality products to market; and engage associates in innovation and value-creation activities. In FY 2023, 10 manufacturing sites launched electronic device history record (eDHR) programs to reduce and eliminate paper, improve batch review and release times, and enhance production and process controls, which will create greater overall efficiency. In FY 2024, we'll continue to expand eDHR implementation, and we plan to roll it out across manufacturing locations globally by FY 2026.

In addition, we plan to optimize our technology platforms to harness the power of data and analytics. We currently have initiatives to standardize data and associated data platforms to build a “digital thread,” allowing us to understand data signals throughout the product life cycle to optimize our business operations.

Supplier quality program

Our Quality and Procurement teams have implemented a robust supplier quality program that maintains our high standards and enhances product quality through a disciplined approach. Our key focus areas emphasize healthy and mutually advantageous partnerships with suppliers, supplier performance monitoring, supplier development, and product and process validation, as outlined below.

Partnerships with suppliers: The partnership concept is crucial for creating collaborative and transparent relationships. This involves open communication, mutual understanding of quality requirements and shared goals for continuous improvement.

Supplier performance monitoring: BD regularly monitors and evaluates the performance of our suppliers, which is important for identifying any quality issues or areas for improvement. Establishing key performance indicators (KPIs) and conducting regular assessments help track supplier performance effectively.

Supplier development: Investing in the development of our suppliers leads to long-term benefits. Providing training, resources and support helps suppliers enhance their processes and capabilities, ultimately improving the quality of their products and services.

Product and process validation: BD has a robust production part approval process that is aligned with industry best practices. This process ensures that our expectations are clearly communicated and that suppliers’ production processes are capable of meeting our quality requirements. It involves validating manufacturing processes, conducting sample inspections and verifying compliance with specifications.

Our Supplier Change Request (SCR) portal is a success story. We recognized the challenges related to how suppliers communicated changes to BD, and we implemented a technology solution that allows our 6,000+ direct suppliers to request their changes. Through the SCR portal, BD can manage and streamline the process of receiving, tracking and implementing supplier requests for changes that have the potential to affect our product quality. This centralized tool supports effective supplier relationships and quality processes in the organization. Since the launch of the SCR portal, approximately 1,300 suppliers have submitted more than 3,300 change requests.

By focusing on these key areas, our Quality and Procurement teams collaborate to maintain a robust supplier quality program that helps to ensure high-quality products and fosters a culture of continuous improvement.

Performance monitoring

Doing what's right for our patients and end users—one of our core values—is a top priority at BD. We monitor the performance of our products and, when necessary, make recall decisions. We adhere to applicable regulations when reporting necessary data relating to instances where devices may have caused or contributed to a death or serious injury.

In 2022, we implemented the Inspire Quality Revised Field Action process to strengthen collaboration among all key stakeholders across BD through one standard process and procedure. In FY 2023, we continued to build on this foundation to drive enhancements through process and technology improvements to streamline the process for our customers.

Key quality indicators for FY 2023

Number of FDA Class I recalls	1
Number of FDA Class II recalls	26
Number of FDA Class III recalls	8
Number of FDA warning letters received	0
Number of FDA warning letters resolved	0
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 FDAs About Manufacturer and User Facility Device Experience (MAUDE)

Data for previous years can be found in the [appendices](#).

Compliance

BD drives transparency and governance in quality and regulatory compliance across the organization, providing visibility to both known and potential risks, and helps shape the external compliance environment by partnering with industry. The Quality and Regulatory Compliance team partners with cross-functional teams to identify potential improvement opportunities and collaborates with our businesses to prepare for inspections and certifications.

The Corporate Quality Audit team conducts independent audits at BD, prioritizing sites with higher compliance risks based on previous audit ratings, product classifications and performance, and the types of products or services the site provides.

In FY 2023, BD focused on expanding regulatory compliance competencies through the Auditor and Compliance Training Centers of Excellence. BD continues to invest in technology solutions in this space to gain greater efficiencies while allowing for increased visibility and oversight surrounding internal and external compliance risks and opportunities. Additionally, we work to leverage learnings from the external regulatory compliance environment to capitalize on those insights as we continue to enhance our compliance posture.

	FY 2023
Number of inspections by worldwide regulatory agencies:	46
Percentage with zero observations:	76%
Number of FDA inspections:	15
Percentage with zero observations:	73%
Number of corporate audits:	61

* Includes audits at locations affected by the divestiture of BD's Surgical Instrumentation platform to Steris

* Includes corporate quality audits of newly acquired locations

Data for previous years are in the [appendices](#).

Regulations

Global regulations, standards and policies continue to evolve and modernize to keep pace with the challenges of managing public health. BD Regulatory Affairs demonstrates agility and efficiency in identifying, assessing and recommending actions that are necessary to address these changes, ensuring compliant registrations. The Regulatory Affairs team also actively advocates to influence and shape regulations, standards and policies where possible. In FY 2023, there were 191 draft and 291 new and revised regulations that were sensed and monitored for impact on BD products. With such a high volume of activity, it has been critical to not only centralize regulatory intelligence monitoring but also to ensure that BD empowers cross-functional teams in each business unit and region to drive awareness and accountability for incorporating new requirements. Our central team continues to guide and link sensing and monitoring activities to our global standards process. This ensures a structured approach to conducting risk assessments, identifying gaps, and remediating and updating our regulatory filings as needed.

Coordination with cross-functional teams continued to strengthen BD's ability to incorporate new standards and regulations into our product development process and 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, such as compliance with the new E.U. medical device regulation and in vitro diagnostic medical device regulation, we are also focusing on countries that have seen significant changes to their product regulatory framework.

To that end, the Regulatory Affairs team and partnering functions—R&D, manufacturing, quality, cybersecurity, sterilization, EHS, product stewardship, medical affairs, clinical development, marketing and compliance—work together in an effort 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.

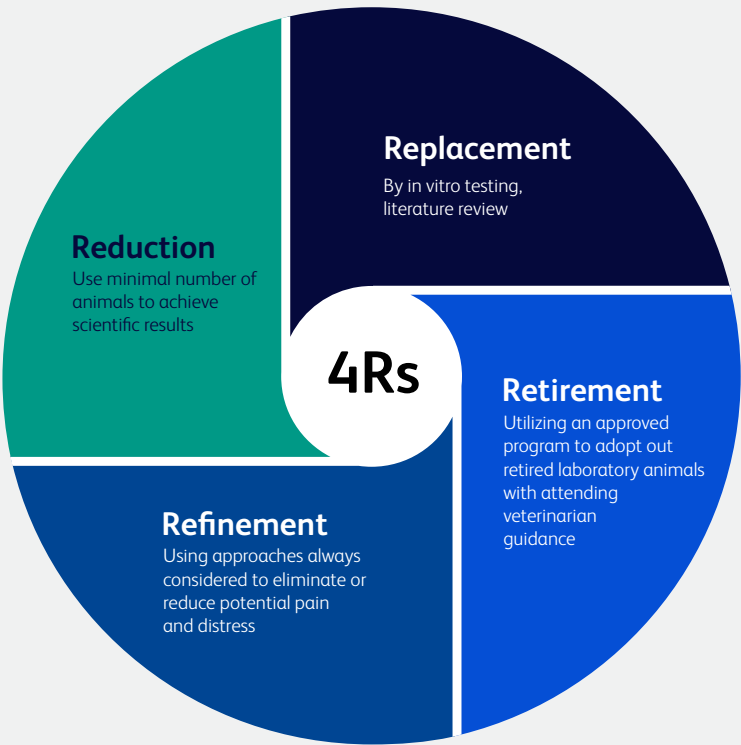
Enforcement actions

While we have implemented, and continue to improve upon, programs and management systems addressing product quality and safety, we are occasionally subject to enforcement action. For a description of certain enforcement matters, see our Form 10-Q filings, available on our [website](#).



Animal welfare and care

BD is committed to helping to ensure the ethical treatment of animals involved in biomedical research to advance patient safety and well-being. BD laboratory animal research programs are led by dedicated veterinarians and ethics oversight boards that drive the "4Rs" principles of biomedical research: replacement, reduction, refinement and retirement. Our corporate commitment to animal welfare is included in our [Global Animal Welfare Company Policy](#), which is proactively updated to ensure that we remain at the forefront of best practices.



BD has received global recognition for outstanding accomplishment in the improvement of care, quality and environment of animals used in biological and medical research. This is evidence of our commitment to the BD core values and standards of behavior known as The BD Way:

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

BD works closely with external partners as part of our continuous improvement and compliance initiatives. We are accredited by the Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC) International, and we are members of both the National Association of Biomedical Research and the European Animal Research Association. We host Biomedical Research Awareness Day around the globe to further educate the BD community on the significant, lifesaving medical contributions that research animals have made to improve both human and veterinary medicine.

Medical Affairs

Medical Affairs is a human health-focused organization serving as the bridge between the clinical practice of medicine and BD; it 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, including the following: 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.

As the only BD organization that consists of clinical experts, Medical Affairs also oversees the safety of human subjects during research and evaluates product issues that may threaten the health and well-being of those who use our products.

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

Medical Quality associates in GMS&G oversee QMS regulatory requirements and processes as they pertain to Medical Affairs. Medical Quality is involved in restructuring how Medical Affairs will support quality—specifically, determining applicability and implementation of the BD Inspire Quality initiative, implementation of the Corrective and Preventive Action process, and audit preparation. The development and distribution of a Medical Affairs QMS Scorecard and a Medical Affairs Metrics Dashboard has improved communication. Medical Quality has also introduced and is implementing the Culture of Quality across Medical Affairs, a critical initiative for the adoption of a quality mindset.

Clinical Quality oversees compliance for the clinical studies across the business units. In this capacity, Clinical Quality serves as the global process owner for the global clinical procedures and manages the training matrix through which BD associates are trained to properly execute procedures. Clinical Quality associates also engage directly with clinical study teams to advise in the proper conduct and execution of the global clinical procedures, regulations and standards. Additionally, Clinical Quality auditors who are external to the respective study teams conduct internal audits of high-risk studies and clinical sites.

Global Clinical Affairs

Global Clinical Affairs (GCA) is an organization within central Medical Affairs that supports BD business units in the execution of clinical studies. Clinical Affairs teams in BD business units and GCA, including regional teams, collaborate to carry out these studies. The vice president of global health economics and outcomes research, real-world evidence and Clinical Affairs and the vice presidents of Medical Affairs in each business and regional team report directly to the company’s executive vice president and chief medical officer. They are responsible for clinical studies and for ensuring that clinical studies are carried out in an ethical manner and adhere to good clinical practice. In addition, if applicable, 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.

Each business team is responsible for study design and execution, including developing the clinical quality concept, managing clinical safety, and reporting adverse events during and following any studies.

Per site procedures, the study site’s principal investigator and designees obtain voluntary informed consent from all study participants prior to the start of each study. The names and contact information of the study site’s principal investigator and the EC/IRB are provided in writing to study participants, who are encouraged to reach out to either of these contacts if they have questions or concerns about the study.

All BD associates who engage in clinical study activities are required to participate in extensive training in BD’s global policy and procedures related to human subject research. This training occurs through course and procedure review via the BD online training system.

In accordance with BD’s global clinical procedures, a formal, written monitoring plan for each study defines the method and timing by which BD associates maintain oversight of each study site. Clinical study monitoring may occur

through frequent communication via phone and email as well as multiple visits to the site. The site and its principal investigator qualify for participation by following BD’s global clinical procedures.

During study monitoring, compliance with the study protocol and good clinical practice, especially when related to safety issues, is reviewed regularly through the medical record and study database for each site participant.

As required per the applicable laws and regulations, studies are registered in public databases such as clinicaltrials.gov. This includes information about the study protocol, clinical study sites and, eventually, study results. Reporting on significant problems discovered during monitoring, deviations from the protocol, and necessary corrective actions are reported to the responsible EC/IRB and, when required, to the regulatory agency with jurisdiction (for example, the FDA).

We’re committed to publishing the results of applicable clinical studies regardless of the studies’ outcomes. We’ll provide the final statistical reports of protocol-derived outcomes to external investigators when publishing data in peer-reviewed scientific literature. View our [Clinical Trial Publication Policy](#).

Ethical and competent clinical research teams conduct BD clinical studies in various regions. The Medical Affairs and GCA teams have decision-making responsibilities in this area; the locations of the teams may be different than the locations where products are ultimately marketed.



Responsible supply chain

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5
GENDER
EQUALITY


8
DECENT WORK AND
ECONOMIC GROWTH


9
INDUSTRY, INNOVATION
AND INFRASTRUCTURE


12
RESPONSIBLE
CONSUMPTION
AND PRODUCTION


13
CLIMATE
ACTION


Responsible supply chain

Our goal: Create a supply chain that’s adaptable to disruption and able to contribute to strong environmental and social performance.

2030 goals	Current status
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.	As of the end of FY 2023, we completed 1,150 supplier ESG desktop audits, representing 68% of our total spend.
2 We will partner with strategic/preferred/critical suppliers to evaluate risk in Tier 2 by 2030.	We’ve mapped nearly 33,000 Tier 1 supplier locations and more than 32,000 Tier 2 and Tier 3 suppliers for risk alerting and incident response. This information has enabled us to identify potential issues in our extended supply chain and to prioritize work with our Tier 1 supplier partners to implement remediations as necessary.
3 We will seek to have 90% of total eligible spend reflected in completed supplier ESG desktop audits by 2025.*	As of the end of FY 2023, we completed supplier ESG desktop audits representing 68% of suppliers by spend. We continue to make progress toward our 2025 target, along with monitoring our spend coverage. As our program matures, we have begun to shift priorities away from mass coverage of suppliers and toward a deeper dive into the known, potentially high-risk regions and Tier N supply chain due diligence.
4 We will incorporate climate risk into supply chain and network architecture strategies.	After baselining our Scope 3 categories 1,2,4, and 9 GHG emissions in FY 2022, we have begun to focus on streamlining, centralizing and standardizing our distribution and transportation processes by minimizing air freight, filling shipping containers for all modes of transport as much as possible, and working with transportation providers on more fuel efficient vehicles. For further details about how we manage climate risk, see our TCFD disclosure in the Appendices.

* Eligible spend is defined internally to prioritize suppliers for assessment; for instance, those that are considered strategic and critical.

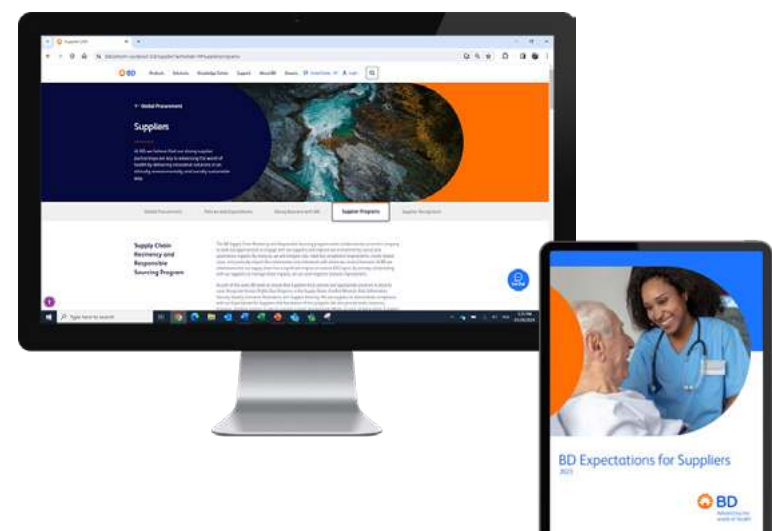
Supply chain resiliency and responsible sourcing

BD recognizes that our supply chain has the potential to impact many sustainability topics. Through our Supply Chain Resiliency and Responsible Sourcing program, we seek opportunities to engage with our suppliers to collectively improve our impacts. Engaged suppliers work collaboratively to find new solutions and reduce negative impacts. This enables us to avoid risk, address key compliance requirements, establish shared value, enhance relationships with our customers and supplier partners, and positively impact our society and the planet. A significant portion of our 2030+ responsible supply chain goal efforts are guided by the Supply Chain Resiliency and Responsible Sourcing program, which incorporates six key focus areas of work: supply chain Human Rights due diligence, supply chain sustainability, supplier diversity, supply chain resiliency, supplier cybersecurity and end-to-end transparency. These focus areas address global challenges that impact our suppliers, associates and customers as well as the communities where we live and work.

As our programs evolve, we become better at communicating the work we do—to suppliers, customers and various other stakeholders. At the end of 2023, we launched updated content on our [BD.com](#) page dedicated to suppliers, clearly outlining key expectations and priorities for our suppliers and detailing how these programs work together. During our latest supplier training, we also launched a supplier-facing Responsible Sourcing Toolkit featuring key information, helpful links and resources that suppliers can use to ensure that they meet the standards in our Expectations for Suppliers document.

Program governance

BD’s Responsible Sourcing Operating Committee (see “Human Rights” section) guides and facilitates our sustainability efforts in procurement. Key focus areas of this committee’s work include Human Rights due diligence in our supply chain and environmental issues as they relate to responsible sourcing, such as reducing emissions, sourcing alternatives and more sustainable materials, as well as reducing other risk across our supply base. The committee is sponsored by the senior vice president, global supply chain and chief procurement officer as well as the chief sustainability and EHS officer. It consists of subject matter experts from across the company, including the central procurement leadership team, EHS legal counsel, the central sustainability team, and the ethics and compliance team.



More information is on our [BD.com](#) page dedicated to suppliers.



Human rights due diligence in our supply chain

Through the Responsible Sourcing program, we assess management effectiveness with periodic program reviews and internal and external metrics to track the work. This extends to our work related to Human Rights and modern slavery, which includes:

- Strengthening engagement with supply chain partners on their labor and environmental practices and performance by completing desktop environmental/social audits for strategic, critical and high-risk suppliers by 2023.
- Partnering with strategic/preferred/critical suppliers to evaluate risk in Tier 2 by 2030.
- Seeking 90% of total spend represented in the completed supplier ESG-focused desktop audits by 2025.
- Our goals and efforts are focused on our supply chain for both goods and services, including both our direct materials and indirect suppliers.

A note on our goal to have 90% of spend represented in sustainability audits: While we continue to make progress toward this goal, as our program matures, we’ve begun to shift priorities away from mass coverage of suppliers and toward a deeper dive into the known potentially high-risk regions and due diligence further upstream in our supply chain. For this reason, our strategic goals will orient more toward coverage of risks related to our Tier N suppliers - meaning companies that supply our (contracted) Tier 1 suppliers - while we’ll continue to monitor spend coverage. We’ll report against the goal of broadening our understanding of Tier N Human Rights risk through sub-tier and addressing potential risks as they are discovered.

BD complies with modern slavery and Human Rights due diligence disclosure requirements in various countries. A list of these disclosure reports is on our country-specific websites and the ESG page at [bd.com](https://www.bd.com).

Ongoing supplier assessments

In FY 2023, BD continued to prioritize supplier assessments to better understand where the greatest risk for Human Rights violations may occur in our supply chain. We also prioritized communicating our expectations to suppliers so that they understand the importance of this work. We were able to complete an additional 550 assessments in FY 2023, covering a total of 1,150 suppliers with assessments, which represents approximately 68% of our total spend.

As part of our risk assessment process, we identified suppliers with potential risk for labor and Human Rights. We worked with them to develop and implement corrective actions, and we regularly track their progress. We plan to continue our desktop assessments of suppliers and to prioritize new business with those that have completed the assessments. We also seek to build collaborative relationships with our suppliers to improve Human Rights practices across our extended Tier N supply chain.

End of FY 2023



1,150
suppliers completed

representing



68%
of total spend

Approximately



10,000
associates trained in identifying and reporting Human Rights violations worldwide

Supplier engagement in information-sharing requests

As our Responsible Sourcing programs evolve and grow, there is an ever-increasing need for information from our suppliers that can be time-consuming and burdensome for both parties. The requests are also far-ranging—for example, documentation of Human Rights policies, safety measures at manufacturing sites, proof of Human Rights standards being met, and Scopes 1, 2 and 3 emissions data and reduction targets. We understand that suppliers must respond to multiple requests from different customers, so we try to streamline and simplify our data collection process as much as possible. We use existing sources of information whenever we can and integrate our data requests into common platforms when they exist. While we have set significant goals for our work across this program in the coming years, we also commit to simplifying the process for our suppliers whenever possible.

In the spirit of simplification, we also seek to build on existing models for data classification in our programs. For instance, rather than build a maturity model specific to our supply base, we leveraged one shared through the Pharmaceutical Supply Chain Initiative (PSCI) so that common suppliers, meaning those with more than one customer that is a member of PSCI, see continuity in messaging about their emissions reduction pathways. We continue to identify common supplier connection points and classifications to reduce confusion. Our goal is to obtain reliable and relevant data without creating unnecessary work for our suppliers so that we can focus on achieving our ambitious targets for improving our supply chain performance across all dimensions of sustainability and Human Rights.



BD is a proud member of the PSCI. Through this partnership, we work collaboratively with peer companies to magnify our impact across our supply chains in areas such as Human Rights, emissions reductions and governance. We encourage our suppliers to join this network for free to have access to training, webinars and toolkits. More information is at <https://pscinitiative.org/home>.



Tier N supply chain mapping

BD continues enhancing our Tier N supply chain mapping efforts and leveraging the data to drill down on specific Human Rights abuse risk that may exist in our extended supply chain. This work continues to build on the partnership with our third-party risk intelligence partner and leverages AI and machine learning to enable discovery of Tier N connections. Alongside this expanded visualization of our supply chain, we layer in specific geographies, known commodity risks, and named Human Rights violators to understand if they are represented within the first five tiers of our supply chain. To minimize the risk exposure to our business, our customers, and our environment, due to our supply chain, we follow a proactive and collaborative risk reduction process with our tier 1 suppliers. Whenever we detect a possible risk in our supply chain, we work with our Tier 1 suppliers to validate the risk and its extent and to develop an action plan to either mitigate or eliminate the risk. BD believes this detailed Human Rights due diligence work will be required to address complex supplier networks in the future.



Updates to the BD Expectations for Suppliers document

In keeping with our standard update cadence, BD launched our latest update to our BD Expectations for Suppliers in FY 2023. All suppliers are expected to agree and comply with this document, as it guides all of their interactions with BD and is the basis for doing business with us. This version has a new section on quality and updated language about supplier cybersecurity efforts; it also expands on Human Rights expectations. Following the update, we hosted a training for all BD suppliers that allowed them to engage with clarifying questions.

We understand that suppliers are being asked to implement increasingly more complex policies on Human Rights, emissions, supplier diversity, risk and other topics. To address this, BD released a Responsible Sourcing Toolkit specifically for BD suppliers in parallel with the launch of the updated BD Expectations for Suppliers. The toolkit helps suppliers access tools and resources to implement the practices in our BD Expectations for Suppliers. It answers commonly asked questions, provides in-depth guidance on various topics and supports suppliers in identifying key steps in their ESG and resiliency maturity.

The updated BD Expectations for Suppliers is available in a variety of translations on our [website](#), while the Responsible Sourcing Supplier Toolkit is available via private link only to BD suppliers (for access, suppliers can email BDResponsibleSourcing@bd.com).

Supplier sustainability

The procurement of goods and services represents nearly 40% of BD’s overall GHG emissions. To reduce these emissions, we’re working collaboratively across the company and through our supplier relationships to reduce the impact of our Scope 3 Category 1 emissions. Building on our efforts from last year, we developed our science-based targets for Scope 3 with a focus on emissions related to purchased goods and services and supplier engagement.

In FY 2023, our Responsible Sourcing team conducted an in-depth analysis of our Scope 3 Category 1 emissions results, allowing us to better understand the biggest categories of emissions sources and top suppliers in each category and business. Based on this work, we developed an emissions reduction strategy that focuses primarily on two broad levers to reduce our purchased goods and services emissions:

1. Supplier-level emissions reduction:

Encourage suppliers to engage in their own emissions reporting, target-setting, renewable energy use and other reduction mechanisms; our primary focus will be getting key emitting suppliers to set science-based targets.

2. Material-level emissions reduction:

Identify low carbon materials and services to replace existing materials and processes and facilitate internal projects to reduce emissions.

Data improvement

Before we dive deeper into the two levers of reduction, we acknowledge the necessity of refining our data continuously for improved tracking of our reduction initiatives. Enhanced data quality and sources will enable us to monitor the reductions more precisely in the long run. In FY 2023, we continued to focus on enhancing the sources of our emissions data for the purchased goods and services. We obtained weight information for our purchases with high emissions, and, in the near future, we will be capable of converting most of our Category 1 emissions to a weight-based calculation. Where we are not able to get weight data, we continue to use the spend-based approach. As we implement our supplier-level emissions reduction work (explained on the next page), we will also collaborate with our top suppliers to obtain apportioned data for BD emissions and incorporate this data into our calculation methodology. The ultimate objective is to transition from a weight- and spend-based approach (average data method) to a supplier-specific approach.



Supplier engagement and collaboration

BD’s ambitious science-based targets cover all our Scopes 1, 2 and 3 emissions. Within our Scope 3 emissions, we’ve focused in the short term on engagement in our supply chain, and within Categories 1 and 2 we’ve set goals for our suppliers to set their own science-based targets by 2028. This work is just part of our wider emissions reduction glide path but is an important one—our top 500 suppliers represent 80% of our emissions that are related to purchased goods and services emissions. If these suppliers were to set their own science-based targets, they would significantly reduce the emissions associated with BD purchased goods and services. If they were to ask their own suppliers to do the same, it could magnify the impact.

In 2023, BD launched our Supplier Climate Action program to drive toward our proposed science-based targets; we recognize that the program requires active supplier engagement and development to succeed. As part of our supplier engagement strategy on climate action, we’ll support and engage suppliers in their work to complete annual measurements on emissions, target-setting and accountability. This push to decarbonize BD’s supply chain by supporting suppliers and incentivizing them to adopt and meet science-based targets will have a large impact on our Scope 3 reduction efforts. To meet our targets, we ask our suppliers to:

- Track carbon emissions data and submit it to BD via one of our third-party tools (suppliers can email BDResponsibleSourcing@bd.com to learn more).
- Set a GHG target in alignment with the SBTi.
- Look for methods to minimize energy consumption and GHG emissions wherever possible.
- Use the educational resources in the BD [Responsible Sourcing Toolkit](#) to advance GHG reductions.

As this program matures, we will prioritize engagements with suppliers who have set, or are committed to setting, science-based targets. We encourage suppliers to set targets and will award business accordingly in the future.

In FY 2023, we included all of our top 500 suppliers (those representing 80% of our Category 1 emissions) in our GHG supplier survey efforts – an expansion from FY 2022 efforts that focused on our top 100 suppliers. The supplier data provided in this outreach allows us to better understand supplier emissions maturity, both generally (where our suppliers need the most help) and individually (where each supplier sits on the path to setting science-based targets). In this effort, we identified suppliers that have demonstrated best practices and that we can learn from and engage with, as well as suppliers that need support to better engage on GHG reduction efforts. This work is driving strategy-setting related to how we’ll engage with suppliers in the future—whether leading, lagging or somewhere in between. BD will deploy a supplier-focused emissions effort based on these learnings to drive stronger supplier awareness and partnerships to reduce overall emissions. We’ll meet suppliers where they are to encourage their work toward setting science-based targets.

Suppliers are asked to start their journey towards science-based targets.



Start measuring

Develop an emissions baseline including Scope 3 by 2025.



Disclose data

Submit your emissions data annually.



Set science-based targets

Set near-term science-based targets or SBTi-aligned targets by 2028.



Reduce emissions

Use renewable energy to manufacture BD purchased materials by 2030.

Material-level emissions reduction

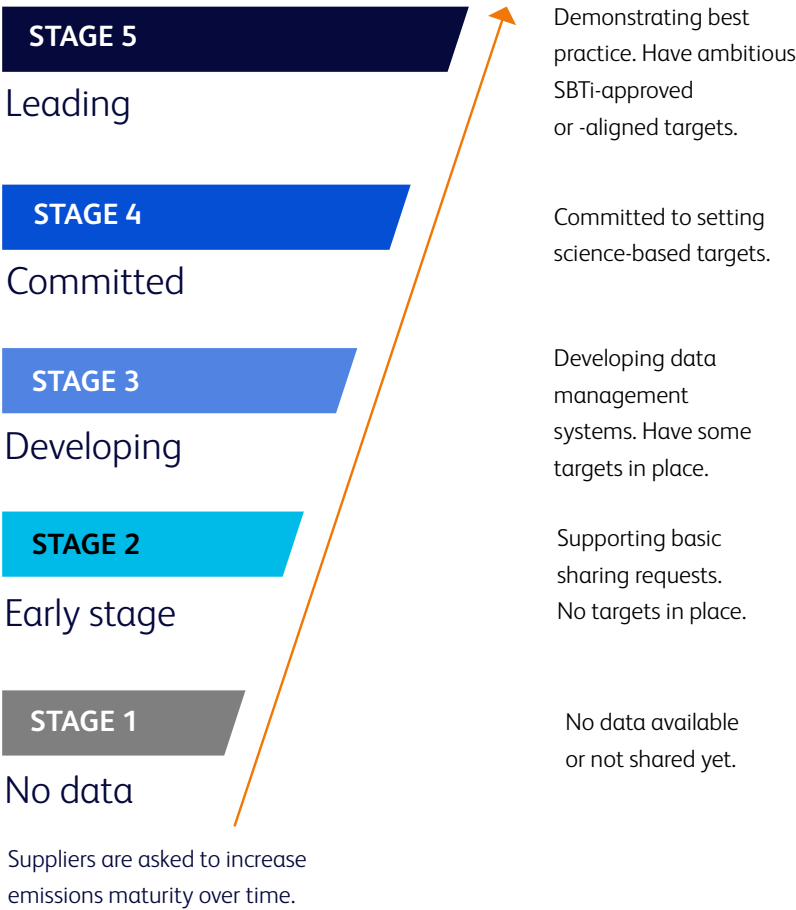
Supplier-level emissions reductions are only one component of our overall emissions reductions strategy related to purchased goods and services. The other reduction lever is material-level emissions reductions, and we plan to deploy various strategies to lower emissions using this lever, including buying less, choosing different materials, designing products differently and changing purchasing behavior. The Responsible Sourcing team has also begun to target our top-emitting material categories to drive efforts toward emissions reduction. We recognize that BD’s top three categories of purchased goods and services emissions are plastic, packaging and resins, which will become the primary focus of our emissions reduction efforts in the coming years.

As a start, our sourcing teams are working collaboratively to support the work that the SMTI and R&D does to reduce emissions (which is detailed elsewhere in this report). Identifying innovative solutions related to products and suppliers and piloting new technologies and processes are critical steps in material-level reductions—and these efforts often start with strong supplier relationships. Internally, we’ve focused on building a pipeline of projects that will reduce emissions and generate additional value aligned with corporate and business objectives.

Beyond carbon emissions, BD regularly engages with suppliers to monitor compliance with an evolving landscape of regulatory and customer requirements. These vary widely, from elimination of materials of concern to focusing on the recyclability and recycled content of our packaging. Our Global Procurement and Product Stewardship teams work collaboratively across BD to identify focus areas and expand on existing work, such as that of the SMTI, business, and R&D teams. In order to provide suppliers with a focused message and obtain needed data, we’ll continue supporting this work as we build stronger supplier relationships to reduce emissions.

BD supplier maturity model

As we target the highest-emitting suppliers, we learn their maturity on emissions tracking and reductions. BD is committed to supporting supplier efforts to move from one stage to the next.

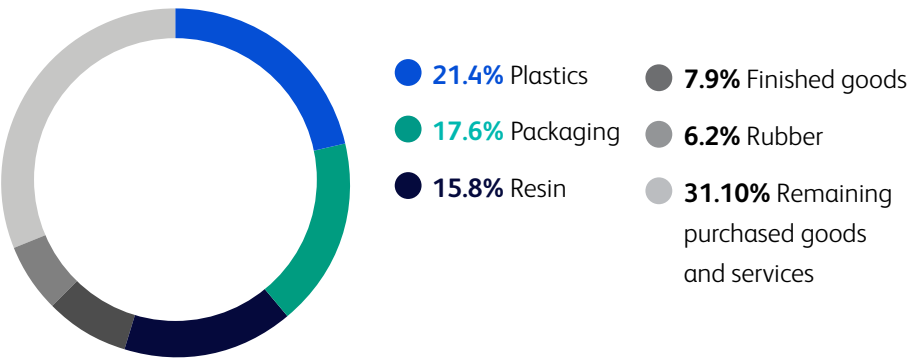


FY 2023 SCOPE 3 CATEGORY 1

2,677,219 metric tonnes CO₂e

purchased goods and services

TOP FIVE CONTRIBUTORS



FY 2023 SUPPLIER ENGAGEMENT KPIS

74%
of BD Category 1 emissions were invited to report emissions information.

20%
of suppliers by emissions have committed to set, or have already set, SBTi targets.

58%
of suppliers by emissions responded to the survey.

Case Study: Reducing the impact of our BD Alaris+ product packaging

In 2023 we completed a project that made our BD® Alaris+™ Infusion Pump product packaging more environmentally friendly. We recognize the impact of product packaging on landfill and emissions due to transportation. Our packaging procurement category team, which prioritizes packaging redesign, formed a cross functional team to work on this issue. The team worked closely with the selected supplier to redesign the product with a focus on recyclability and lower emissions, using standard materials, while still making sure every unit arrived safely. This project ensured that all packaging was fully recyclable (reducing cost of waste disposal for our customers), optimized the packaging design to reduce extra space, simplified the shipping requirements by 25% and cut down on transport miles- all resulting in significant emissions savings and cost optimization.

This project showed that a focus on the sustainability of the packaging of a product and the collaboration among Global Procurement, Operations Engineering, Quality, Marketing, R&D, Regulatory, Supply Chain and the supplier—with input from key customers—can result in a solution that can reduce negative environmental impacts and total costs.

Suppliers that wish to learn more about how they can share their emissions and reduction targets with BD, understand how they can start to reduce emissions, or engage further with BD on this topic can reach out to BDResponsibleSourcing@bd.com. While we share our minimum standards on emissions in our BD Expectations for Suppliers, we're committed to collaborating across our supply chain to learn from, and share learnings with, suppliers of all levels of maturity on the emissions reduction pathway.





Supplier diversity

Our BD Supplier Diversity program seeks to build a purchasing ecosystem in the company that maximizes the use of small businesses and a diverse mix of suppliers, whenever possible. Not only does this program empower BD to deliver innovative solutions in an ethically, environmentally and socially sustainable way, but it also enables us to make meaningful contributions to the health and well-being of communities where our associates, customers and patients live and work.

By actively engaging with historically underrepresented suppliers and under-resourced communities, we’re driving sustainable, responsible procurement efforts and supporting the economic inclusion and empowerment of small businesses as well as businesses owned by minorities, women, veterans, individuals with disabilities and individuals who identify as LGBTQ.

Economic impact

BD recognizes the significance of measuring the economic impact of our work in the communities we serve, quantifying the impact of our spending on supplier revenue, jobs, and the local and national economies.

Working with small businesses and a diverse representation of suppliers benefits these businesses and their communities. It also benefits BD, our customers and the patient communities we serve together. For the third year in a row, BD measured the economic impact of our work in the communities we serve. This work seeks to quantify the impact of our spending on supplier revenue, jobs (including the number of jobs supported, wages, taxes paid and related spending), and both local and national economies.

BD aims to make a difference at the community level by promoting economic and societal inclusion, leading by example for our customers to develop best practices for their supplier diversity programs. These efforts support our program’s direct alignment with the United Nations SDGs, including supporting gender equality (SDG 5), supporting decent work and economic growth (SDG 8), and reducing inequalities (SDG 10). They also reinforce our corporate citizenship, raising our visibility and establishing BD as a best-practice leader in supplier diversity.

Economic impact of supplier diversity: FY 2023 by the numbers



BD spent more than
\$1.2+ billion
with small and diverse businesses across the United States and Puerto Rico



supporting the maintenance of
19,650+
jobs



which added
\$2.3 billion
worth of wages, taxes and spending to local and diverse communities



driving
\$8.9 billion
in total economic impact

Listening to, learning from, recognizing and supporting the growth of diverse suppliers

As we evolve and advance the BD Supplier Diversity program, our continued focus on increasing our year-over-year economic impact will help us shape how we interact with the communities we serve. It will also help us to better advocate for diverse communities and small and diverse-owned businesses, such as Rashmi Chaturvedi, owner of Kaygen, a woman-owned technology consulting firm located in Irvine, California, who participated in BD’s Diverse Supplier Mentorship Program.



By participating in the BD Diverse Supplier Mentorship Program, we have learned how to be a trusted value-added partner to life sciences companies by addressing their unique problems and challenges. Thanks in large part to the guidance and networking opportunities we have received from our BD mentors, we have made changes to our business model that have enabled us to grow by 83% in the last three years, helping us to earn a spot in the **Inc. 5000** listing in 2023.”

Rashmi Chaturvedi
Cofounder and President of Kaygen



In 2022, BD restructured the way we recognize our suppliers for excellent performance to ensure that our small and diverse suppliers receive ample opportunities to earn recognition for their hard work and dedication to helping BD realize its Purpose of *advancing the world of health™*. Starting in 2023, we created more opportunity for small and diverse suppliers by having them compete against each other in all five categories of the annual BD Supplier Awards.

Hi-Technology Group has supplied BD with injection-moulded parts for BD Infusion Systems, BD Alaris neXus and BD Alaris Plus platforms for close to 20 years. Further details on the BD Supplier Diversity program can be found on our [website](#).

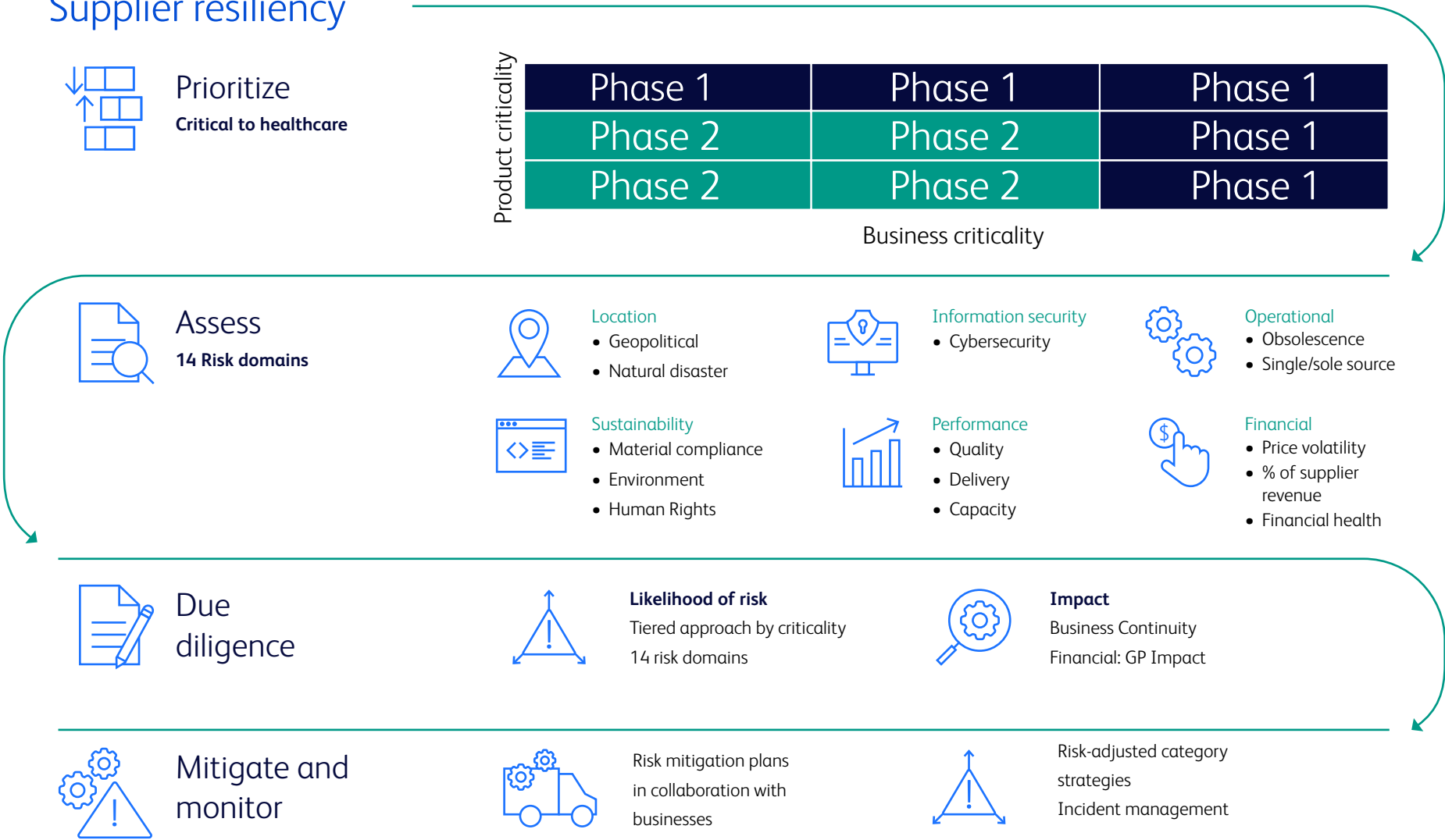


Hi-Technology Group is a privately owned business based in the United Kingdom, with manufacturing sites in the United Kingdom and Slovakia. We were so honored to have earned the 2023 BD Supplier of the Year award in recognition of the close, long-term partnership we’ve built with BD over the past two decades. This recognition means a great deal to our team and makes us feel that BD truly appreciates our relationship. Within just the last year, BD’s commitment to growing and recognizing small and diverse businesses has further helped us earn the opportunity to provide parts to additional BD product. And we look forward to continuing to grow our business by supporting additional BD businesses and products in the years to come.”

Neil Sibley
Group CEO of Hi-Technology Group



Supplier resiliency



We continue to prioritize and expand our Supplier Resiliency program to increase resourcing, the supplier base covered under the BD risk model, the critical-to-health product lines receiving mitigation, the risk factors being monitored, and the technology and capabilities supporting both the BD Risk Model as well as the incident management and mapping of the Tier N sub-supply base. BD has also further extended these supply resiliency efforts, visibility and end-to-end support into our new product development and plans to further extend the capabilities through manufacturing and operations risk mitigation. In the past two years, multiple emerging risks related to increased quality and cyber attributes, new geopolitical risks, and growing sanction risks have been expanded into the BD resiliency ecosystem. Additionally, nearly 8,500 Tier 1 supplier locations and more than 32,000 Tier 2 and Tier 3 suppliers have been mapped for risk alerting and incident response. Within the Tier 1 base, we completed hundreds of risk mitigation projects across eight business units. These efforts resulted in reduction of internal and external risk exposure for our critical-to-healthcare product lines and significant reduction in financial risk exposure for our company.

The visibility into our Tier N supply chains helps BD respond to critical supply chain constraint events such as the 2024 Texas freeze (lessons learned from 2021 yielded no resulting supply chain disruptions). It also enables us to identify potential worker and Human Rights risk (such as hidden modern slavery risks deep in our sub-supply chains) and to proactively implement preventive measures and mitigations. The Tier N mapping further informs our network architecture strategy development, and our efforts to optimize our product supply chains while incorporating climate risk and keeping environmental impact in mind. Additionally, we've expanded and incorporated weather and natural disaster intelligence sources into supplier risk incident notifications and environmental sustainability scores that are compiled in location risk assessments.

These efforts and our extended peer connections, government engagements, and university and industry collaborations, including membership in the Healthcare Industry Resilience Collaboration (HIRC) and Strategic Marketplace Initiative (SMI), resulted in BD's Supplier Resiliency program being shortlisted for World Procurement's Risk & Resilience 2023 award. This prestigious recognition reflects the foundational resiliency investments that BD has made internally as well as the efforts of our BD Supplier Resiliency program to support the suppliers who work together with us in *advancing the world of health™*.

Critical to healthcare and business products are those that are deemed to be significant to the delivery of care and to the strength of our businesses.



Supplier cybersecurity

Cyberattacks are becoming more frequent, advanced and adaptive. According to the U.S. Department of Health and Human Services, between 2018 and 2022, large breaches increased by 93%, and large breaches involving ransomware increased by 278%.¹ In addition, generative AI (GenAI) tools such as WormGPT and FraudGPT have begun to emerge on the dark web, simplifying execution of these types of attacks.² BD has increased investments in third-party cybersecurity risk management. By leveraging external assessments and industry standard frameworks, such as those offered by The International Organization for Standardization (ISO) and the National Institute of Standards and Technology (NIST), BD is continuing to expand third-party controls that provide enhanced resilience in our supply chain. In 2023, we reduced the ransomware risk of our highest-potential-risk suppliers by two times, and we continuously monitor their cybersecurity posture. Third-party cybersecurity risk rating tools and associated enterprise risk governance tools give us industry-leading insights into the real-time cyber posture of our suppliers and a measured, proactive means to drive remediation.

End-to-end transparency

At BD, we recognize that achieving transparency across the entire value chain, from Tier N suppliers to external stakeholders and customers, is crucial for making healthcare supply chains more resilient. We also acknowledge that we need to collaborate deliberately and continuously with our peers, customers, suppliers, governments and industry partners to build a transparent, resilient supply chain.

To support our 2030+ goals related to supply chain transparency, BD:

- Continues to enhance Tier N supply chain visibility to ensure that we can make more informed decisions on developing a more socially and environmentally conscious extended supply chain.
- Provides **business-critical insights** to suppliers and customers, based on the strategic analyses of supply chain and supplier data, to ensure their visibility into the potential implications of geopolitical, financial and other key threats to supply chain resiliency.
- Supports **key suppliers in improving resiliency** by conducting no-cost cyber risk assessments and remediation playbooks to help suppliers proactively address cyber threats. We also partner with suppliers to help them improve their financial health, Human Rights and environmental practices.
- **Conducts numerous supply chain resiliency and transparency meetings with our healthcare customers**, to educate them about the extensive measures BD takes to mitigate threats to supply chain resiliency and to identify opportunities to partner with select customers to develop and deploy robust supply chain transparency programs.
- Continuously seeks to strengthen **our meaningful partnerships with government agencies, industry organizations and suppliers**, which are instrumental in helping BD deliver better patient outcomes by strengthening our supply chain.

BD is also an active member of other industry organizations such as the Advanced Medical Technology Association (AdvaMed), HIRC and SMI.

In 2023, BD became one of the first nine global suppliers to earn the prestigious HIRC Transparency badge, which demonstrates our commitment to transparency as a foundation of supply chain resiliency and furthers our progress toward our 2030+ goals. The HIRC badge serves as third-party validation of BD’s commitment to deliver supply chain transparency to its customers so that we can enable healthcare providers to achieve patient outcomes that matter across the continuum of care.



BD has been an active and forward-leaning voice within the HIRC community. As part of our healthcare consortium, BD has been authentic in supporting the creation of standards for greater transparency and resiliency in healthcare supply chains.”

Jesse Schafer
Executive Director of HIRC



¹ HC3: Sector Alert Report: 202308041500. U.S. Health and Human Services. <https://www.hhs.gov/sites/default/files/rhysida-ransomware-sector-alert-tlpclear.pdf>. Published August 4, 2023. Accessed October 22, 2023.

² Burgess M. Criminals Have Created Their Own ChatGPT Clones. WIRED. <https://www.wired.com/story/chatgpt-scams-fraudgpt-wormgpt-crime/>. Published August 7, 2023. Accessed October 22, 2023.

Global supply chain

BD’s products are marketed and distributed in the United States and internationally through independent distribution channels. They are also distributed directly to hospitals and other healthcare institutions by BD and independent sales representatives. BD uses acute care, nonacute care, laboratory and drug wholesale distributors to support our end user customers’ product demand in the United States. Internationally, we distribute products either directly or through distributors, with the practice varying by country. To serve our customers, optimize logistics, lower storage costs and reduce inventory levels of finished goods, we operate consolidated distribution facilities around the world.

Emissions: Scope 3 Category 4 (upstream transportation and distribution) and Category 9 (downstream transportation and distribution)

Due to the scope and scale of our distribution networks, we use a variety of transportation methods; transportation and distribution represent a significant source of our Scope 3 emissions. In FY 2021, we gathered baseline data to better understand our use of transportation and the associated emissions impacts. We saw an increase in movement of goods by air that year—nearly 70% of our carbon impact was due to air freight—which was driven by shipment of products used for COVID-19 testing and by capacity challenges in the global supply chain. Post-pandemic, emissions from air freight have decreased due to a return to more normal circumstances in international supply chains and markets.

We align our GHG accounting practices for transportation activities with those of the Global Logistics Emissions Council (GLEC) Framework. Specifically, we use GLEC Framework default emission intensity factors in grams of carbon

dioxide equivalent (gCO₂e) per tonne-kilometer (t-km) (gCO₂e/t-km) to estimate emissions from air, rail, road and sea transportation of finished products to the customer.

Since FY 2022, we’ve focused on streamlining, centralizing and standardizing our distribution and transportation processes with the following:

- Using sea transportation rather than air freight for products with longer shelf lives.
- Evaluating the distribution process to identify where we can bypass distribution centers and deliver the product directly from the manufacturing plant to the final destination.
- Setting up governance models to improve our process, including an air freight governance model to control air shipments and a network modeling process to approve network moves and sourcing lanes.
- Maximizing the fill of our shipping containers in all modes of transport.
- Refining our shipping temperature ranges from 52 unique shipping temperatures to only nine.
- Analyzing the location of our distribution centers to ensure that they’re in the right proximity to our manufacturing and sterilization plants to reduce shipping mileage.
- Working with our transportation partners to use more fuel-efficient, sustainable vessels and trucks, such as employing electric vehicles to move our products in Brazil.

We also continue to educate BD transportation and logistics associates about the environmental impacts of shipping to encourage them to select lower-emission alternatives when possible.



FY 2023 SCOPE 3 CATEGORY 4

590,970 metric tonnes CO₂e
upstream transportation and distribution

FY 2023 SCOPE 3 CATEGORY 9

281,414 metric tonnes CO₂e
downstream transportation and distribution

Healthy workforce and communities

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Healthy workforce and communities

Our goal: Maintain a healthy and thriving workforce that cultivates our culture of inclusion, safety and well-being, and contributes to advancing equitable health around the world.

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:

 - Developing servant leaders and exemplifying The BD WAY.
 - Ensuring equal pay (by gender) worldwide.
 - Paying competitive market rates and utilizing living-wage assessments in key regions or countries to inform wage strategies.

Current status

For FY 2023, we implemented several new benefit programs, as well as some benefit enhancements for our U.S. associates including:

- An enhanced Employee Assistance Program (EAP) to support mental health needs.
- Comprehensive substance abuse treatment including an opioid management program.
- Robust advocacy support for fertility management, surrogacy, and adoption.
- Coverage for donor egg/sperm in the medical plan, regardless of gender.
- Additional dental plan preventive care cleanings for pregnant and neurodiverse members.

[Learn more](#)

We have several tools to help all our associates with personal and professional development, including career development plans, mentoring programs and in-house learning opportunities.

[Learn more](#)

Through talent reviews, we also identify individuals with differentiated potential and connect them with additional learning experiences called Leadership Excellence Accelerator Programs (LEAP) to further support their growth and career aspirations.

[Learn more](#)

The results of our 2023 gender pay equity assessment revealed that we achieved base pay equity, with our female associates earning \$1 for every \$1 earned by male associates globally. In the United States, female associates earned an average of 99 cents for every \$1 earned by male associates.

[Learn more](#)

Our Total Rewards program includes market-competitive pay, bonuses and broad-based stock grants compensation, incentive pay, benefits, recognition, life balance, career, and mental health components.

Through annual self-assessments, BD has taken steps to enhance working conditions, including investing in facility upgrades globally, rolling out manager effectiveness training, enhancing communication mechanisms and career path programs, and making investments to ensure wage competitiveness.

[Learn more](#)

Human capital management

A culture of career growth

At BD, we believe encouraging career evolution is key to our success. We focus on ensuring that our associates feel supported in their performance and development at all stages of their careers, creating an inclusive environment that embraces a robust growth mindset and fosters servant leadership.

Our Talent@BD Center of Excellence enables associate growth through career development initiatives, coaching, mentoring, targeted leadership development and learning programs for all associates via BD University (BDU), our in-house continuing education program. Our Career Growth Cycle provides a clear, structured pathway for personal development and progression. This ecosystem supports skill-building and fosters strong support systems for career aspirations.

We champion a culture of continuous feedback and performance dialogue grounded in BD’s 2025 strategic vision. Setting clear goals and aligning with our company’s values, we focus on regular and open communication among managers and their teams. The end of the year is our opportunity to reflect on our associates’ impact and development during the year and to focus on future growth, aspirations and opportunity.

The foundation of our approach to human capital is centered on The BD WAY, capturing who we are, what we stand for and why we exist. It reflects the behaviors we’re all expected to demonstrate every day and, most important, it’s anchored in our Purpose—*advancing the world of health™*.

Strategic planning for organizational growth

We actively engage in strategic planning to bolster our associates’ readiness for the evolving business landscape through our Strategic Organizational Plan (SOP). This pivotal tool is employed to critically assess and align our workforce with BD’s strategic imperatives, with the goal of ensuring that our teams’ competencies are sharp and our business remains resilient and adaptive. By employing the SOP, we address skill gaps, enhance talent retention strategies and proactively prepare for potential shifts in our industry while also bolstering our associates’ growth trajectories.

The outcomes of the SOP are integral to our annual strategic review process, providing a clear view of our workforce’s capabilities and guiding the decision-making of our leadership teams. Our executive leaders use this strategic foresight to integrate workforce development with our overarching business goals.

Regular talent review sessions are a cornerstone of our approach, affirming the health of our succession planning and our commitment to having a workforce that reflects the communities we live, work, and serve. These reviews are critical for identifying growth opportunities for our associates.

Our leaders are advocates for continuous developmental conversations and timely feedback and coaching, fostering an environment where associates can envision and build robust development plans. Through talent reviews, we also identify individuals with differentiated potential and connect them with additional learning experiences called Leadership Excellence Accelerator Programs (LEAP) to further support their growth and career aspirations.



Investment in leaders

We have a deeply embedded practice of investing in our next generation of leaders, and we believe strong servant leaders will unleash the potential of the organization. By focusing on the growth and well-being of our associates, they are empowered to develop, perform and thrive while meeting business objectives. We educate all leaders through our core BDU curriculum and host targeted programs to accelerate the growth of select leaders to build a robust leadership pipeline. We’ve begun strategic partnerships with world-class business schools and universities for our LEAP programs, and we partner with BD’s Inclusion, Diversity, Equity and Engagement team on our BOOST program, which is designed to further accelerate the growth and development of key talent.

Learning and development

We have several tools to help all our associates with personal and professional development, including career development plans, mentoring programs and in-house learning opportunities. Our learning philosophy follows a 60-20-20 rule:



For 20 years, BDU has helped shape a culture of continuous learning that is aligned with the company’s strategic goals. BDU uses a “leaders as teachers” approach, which is a best practice in corporate learning and development programs. Leaders from across the company, including BD’s CEO, give their time and expertise to facilitate BD training.

BDU recently implemented several innovative approaches and programs designed to meet the new and emerging needs of our associates, managers and leaders. The curriculum is designed to enable our BD culture, cultivate leaders and develop key organizational skills. It’s delivered through an omnichannel approach that includes digital, virtual and in-person learning opportunities to help our associates learn when and how they like. Our digital learning is used by 25,000 associates per year, and our virtual learning series, Power Skills, is attended by more than 7,000 associates per year. Our robust manager curriculum helps our 8,000+ people managers become more effective, enabling them to SERVE-GROW-COACH associates and create work environments that maximize associates’ full potential. Our curriculum has measurable impact in the organization—associates rate the learning opportunities highly, we track on average a 15% increase in learning in our classes, and we see real behavior change in the work environment that will help us reach our cultural and strategic goals.

BDU by the numbers



Inclusion, diversity and equity

Over the last two years, the company has made meaningful progress in executing our ID&E strategy in alignment with our 2030+ goals. Our continued progress creates the opportunity to place a greater focus on equity and allows us to be more decisive in how we foster an inclusive workplace—fair treatment, equal access and opportunity, and acceptance for everyone. Our Healthy Workforce and Communities 2030+ goals have been updated to reflect this opportunity. Focusing on factors such as inclusive processes and behaviors will help drive our goals in a more meaningful way. Now is the time to be more decisive by focusing on quantitative as well as qualitative goals to provide an equitable talent journey for all our associates.

The external landscape continues to evolve, with initiatives and commitments coming under increasing scrutiny and challenges. Despite the current environment, our commitment remains unchanged. ID&E is lived and is a prominent part of our culture; we remain committed to making BD a great place to work for all associates. We strive to create and foster a culture where the unique views of our associates are embraced, encouraged and sought after—and where associates feel valued and are free to be their authentic selves. By supporting our associates in their personal and work lives, we enable them to thrive, feel connected and realize their full potential.

Our 2030+ goals that make up the “healthy workforce and communities” pillar of our Together We Advance strategy help us fulfill our Purpose, empower our workforce, drive innovation, and create a more inclusive environment that reflects the communities where we live and that we serve across 200+ countries.



Our associates help us better understand and serve a widening range of demographics within the healthcare industry, including historically underserved populations. As we address the needs of more healthcare systems, providers and patients, we’re simultaneously helping to advance access to equitable healthcare around the world.”

Nicole Thompson
Vice President, Inclusion,
Diversity, Equity and Engagement



Embedding inclusion, diversity and equity principles throughout our organization

An inclusive and diverse workforce fuels the innovation that is needed to address complex healthcare challenges. Our ID&E foundation is built on systems, processes and tools that drive action and accountability and measure our progress toward achieving our goals. We use key driver goals to measure the progression of key talent metrics, such as equity in promotion and retention rates.

At BD, we drive action and accountability by integrating our ID&E processes and systems across our organization.



Organizational commitment

Our Purpose, fueled by the dedication of our Board of Directors, CEO, Executive Leadership Team (ExLT) and our associates.



Governance

Processes, cadence and forums used to drive leadership accountability and transparency at multiple levels in the organization.



Global Inclusion Council

Senior leaders from each business, region and functional team engage the ExLT in driving ID&E strategic imperatives that are locally relevant and help shape strategy at the company level.



Analytics and insights

A review of key indicators and analysis of where we have opportunities to improve and should focus our efforts.



Inclusive and equitable talent processes

Progress removing bias in our talent processes through broad-based hiring teams and candidate pools for all of our openings; building strategic external partnerships to strengthen our near- and long-term talent pipelines.



Associate Resource Groups

Associate-led, company-supported, executive-sponsored groups that help drive ID&E outcomes and play a strategic role in the company, our communities and in advancing our culture.



Career development

Best-in-class learning and development resources that inspire our associates to personify our culture and build leadership abilities to fulfill our Purpose.



Pay equity and pay parity

We are committed to compensating our associates fairly and equitably, and we believe pay equity is critical to our success in supporting a global, inclusive and diverse workplace. We take a proactive approach to gender and ethnic pay equity and continually monitor our compensation programs.

We annually conduct comprehensive pay and bias audits, salary benchmarking, and cultural assessments to identify opportunities to strengthen the workplace culture and foster an inclusive, diverse and equitable environment for all associates. Our pay equity reviews are based on gender globally and are based on ethnicity in the United States. They assess pay on a statistical basis with consideration of several factors that are relevant and known to impact compensation, including tenure, role, career level and geographic differentials. In FY 2023, we acquired new tools to expand our annual assessment to BD associates globally.

The results of our 2023 gender pay equity assessment revealed that we achieved base pay equity, with our female associates earning \$1 for every \$1 earned by male associates globally. In the United States, female associates earned an average of 99 cents for every \$1 earned by male associates.

We consider these results as a baseline for our commitment to achieving 100% pay equity. We remain focused on improving and managing our compensation processes, with the goal of identifying and remedying any practices that may contribute to pay gaps now or in the future.

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, our culture of learning encourages and empowers all associates to reach their full potential. For more information about learning and development opportunities, see the [Learning and development](#) section.

Associate engagement

BD is on a journey to foster an environment where all our associates feel seen, valued and heard. We provide multiple places and platforms for associates to convey their thoughts and ideas, including town hall meetings and Associate Resource Groups (ARGs). Our nine ARGs champion our inclusive culture and bring new ideas to drive progress and help shape policies, processes, programs and strategies. Over the past two years, membership in ARGs increased 47% globally.

In addition, we annually conduct a Voice of the Associate (VoA) survey to understand our associates' experience working at BD and to identify areas for improvement. Learning how our associates feel about working at BD is one of the best ways to measure our success. This year, 85% of our associates participated in completing the VoA survey; the results affirm that the fundamentals of our culture remain strong—particularly in the areas of empowerment and belonging.

The pillars of our Employer Value Proposition

What’s an employer value proposition and why does it matter?

An employer value proposition, or EVP, is the perception of what your company offers in a career experience. It is a touchstone of corporate identity that captures and guides what a company is about, where its value lies and the career experience one can expect working there.

BD recently defined our value proposition, which we summarize as: *People, Possibilities and Purpose*.



Values driven (People)

BD is a values-driven organization that fosters a growth mindset and a “help each other be great” culture with authenticity and integrity.

- Our people-centered commitment and caring attitude extends beyond our customers and patients. It includes our own global BD community and the societies in which we live and operate.
- We’re a passionate, inclusive, friendly and supportive global community that believes in personal development.
- The spirit of collaboration and teamwork unites us to embrace new challenges, support each other and succeed together.

Give: An open-minded, collaborative and respectful attitude with a team-oriented spirit.

Get: The ability to work in a highly collegial environment where associates succeed together and are supported by leaders within the organization.



Durability and transformation (Possibilities)

BD values a unique and diverse culture that’s inclusive, encourages empowerment and teamwork, and keeps looking ahead toward new challenges as opportunities grow.

- With our durable core of products, BD is a reliable company that has become the backbone of healthcare. We provide opportunities to help shape the future of our evolving organization; one that’s always stepping toward the next solution that can change how healthcare operates today.
- Those who are ready to build on the legacy BD has evolved over the last 125+ years will find enormous opportunities for personal growth.

Give: The desire to challenge the status quo and develop today’s transformative solutions that can serve as the durable core of tomorrow’s BD.

Get: Personal and professional advancement opportunities in a company that’s at a true inflection point in terms of growth and innovation.



Pride in our purpose and impact (Purpose)

BD welcomes people who are passionate about creating a positive and strategic impact on patient experiences while *advancing the world of health™* through boldness and innovation.

- Our Purpose of *advancing the world of health™* unites our associates to make meaningful contributions that improve patient outcomes.
- Those with the drive and commitment to advance our Purpose will find an environment that constantly inspires them to deliver quality solutions.

Give: A passion for *advancing the world of health™* by delivering quality solutions that impact patient outcomes.

Get: The ability to make meaningful contributions that inspire a positive change in the trajectory of healthcare.

Investing in professional growth to retain talent

Advancing the world of health™ is dependent on keeping top talent at BD, so we’re dedicated to creating clear opportunities for associates to grow and thrive professionally while also providing thoughtful, engaging tools and programs to facilitate that growth.

Our Good Jobs strategy

To further attract and retain talent at all levels of our manufacturing and distribution organizations, to drive performance and to fulfill our Purpose, BD focuses on increasing job attractiveness and career development opportunities. Our Good Jobs strategy, a framework for achieving these goals, seeks to:

- Ensure a safe work environment.
- Foster job satisfaction and belonging.
- Provide competitive healthcare and compensation.
- Offer additional training and development opportunities.

Through annual self-assessments, BD has taken steps to enhance working conditions, including investing in facility upgrades globally, rolling out manager-effectiveness training, enhancing communication mechanisms and career path programs, and making investments to ensure wage competitiveness. We’ve also promoted participation in our ARGs to associates as a potential source of community and belonging and made participation more accessible to them. Currently, more than 90% of our manufacturing sites have at least one active ARG, and nearly 500 supply chain and operations associates belong to ARGs.

THE GOOD JOBS DIFFERENCE

- Associate engagement / career progression
- Managerial effectiveness
- Working conditions

THE BASICS

- Fair wages and benefits
- Workplace safety and respectful work environment

We’re thrilled that our efforts continue to be recognized externally. In FY 2023, we received the following recognitions:

- Disability Equality Index, Best Place to Work for Disability Inclusion.
- DiversityInc, Top U.S. Company for Diversity, 2023.
- Bloomberg, Gender-Equality Index, fourth consecutive year.
- Society of Women Engineers, Gold Professional Mission Award.

Our annual U.S. Federal Employment Information Report (EEO-1) can be found [here](#).

In response to internal and external stakeholder interest, we’ve expanded our turnover reporting this year to provide data on our FY 2023 total associate turnover by business function (operations and non-operations) as well as length of tenure with the company. From this data, we see that turnover in our operations, namely manufacturing facilities, is higher than our non-operations associates, especially for employees with less than two years of tenure. Turnover among those groups aside, our overall turnover rates tend to be comparable or lower than that of our industry peers. We will continue to refine our Good Jobs strategy to drive associate satisfaction and attract talent in an evolving talent market.

Role	Turnover Rate
Operations	28.6%
Non-operations	21.5%

Tenure	Executives	Management	All Associates	Turnover Rate	Ops Turnover	Non-Ops Turnover
< 1	5.1%	5.5%	12%	65.9%	80.1%	51.5%
1-2 years	7.3%	7.9%	15%	28.3%	31.5%	25.0%
2-3 years	7.9%	7.4%	10%	23.4%	25.2%	21.8%
3-4 years	7.1%	11.3%	14%	17.7%	18.2%	17.9%
5-9 years	16.4%	27.0%	21%	12.8%	12.7%	13.5%
10-14 years	16.1%	16.8%	10%	9.0%	8.8%	10.0%
15+ years	40.1%	24.2%	18%	9.5%	9.4%	10.6%
Total Count	354	12,258	73,101			

Compensation, benefits and well-being

We reward, support and develop our associates who advance our Purpose and contribute to our success through our comprehensive Total Rewards program, which evolves with the varying needs of our diverse and global team members.

The components of this program are designed to work together to attract and retain high-quality talent, provide competitive compensation grounded in pay for performance, and support overall associate well-being.

Our Total Rewards program includes compensation, incentive pay, benefits, recognition, life balance, career, and mental health components. Benefits and programs (which vary by country) can include the following:

- Market-competitive pay, bonuses and broad-based stock grants.
- Retirement income programs, such as pension and saving plans.
- Healthcare benefits, such as medical and prescription drug coverage, dental and vision care, and short- and long-term disability coverage.
- Paid time off and various paid leave programs (family, bereavement, military).
- Flexible work schedules.
- Mental health and employee assistance programs.
- Healthy employee incentive programs, health screenings and gym memberships/discounts.
- Tuition reimbursement.

In the United States, we focus on mitigating the impact of rising healthcare costs and offer affordable benefits options, with an emphasis on BD associates earning \$55,000 per year or less. We're also committed to equity and gender pay parity.

Each year, we review and implement program enhancements and investments to ensure that our benefits are inclusive and represent the needs of BD associates and their families. Looking through the ID&E lens, we regularly engage with our ARGs to increase awareness and understand further opportunities.



For FY 2023, we implemented several new benefit programs, as well as some benefit enhancements for our U.S. associates including:

- An enhanced Employee Assistance Program (EAP) to support mental health needs.
- Comprehensive substance abuse treatment including an opioid management program.
- Robust advocacy support for fertility management, surrogacy, and adoption.
- Coverage for donor egg/sperm in the medical plan, regardless of gender.
- Additional dental plan preventive care cleanings for pregnant and neurodiverse members.

Our long-standing history of supporting the health, safety and well-being of our associates includes education, resources and programs to empower our associates and help them thrive—personally and professionally. Our Well-Being at BD program takes a global and integrated approach to helping our associates build resiliency and a healthy life balance. The program centers on four pillars—physical, emotional, financial and social—which are key areas where an individual can be empowered to take action to improve well-being based on unique needs and priorities. Our people leaders also play a key role in encouraging and supporting associates to be active participants in their own well-being.

Health and safety

Our safety policy



We are committed to driving a culture in which the health, safety and well-being of our associates, visitors and contractors are 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

FY 2023 PERFORMANCE

0.45
Total recordable
incident rate

0.32
Lost-time injury
frequency rate

In FY 2023, there were no work-related fatalities of associates or contractors.

Refer to the data tables in the 2022 ESG report for previous years’ data. As the health and well-being of our associates, visitors and contractors is a top priority for BD, we continue to reinforce systems, policies and processes to promote and help ensure health and safety. Our EHS Policy is available on [bd.com](#).

At BD, in addition to promoting environmentally sound practices, we protect the health, safety and security of our associates, customers and partners, and of the communities in which we live and work. We aim to prevent work-related accidents, injuries, illnesses and environmental harm through innovation, associate engagement and continuous improvement methodologies. We set expectations for environmental, health and safety (EHS) management via three key documents and our [Golden Rules](#):



Our Expectation for Suppliers

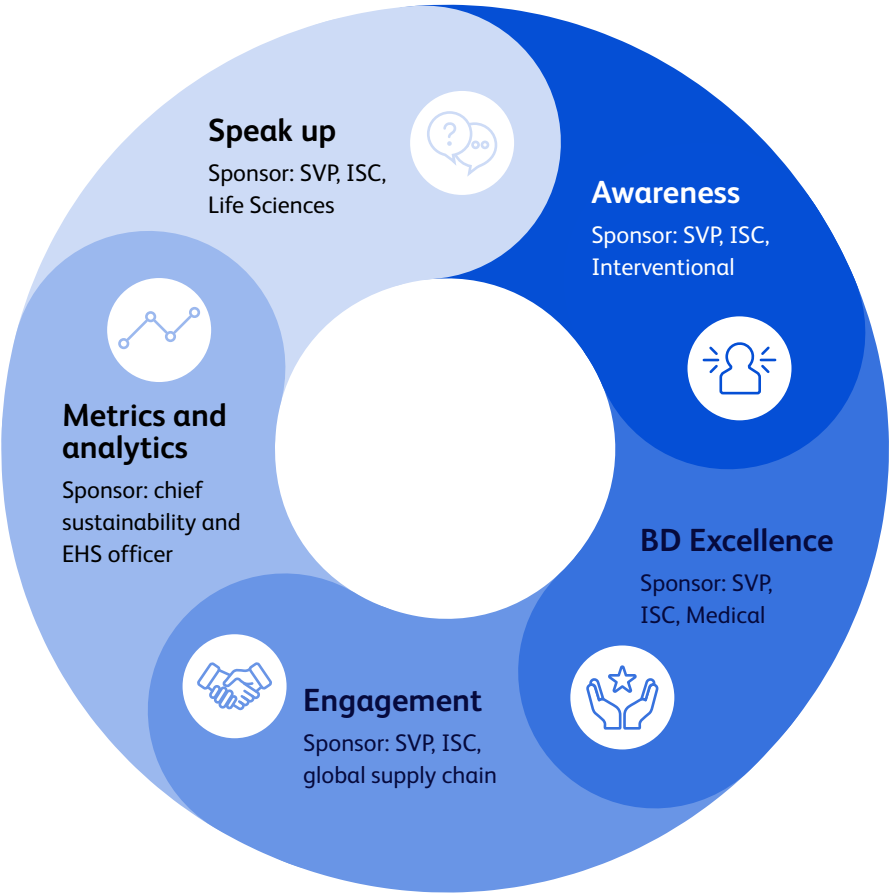


Our EHS Policy



Our Code of Conduct

In FY 2023, Together We Advance Workplace Safety strategy, continued to strengthen BD’s EHS culture with its five pillars—awareness, engagement, speak up, BD Excellence, metrics and analytics. This year’s campaign focused on Awareness, BD Excellence, Engagement and Speak Up.



Awareness

Throughout the year, every Integrated Supply Chain (ISC) site was provided with a BD custom Golden Rule video for each rule along with an aligned activity. Videos were played on facilities’ monitors to ensure all associates had access. Sites were required to perform and track the activities to increase understanding of the Golden Rules.

Learning, development and training

In FY 2023, the central EHS team led the implementation of the following learning events:

- EHS Golden Rules Videos cascaded across the ISC organization: Six videos reached approximately 30,000 associates.
- Root Cause Analysis workshops: Six sessions certified 35 EHS root cause analysis facilitators.
- BD Recordability and Incident Classification: 194 associates were trained.
- Maintenance Safety training: Approximately 470 associates were trained.
- Advanced Hazardous Waste training: Approximately 60 associates were trained.
- BD Excellence maturity assessment: Approximately 85 associates were trained.
- EHS onboarding: Approximately 60 associates were onboarded.

To encourage associate engagement and compliance, we offer education and training as well as peer-to-peer coaching. We’ve added five pilot sites to adopt an internationally recognized behavior-based safety program to enhance peer-to-peer safety discussions. Associates receive mandatory training per regulatory compliance and are informed about their responsibilities to maintain a safe work environment. Training is mandatory for associates working with any hazard that is regulated, and sales associates must have training on TB and blood-borne pathogens, among other such hazards.

We’ve also created corporate standards 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. In FY 2023, we integrated the EHS component with BD Excellence maturity assessments, tiered maturity assessments and tiered management systems to communicate EHS performance at the line, site and management levels.

At the site level, safety committees include representation from all areas of site operations. They meet at least quarterly to evaluate challenges and assist EHS teams in implementing environmental and safety intervention programs.

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.

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 other reason.
- Reinstall guards using all bolts.
- Use tools and PPE when clearing jams.

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.

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.

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.

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.

BD Excellence

The EHS component of BD Excellence was established and implemented under the broader [BD Excellence](#) implementation to standardize how we approach safety, health and environment as an organization. The component contains 7 key elements as well as an EHS maturity model. Training on the component is in process. See the training in this section for more details.



Engagement and Speak Up

In 2023, BD incorporated into our EHS process the pyramid of safety, a tiered structure, with the base representing unsafe acts, the middle tier representing minor incidents and the top representing more serious accidents. The base of the pyramid, unsafe acts, is where rich and engaging conversations about safety occurs. Recognizing, discussing and resolving issues before they become an injury or an incident is a valuable piece of our overall culture.



Occupational health

In addition to providing accommodations for associates with occupational health restrictions, our larger facilities have trained and certified occupational health professionals on site. Smaller facilities have first aid response teams and, if required, send injured associates to a local occupational health clinic for treatment. Any associate's health-related information is required to be treated as confidential and maintained in accordance with the Health Insurance Portability and Accountability Act (HIPAA) or equivalent privacy laws outside the U.S. to protect associate confidentiality. To further the focus on occupational health, we hired a Global Process Owner for Industrial Hygiene (IH), who owns the IH process for the organization and oversees and continuously improves all IH-associated corporate standards. These include ethylene oxide, hazard communication, biosafety, blood-borne pathogens, chemical hygiene, ergonomics, hearing conservation, ionizing and non-ionizing radiation, and asbestos.

In addition, we partnered with BD's Risk Management team to further improve the U.S. workers' compensation program. The organization has champions at each site to oversee the program, and additional job descriptions and training were provided to improve support for champions as well as associates.

Hazard and risk assessment

We use leading indicators to track performance and drive improvements throughout the ISC. Data is reviewed monthly and communicated with leadership to discuss trends and progress improvement plans. For sites that are considered high hazard based on our High Hazard Operations/Process Safety Management standards, a process hazard analysis is required to ensure that adequate engineering controls are in place to minimize any potential hazard from that process or from equipment.

In addition, all BD associates are expected to follow our established EHS Golden Rules, a set of essential workplace EHS requirements. Violation of these rules could cause a serious injury or significant environmental impact; therefore, we investigate any violations and take appropriate disciplinary actions to promote the safety of all associates.

The BD Code of Conduct requires all associates to follow health and safety policies and procedures, including avoiding unnecessary risks in the workplace, and to report any unhealthy or unsafe work conditions. Any associate who feels pressured to bypass health and safety policies and procedures is encouraged to report the issue to a 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 a person who in good faith reports an actual or suspected violation or cooperates in BD investigations. Sites have tools to conduct investigations using 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 company to trend and continuously improve injury reduction or environmental incidents.



Health equity

Health equity is achieved when everyone can attain their full potential for health and well-being, absent unfair, avoidable or remediable differences among groups of people, whether those groups are defined socially, economically, demographically, geographically or by other dimensions of inequality (e.g., sex, gender, ethnicity, disability or sexual orientation).¹

We are working to support health systems where they are today and bring critical healthcare technologies to more people. Leveraging our unique capabilities and expertise, we look to enable an environment for access by establishing public-private partnerships and creating scalable programs that help strengthen health systems. Today, we see this strategy executed especially well across our work supporting cervical and breast cancer and antimicrobial resistance. And we continue to explore additional opportunities to advance access in areas of chronic disease that disproportionately impact under-served populations, including peripheral arterial disease and end-stage-kidney disease.

In FY 2024, we signed the World Economic Forum’s Zero Health Gaps Pledge. The global, multi-sector pledge includes ten commitments to embed health equity principles into company strategy and social investments, accelerating progress toward equity and contributing to positive health outcomes. As part of this commitment, we are identifying baseline metrics that show our investment and impact on an equitable health system, which will be shared in future reporting.



Our technology and innovation

We leverage the global reach of our products, research, solutions, and expertise to help ensure health systems, healthcare workers, and patients have access to life-saving technologies, regardless of geography, demographics, or socioeconomic status.



Our public-private partnerships

We partner with a network of governments and global humanitarian organizations to help support and advocate for health systems that serve underrepresented populations around the world and create an enabling environment to increase healthcare access.



Our investment in health system strengthening

We make investments that build, strengthen and maintain critical competencies and resources needed to improve the delivery of care within under-resourced settings.



Our people

Our people, values and culture are key enablers to improving equity and access. Advancing this work is strongly aligned with The BD WAY.

¹ World Health Organization (WHO) https://www.who.int/health-topics/health-equity#tab=tab_1



Case Study: Advancing access to breast and cervical cancer screening, prevention and treatment

In FY 2023, 30M+ cervical and breast cancer screenings and diagnoses were enabled by BD technology

Our technology and innovation

Cervical cancer

- BD offers assays and instruments to support evolving cervical cancer screening programs in implementing cytology and HPV screening.
- BD HPV self-collection provides screening programs with the tools to access underscreened populations.

Breast Cancer

- Diagnosis of breast cancer starts with obtaining adequate tissue samples through a biopsy. BD’s portfolio of biopsy products provides an alternative to surgical biopsies.
- BD breast tissue markers allow a breast lesion to be marked so that the site can be accurately identified at a future date.
- BD offers a diverse portfolio of implantable ports, which can provide chemotherapy patients with greater comfort and satisfaction with their treatment.

Our public-private partnerships

- BD supports the goals of the White House Cancer Moonshot to reduce the death rate from cancer, including through increasing access to screening and closing the screening gap in underserved communities.
- BD and the Ministry of Health in Kenya launched a pilot-for-scale oncology partnership to provide end-to-end cervical and breast cancer screening in the public sector. This program is creating awareness at a community level and improving access to HPV screening, early diagnosis and timely linkage to care.
- In Colombia, BD is working across the public and private sectors to promote best practices to increase screening coverage. To support access to self-sampling, BD is supporting a study conducted by Javeriana University to assess self-sampling in underserved communities.

Our investment in health system strengthening

- In the U.S., BD supports the American Cancer Society’s Return to (Cancer) Screening initiative; as well as the National Roundtable on Cervical Cancer and National Roundtable on Breast Cancer.
- We partner with the Society for Empowering Women to Achieve to facilitate screening for more than 20,000 women across seven states in India and the Union territory of Ladakh.
- In South Africa, we support cervical cancer screening mobile vans and camps aimed at unscreened populations run by Pink Drive.
- Through the In Celebration of Her program, with each purchase of the Heart, Venus or Ring breast tissue marker shapes, BD contributes \$1 to the American Cancer Society in honor of breast biopsy patients (\$150,000 in FY 2023).

Positive health outcomes



\$2M
Company match value

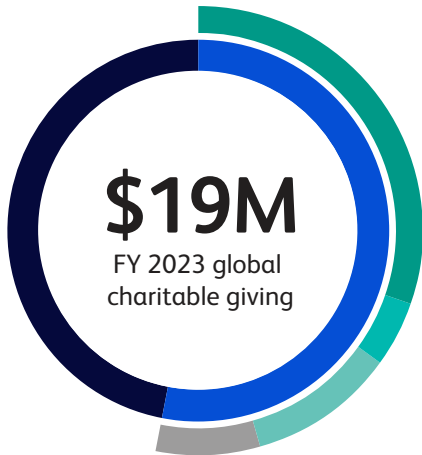


No. of grants issued
292 BD +
5 BD Foundation



182
No. of nonprofit beneficiaries

TOTAL CHARITABLE GIVING



- \$8.9M Product donations
- \$10.1M Cash giving
- \$5.8M Social investing
- \$890K Global sites
- \$2M Matching gifts
- \$1.4M BD Foundation

In FY 2023, BD Social Investing realigned its giving strategy to meet high-impact health needs addressed through our business portfolio, with a goal of shifting 75% of funding toward health equity programming in three areas: building equitable, resilient and sustainable health systems, expanding and diversifying the healthcare workforce, and supporting the detection and treatment of cancer and chronic disease in diverse, low-income communities.

The remaining 25% of funds are directed into a Community Investment Fund that helps advance the health of communities where BD associates live and work.

KEY EXAMPLES OF HOW WE ARE ENABLING POSITIVE HEALTH OUTCOMES



In partnership with the National Association of Free and Charitable Clinics, as well as Direct Relief, BD invested \$150,000 in women’s health services, specifically supporting cancer prevention, screening and diagnostics at six U.S. health clinics.



The Cancer & AMR Consortium, co-created by BD and UICC (Union of International Cancer Control), is a group of leading infectious disease physicians and oncologists from U.S. and Canada working to understand the burden of drug-resistant infections in the cancer population. The goal of this research is to bring new data to light about the link between Cancer and AMR, highlighting the need for enhanced infection prevention and focused antibiotic and diagnostic stewardship efforts.



BD is a member of the private sector constituencies of the UN-hosted organization Stop TB Partnership, which aims to end TB by 2030, as well as The Global Fund, which works to expand access to prevention, care and treatment for people impacted by HIV/AIDS, TB and malaria around the world. As a member of both organizations, BD contributes industry perspective and helps drive governance, programs and activities.



The BD Foundation invested \$360,000 over three years to support the International Council of Nurses’ Organization Development of National Nursing Associations (ODENNA) program, building the capacity of 23 national nursing associations in Africa.

Transparency

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Transparency

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

2030 goals

- 1

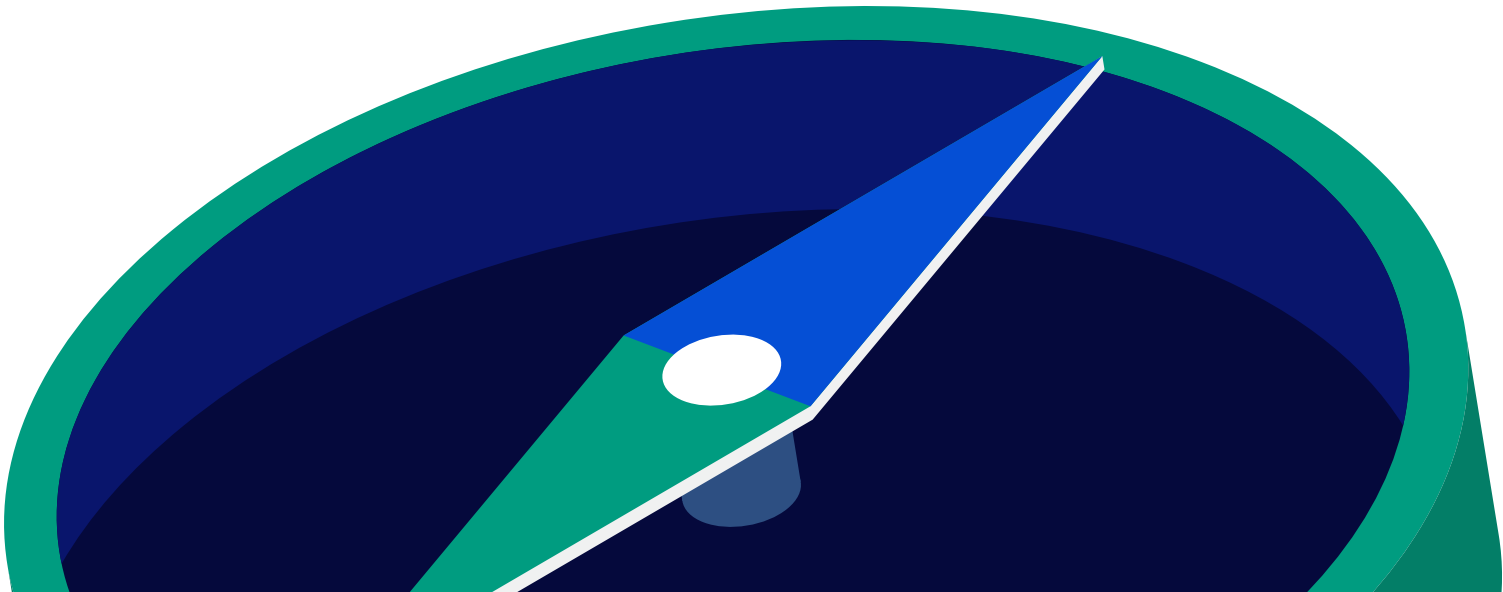
We will provide our stakeholders with clear information about our 2030+ performance and programs, aligned with relevant and recognized external 2030+ reporting frameworks, via:

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

Current status

Our climate change disclosure that is aligned with TCFD can be found [here](#).
Our U.S. Federal Employment Information Report [EEO-1] can be found [here](#).

We’ve also published a 2023 Product Security Report, which can be found [here](#).



Corporate governance

BD is governed by our Board of Directors, and our commitment to good corporate governance is embodied in our [Statement of Corporate Governance Principles](#). These principles outline our Board’s views and practices regarding a number of governance topics, including the operation of our Board and its committees; strategic oversight; succession planning; director qualifications and representation; director independence, compensation and equity ownership; and the ability of shareholders and others to communicate directly with Board members.

The full Board reviews the risks associated with BD’s strategic plan and discusses the appropriate levels of risk for the company in light of BD’s business objectives. This is done through an annual strategy review process and from time to time throughout the year, as part of the Board’s ongoing review of corporate strategy. Additionally, the Board conducts an annual review of BD’s enterprise risk management (ERM) program.

The Board of Directors’ Corporate Governance and Nominating Committee assesses the Governance Principles on an ongoing basis in light of current practices. The Board has four operating committees that meet regularly and an Executive Committee that meets as needed. The committees are responsible for monitoring and reporting to the full Board on risks associated with their respective areas of oversight. In connection with their oversight responsibilities, the committees often meet with the members of management who are primarily responsible for risk management in their respective areas, including, among others, BD’s chief financial officer, chief people officer, chief sustainability officer, general counsel, chief risk officer, chief ethics and compliance officer, and senior leaders in regulatory, information technology and R&D. Below are the principal responsibilities of each operating committee.

During fiscal year 2023, all directors attended at least 75% of the meetings of the Board and the committees on which they served.

Audit Committee

- Retains and reviews the qualifications, independence and performance of BD’s independent auditors.
- Reviews BD’s public financial disclosures, financial statements, accounting principles, policies and practices; the scope and results of the annual audit by the independent auditors; BD’s internal audit process; and the integrity of BD’s internal control over financial reporting.
- Reviews BD’s guidelines and policies relating to enterprise risk assessment and management, including financial risk and cybersecurity and data privacy risk exposures.
- Oversees BD’s ethics and compliance programs.
- Reviews financial strategies regarding currency, interest rates, and use of derivatives and reviews BD’s insurance program.

Compensation and Human Capital Committee

- Reviews BD’s compensation and benefits programs, recommends the compensation of BD’s CEO to the independent members of the Board, and approves the compensation of BD’s other executive officers.
- Approves all employment, severance and change in control agreements with BD’s executive officers.
- Serves as the granting and administrative committee for BD’s equity compensation plans, including grants to directors.
- Oversees BD’s policies and strategies relating to human capital management, including recruitment, development, promotion, performance management, senior management succession, pay equity, and inclusion and diversity.
- Oversees certain other BD benefit plans.

Corporate Governance and Nominating Committee

- Identifies and recommends candidates for election to the Board.
- Reviews and recommends the composition, structure and function of the Board and its committees.
- Reviews and recommends the compensation of non-management directors.
- Monitors BD’s corporate governance and Board practices and oversees the Board’s self-evaluation process.
- Oversees BD’s processes and practices relating to the management and representation of environmental, sustainability, health and safety, inclusion and diversity, political activities, corporate responsibility and other public policy or social matters relevant to BD (“sustainability matters”).

Quality and Regulatory Committee

- Oversees BD’s strategy, systems and processes to monitor product quality and safety as well as BD’s compliance processes and procedures with relevant regulatory requirements.
- Reviews the results of product quality and quality system assessments by BD and external regulators.
- Reviews significant product quality, safety or regulatory trends or issues that arise, including those relating to product cybersecurity.
- Reviews product quality, safety and regulatory issues identified with respect to any acquired business and the related integration plans for such business.



Board representation

Our Board of Directors believes having board members with a mix of differing viewpoints, insights and perspectives is critical to the Board’s effectiveness. BD seeks to have a Board composed of directors who collectively possess a wide range of relevant business and financial expertise, industry knowledge, management experience and prominence in areas of importance to BD. The Board believes representation of all genders, experiences and backgrounds is an important element in achieving the broad range of perspectives that the Board seeks among its members, and is also important for modeling the culture of inclusion and diversity at BD. To that end, consideration of the overall diversity of our Board remains an important factor in Board succession planning and director recruitment, and the Board has adopted a policy that a diverse range of candidates be included in any candidate pool from which new directors are selected.

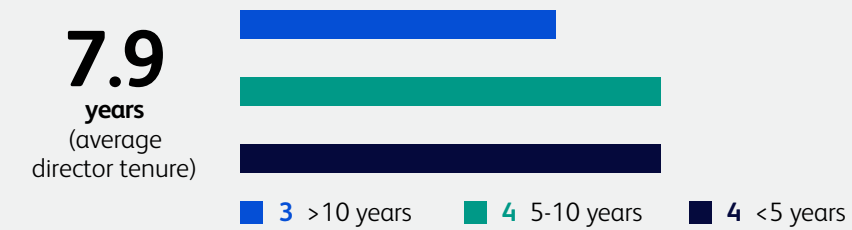
The Board is committed to maintaining and improving the representation of individuals of all genders, experiences and backgrounds and will look for opportunities to increase its diversity where appropriate.

Executive compensation

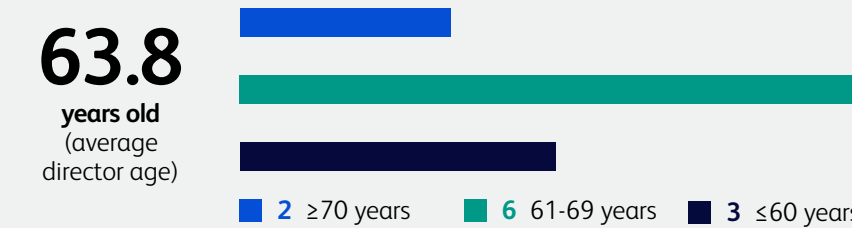
We aim to provide an executive compensation program that best serves the long-term interests of our shareholders. We believe attracting and retaining superior talent and rewarding performance are key to delivering long-term shareholder returns and that a competitive compensation program is critical to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

BD’s 11 directors comprise a well-balanced and diverse Board of Directors

DIVERSITY IN TENURE

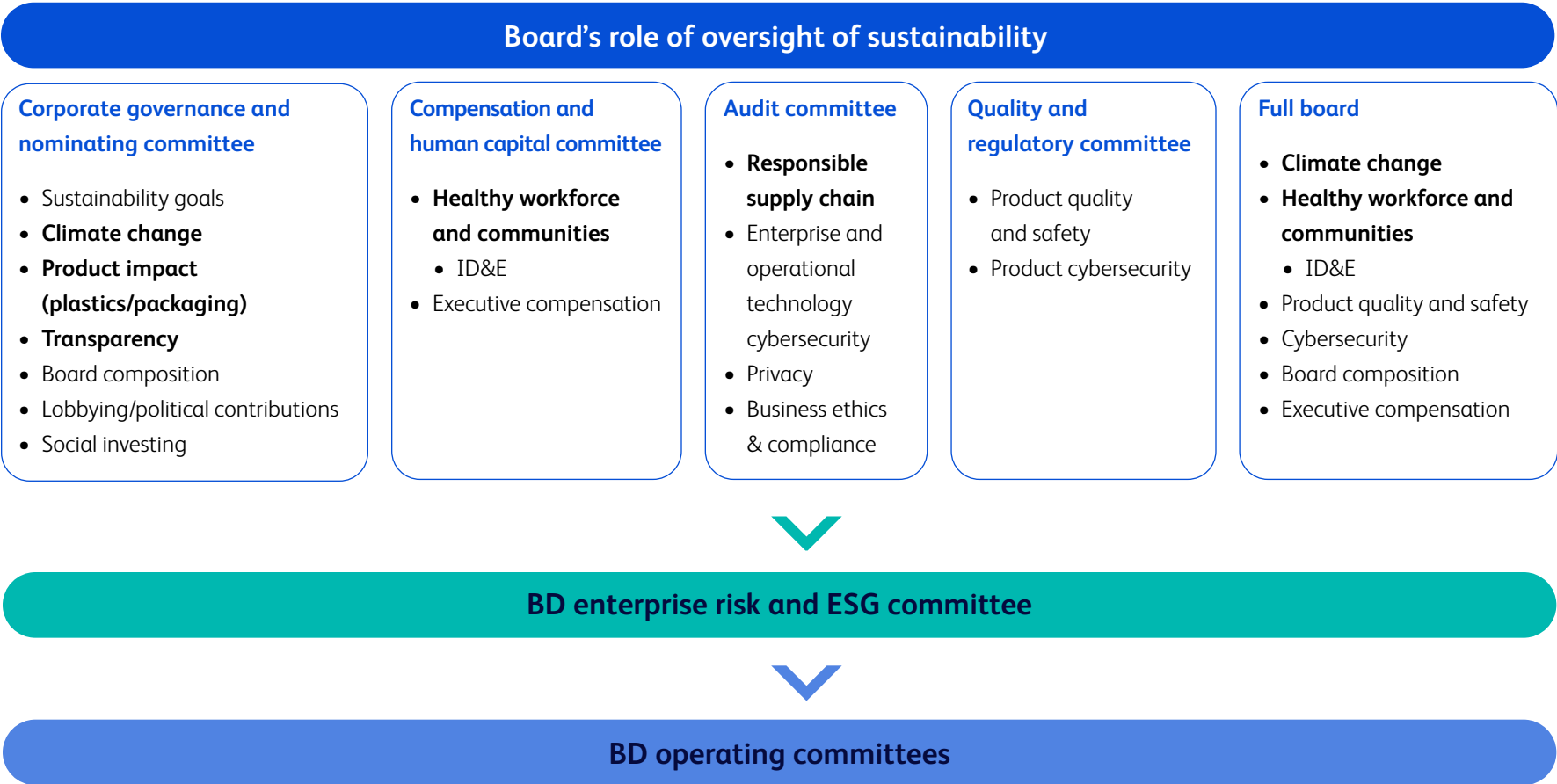


DIVERSITY OF AGE



Together We Advance

The oversight of BD’s 2030+ goals and other important matters are allocated among our Board of Directors and its committees, as shown in the table below. BD’s 2030+ goals are shown in **bold**.

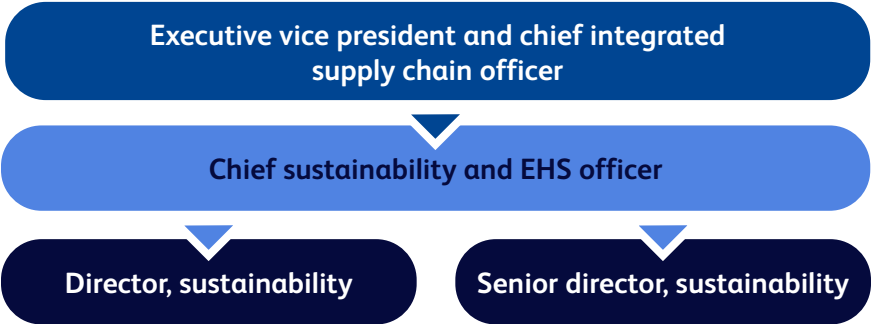


In addition to receiving an annual update on BD’s progress with our 2030+ goals, the Board also receives periodic reports of progress with the climate change and healthy workforce and communities focus areas. These updates include annual in-depth reviews of product quality and safety, cybersecurity, Board composition and other topics that are timely for the Board’s review.

At the management level, BD’s Enterprise Risk and Sustainability Committee (“ERC”) oversees BD’s enterprise risk management program and its progress towards the 2030+ goals and other priority matters. The ERC consists of a cross-functional group of management and works with various internal operating committees that are executing on BD’s TWA strategy. The ERC aims to create an enterprise-wide culture that promotes open discussion regarding risk and opportunities and integrates effective risk management into our goals and objectives. The ERC oversees the information on initiatives that is provided to the Board and its committees, as well as external and internal reporting on these matters.

At the corporate level, BD has an EHS, Sustainability and Product Stewardship team, led by the chief sustainability and EHS officer, who reports to the company’s executive vice president and chief integrated supply chain officer. The following individuals report to the chief sustainability and EHS officer:

- Director, sustainability. In addition to stakeholder engagement and implementation of our corporate sustainability 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 operations. This individual is responsible for the development of and supports the achievement of environmental targets and reductions in Scopes 1 and 2 GHG emissions in our operations and leads the Sustainable Operations Council and other environmental goals.



Enterprise risk management

Strategy and approach

BD’s management engages in an ERM process to identify, assess, manage and mitigate a broad range of risks across BD’s businesses, regions and functions and to ensure alignment of our risk assessment and mitigation efforts with BD’s corporate strategy. At least twice a year, senior management reviews the results of its ERM activities with the Audit Committee, including the process used in the organization to identify risks (including consulting with outside advisors and experts), management’s assessment of the significant categories of risk faced by BD (including any changes in such assessment since the last review), and management’s plans to mitigate potential exposures. The significant risks identified through BD’s ERM activities and the related mitigation plans are also reviewed with the full Board at least once a year. In addition, certain risks (such as supply chain issues and cybersecurity) are often reviewed in depth with the Audit Committee and/or the full Board.

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 — are in the relevant sections of this report.

Risk management governance

Our Board of Directors reviews the risks associated with BD’s strategic plan and conducts an annual review of our ERM program while also regularly overseeing other areas of potential risk. The Board has established four operating committees that meet regularly: the Audit Committee; the Compensation Committee; the Governance Committee; and the Quality and Regulatory Committee. The Board has also established an Executive Committee that meets only as needed. The Board’s committees are responsible for monitoring and reporting to the full Board on risks associated with their respective areas of oversight.

Board’s Oversight of Risk

Audit Committee

- Oversees BD’s ERM activities on a regular basis, including cybersecurity and data privacy risks.
- Oversees BD’s accounting and financial reporting processes and the integrity of BD’s financial statements, BD’s global ethics and compliance program, and its hedging activities and insurance coverages.

Corporate Governance and Nominating Committee

- Oversees risks relating to BD’s corporate governance practices, including director independence, related person transactions and conflicts of interest, as well as the process and practices relating to the management and oversight of environmental, social and governance matters.

Compensation and Human Capital Committee

- Oversees risks associated with BD’s compensation practices and programs and human capital management.

Quality and Regulatory Committee

- Oversees matters relating to regulatory compliance and the quality and safety of BD’s products and services, including product cybersecurity.

Our senior vice president, chief risk officer oversees the ERM program and operationally reports to our Board of Directors’ Audit Committee and administratively to the chief financial officer.

Further details about how the Board oversees risk are in our proxy statement. Details of risk factors relevant to our business are in our [Annual Report](#) (10-K) and [quarterly filings](#) (10-Q).

Cybersecurity



In our hyperconnected world, where cybersecurity threats constantly evolve, we’ve come to understand that security isn’t merely a priority—it’s an essential foundation. By maintaining vigilance in defending our systems, safeguarding our data, persistently refining our security protocols and nurturing a culture that prioritizes security, we bolster our resilience and cultivate trust among our valued customers, patients and stakeholders.”

Miguel Crespo
Chief Information Security Officer

The threat landscape in healthcare is expanding and increasing in complexity. Threat actors operate with various motivations, from stealing intellectual property and patient data for financial gain, to foreign espionage. To protect patient safety and privacy, healthcare delivery organizations, medical device manufacturers and third-party vendors must work diligently to guard against cybersecurity risks.

Our cybersecurity program and initiatives include the protection and resilience of BD products, manufacturing operational technology (OT) and enterprise information technology (IT). BD has established cybersecurity programs and responsibilities for our:

- Global and regional cybersecurity strategy.
- Cybersecurity risk management, including third-party risks.
- Cybersecurity governance, operations and engineering.
- Cybersecurity awareness training.

We have also extended our cybersecurity community of practice by embedding cyber expertise in several key functional areas, including R&D, quality, regulatory, risk, legal and communications.

Cybersecurity governance

Timely, impactful cybersecurity information, including cybersecurity metrics, threat briefings and significant cybersecurity risks, are communicated to the Board of Directors through the Board’s Audit Committee and the Quality and Regulatory Committee. The Audit Committee receives updates on the company’s IT and OT cybersecurity program two times per year, and the Quality and Regulatory Committee receives updates on the company’s product cybersecurity program four times per year. Ad-hoc communications pertaining to significant cybersecurity risks are shared with the Board of Directors as needed. Management periodically conducts cybersecurity crisis simulations with the full Board and senior management to raise awareness of cybersecurity risks. Members of senior management also receive cybersecurity updates through their participation in the ERC.

BD also maintains a Cybersecurity Strategy & Risk Committee, which serves as the management-level governance body for oversight of all cybersecurity risk across the company. The committee is chaired by the chief risk officer and its members include cybersecurity leaders across enterprise, manufacturing and product cybersecurity, as well as key functional leaders.

Our approach to cybersecurity governance includes aligning cybersecurity risk management, policy and compliance initiatives with business objectives and striving to ensure 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 requirements and industry standards. This includes cybersecurity due diligence for BD mergers, acquisitions and divestitures.

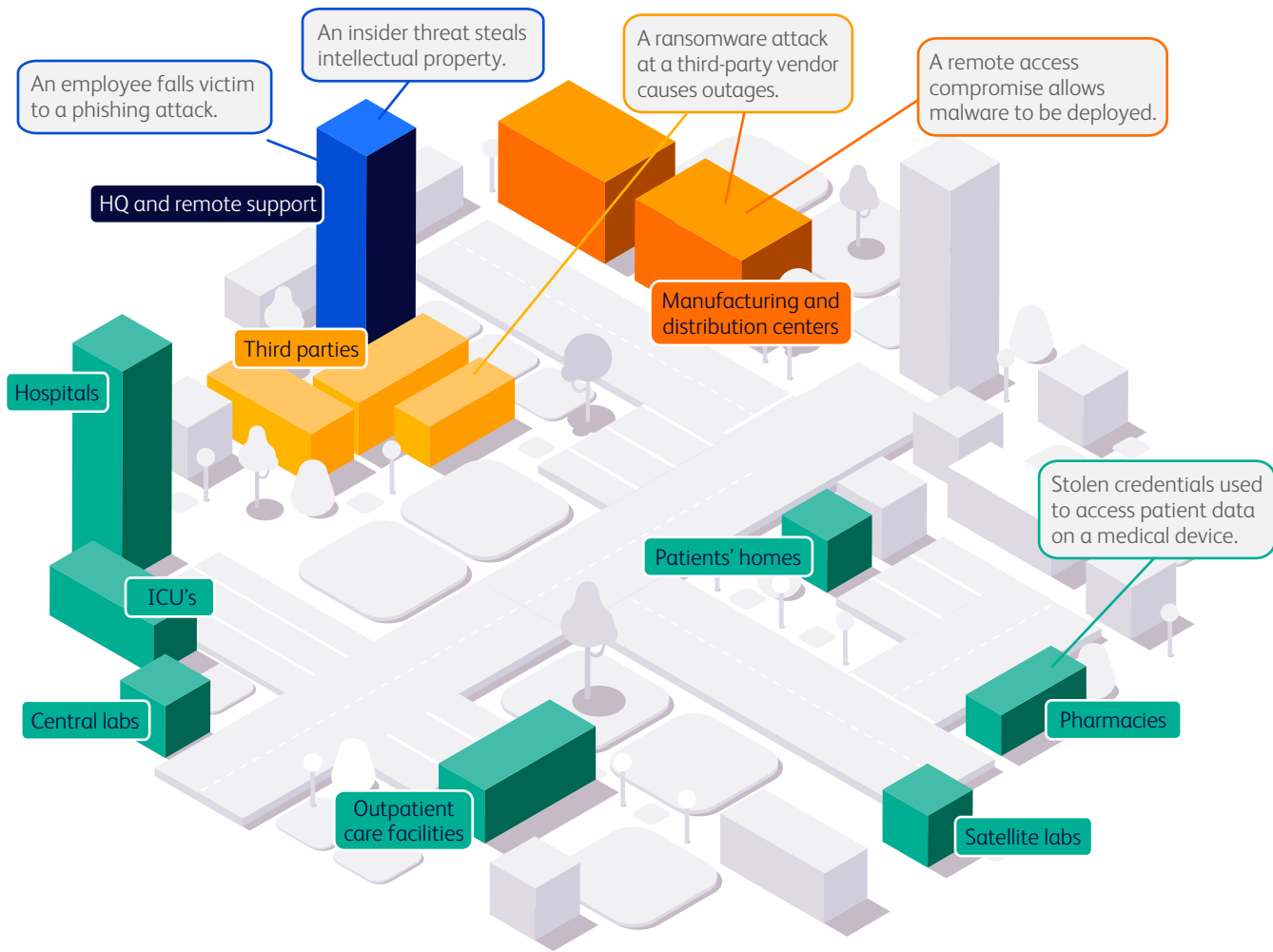
Cybersecurity risks and their potential impact on BD, customers and patients are routinely reviewed by the company’s central, regional and business teams, and our Information Security team provides guidance for identifying, prioritizing and mitigating such risks.

BD Information Security policies and procedures are aligned to industry best practices, including the National Institute of Standards and Technology (NIST) Cybersecurity Framework, International Standards Organization (ISO)/International Electrotechnical Commission (IEC) 27001:2022 standards for information security, Underwriters Laboratories (UL) 2900-1 Cybersecurity Standard for Medical Devices, and U.S. Food and Drug Administration’s pre-market and post-market guidance for cybersecurity in medical devices. BD Information Security policies are reviewed annually by cross-functional stakeholders specializing in information security, integrated supply chain, enterprise IT and quality.

Our strategic approach to cybersecurity incorporates regulatory requirements for medical device cybersecurity as well as cybersecurity reporting and disclosure requirements. We also incorporate threat intelligence from organizations such as the Cybersecurity and Infrastructure Security Agency.

Threat landscape in healthcare

Examples of cybersecurity risks include:



Threat actor motivations:

- Foreign espionage
- Intellectual property
- Patient data
- Financial gain

Key risks include:

Ransomware attacks 

Insider threats 

Medical device software vulnerabilities 

Third-party software vulnerabilities 

Human error 

Phishing attacks 

We base our cybersecurity strategy on three guiding principles:



Security by design

BD products and systems are **designed with security in mind** and to align with industry-leading cybersecurity standards, including those from the International Organization for Standardization (ISO) and the National Institute of Standards and Technology (NIST).



Security in use

Through collaboration, BD enables customers to **secure and maintain** BD products throughout their intended useful life.

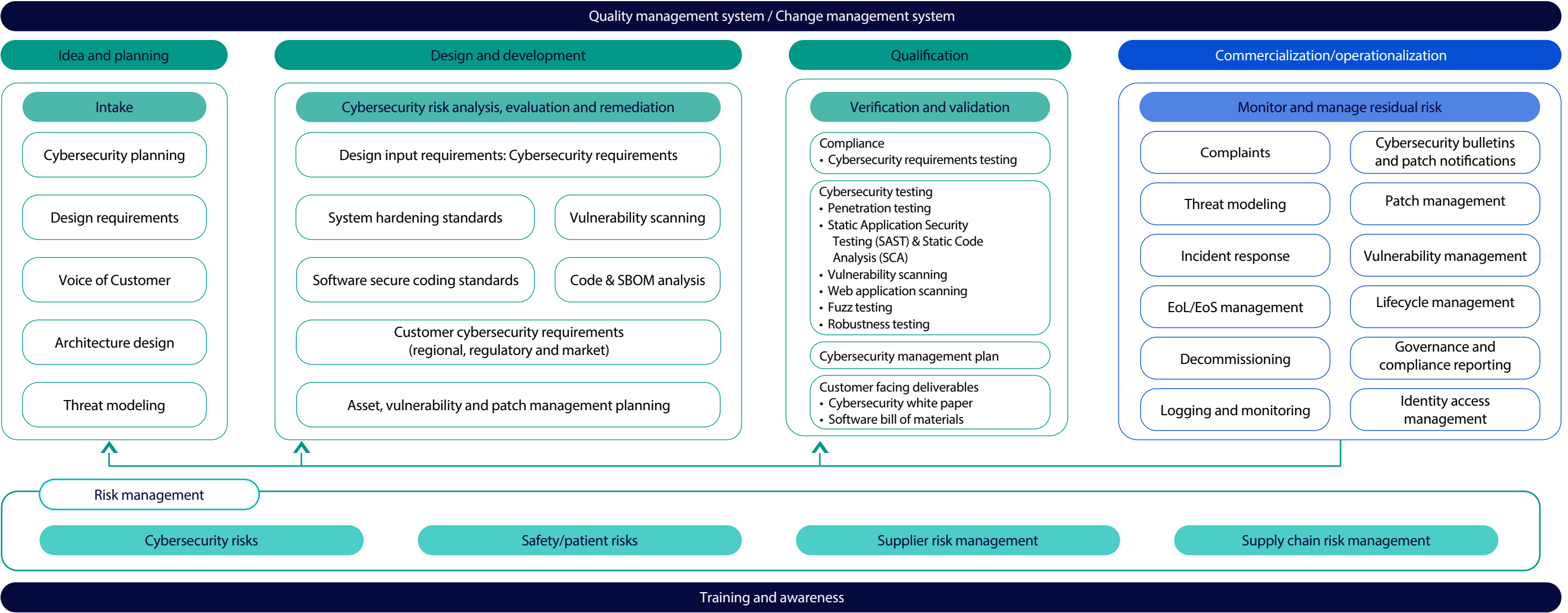


Security through partnership

BD seeks to be a **trusted partner** helping to advance cybersecurity across the industry by participating in cybersecurity working groups and public-private partnerships.

Our BD Cybersecurity Framework serves as a blueprint for managing cybersecurity risk. The framework incorporates design requirements that include cybersecurity risk assessment, penetration testing, code analysis, system hardening and continuous vulnerability management. It is aligned with multiple industry standards and work products, including ISO 27001 standards, the Healthcare and Public Health Sector Coordinating Council’s Medical Device and Health IT Joint Security Plan, the NIST Cybersecurity Framework, the Underwriters Laboratories (UL) 2900 Standard for Software Cybersecurity for Network-Connectable Products, and the standards of the International Society of Automation 62443.

BD cybersecurity framework



Cybersecurity preparedness

BD proactively monitors for suspicious activity, including phishing attacks, malware and ransomware attacks, insider threats and human error. Our cybersecurity program 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 our product design processes.

Cybersecurity certifications and attestations

In FY 2022, BD achieved ISO/IEC 27001:2022 certification at the enterprise level, demonstrating that our information security management system conforms to internationally recognized cybersecurity standards. In July 2023, BD completed its first enterprise-level annual surveillance audit for ISO 27001, confirming that we continue to meet these rigorous standards.

Additional cybersecurity certification and attestation programs include System and Organization Controls (SOC2+) and UL Cybersecurity Assurance Program (UL CAP). SOC2+ annual reports are available for multiple BD products that collect and process patient health information in accordance with the HIPAA security rule. These reports are prepared by an independent third party and provide assurance regarding the operational effectiveness of BD internal controls and the security of BD products. UL CAP is another independently audited certification that demonstrates the cybersecurity of multiple BD medical devices through a rigorous program of analysis.

For more information about these certifications and attestations, visit the [BD Cybersecurity Trust Center](#).

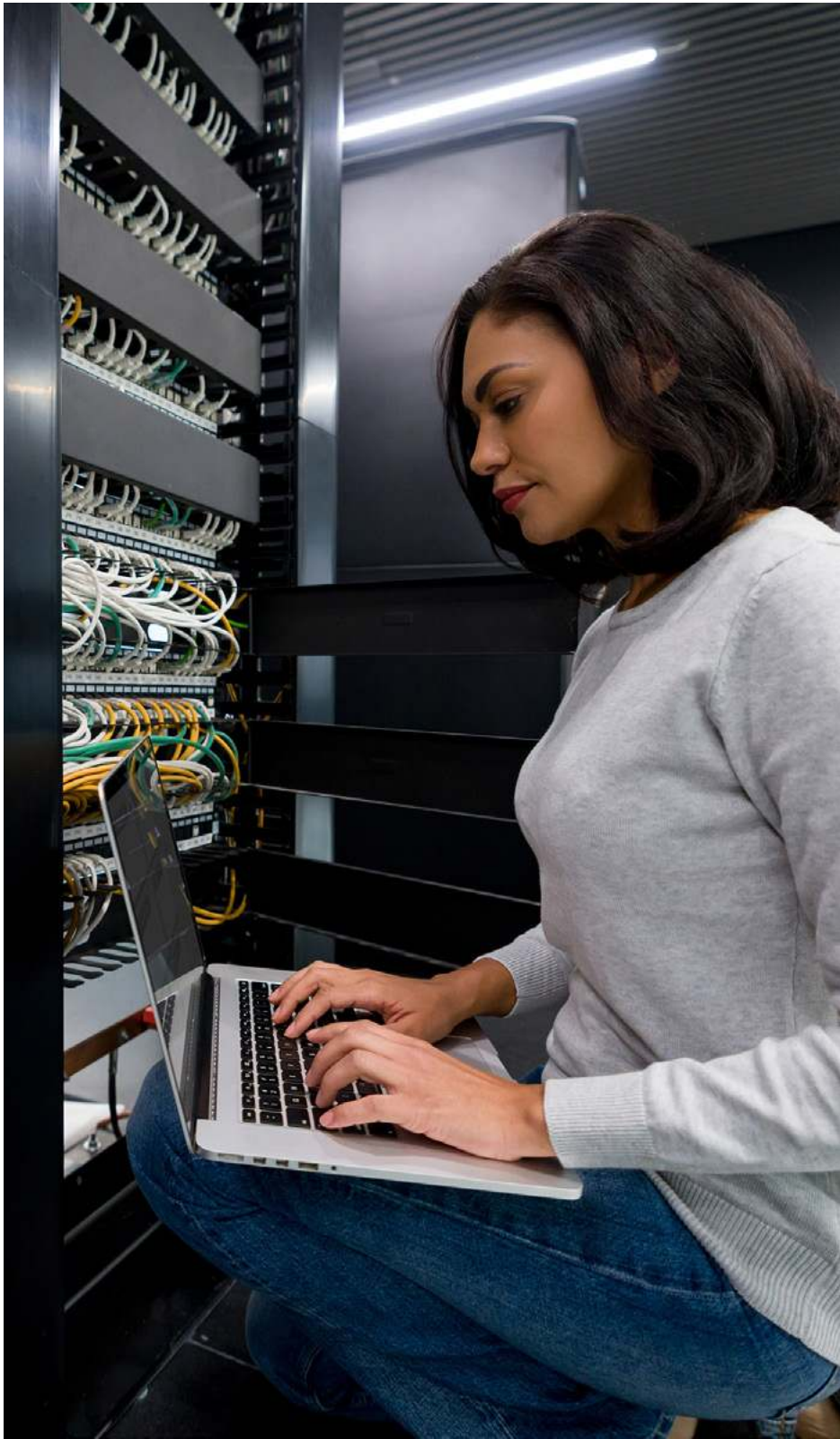
Cybersecurity training

BD provides cybersecurity training for our 70,000+ associates. This includes 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.

BD also provides training for our Board of Directors and executive leadership team, including scenario-based cybersecurity exercises to strengthen the company’s cyber preparedness and crisis response readiness. The Board of Directors and executive leadership team have jointly participated in these types of training exercises twice in the last three years (September 2021 and April 2023). In addition, they have the opportunity to participate in targeted cybersecurity training such as the National Association of Corporate Directors 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.

PRODUCT SECURITY VULNERABILITY REPORTING AND DISCLOSURE

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 product security vulnerability reporting and disclosure is publicly available on the BD Cybersecurity Trust Center and is noted in the [BD 2023 Product Security Annual Report](#).



Human rights

Human rights commitment and strategy

At BD, we believe all people should be treated with dignity and respect, and we strive to conduct 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 where we operate, and those who use our products.

Our commitment—detailed in our [Global Human Rights Policy](#)—is guided by the principles outlined in the United Nations Universal Declaration of Human Rights and the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work, and it 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, and we expect our suppliers to do the same.

Human rights governance

The central Sustainability team is responsible for monitoring and coordinating responses to changes in Human Rights requirements and obligations. Management of Human Rights issues is embedded in our integrated supply chain—including operations, supply chain, procurement, and sustainability and EHS—and human resources functions to foster compliance with our policies prohibiting forced labor, human trafficking and modern slavery across our operations.

BD’s Responsible Sourcing Operating Committee guides and facilitates work focusing on Human Rights due diligence in our supply chain. The committee is sponsored by the senior vice president, global supply chain and chief procurement officer along with the chief sustainability and EHS officer. It includes subject matter experts from across the company and representatives from the central procurement leadership team as well as EHS legal counsel and a representative from the central Sustainability team. The committee reviews all high-risk suppliers as well as suppliers that score below our acceptable threshold

in our assessments and, in collaboration with appropriate associates outside the committee, determines the next steps for mitigating the risk. The committee also oversees our Human Rights due diligence in the supply chain process and relevant policies and reviews special issues as they arise. The chief sustainability and EHS officer will brief the ERC as needed on important matters relating to Human Rights; the ERC will brief the relevant Board committee and the full Board of Directors, if applicable.

Human rights policy

Our efforts on Human Rights and environmental justice are linked. As of FY 2024, we enhanced our Human Rights Policy to include our values with respect to environmental justice and our acknowledgment of the human right to water.

Human rights risk management

Our concerted Human Rights efforts began in 2017 with a Human Rights management gap assessment to help us determine where our internal Human Rights policies, procedures and processes could be improved. That assessment—in partnership with Business for Social Responsibility (BSR®)—incorporated requirements set forth by the United Nations Guiding Principles on Business and Human Rights (UNGP), the U.K. Labor Standards Assurance System, and the U.K. Modern Slavery Act. It comprised internal interviews and reviews of internal and public documentation prior to benchmarking.

The gap analysis identified strengths in our Quality Management System, EHS Audit program, Ethics & Compliance programs, and BD Ethics Helpline. Based on the recommendations in that initial assessment, we updated and publicly disclosed our Global Human Rights Policy and implemented a Human Rights Due Diligence in the Supply Chain initiative as part of our Responsible Sourcing program.

In FY 2023, we completed a Human Rights salience assessment across our entire value chain to identify and prioritize Human Rights risks relevant to BD based on UNGP Reporting Framework criteria regarding scale, scope, remediability and likelihood.

The assessment identified five salient Human Rights issues for BD to prioritize, as outlined below.

As a result of BD’s identified priorities, we are focusing our efforts on the following:

Upstream

Further enhance our [responsible sourcing programs](#).

BD’s operations

Continue to address potential [occupational health and safety](#) concerns with workers.

Continuously review U.S. BD facilities and end-disposal facilities for **environmental justice, waste and community impacts**.

Downstream

Simplify the delivery of [high-quality products and services](#) to our customers and patients in a way that reduces enterprise risk and makes it easier to do business with us.

Improve [access to healthcare](#) across developed and developing economies through our technology, partnerships and investments.



Our due diligence process is aligned with the Organisation for Economic Co-operation and Development (OECD) due diligence guidance for responsible business conduct. We employ risk management efforts to enhance compliance with related policies throughout our operations. For example, our Global Operations and Human Resources teams promote compliance with our policies prohibiting forced labor, child labor, human trafficking and modern slavery across all of our operations, including manufacturing.

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.**

BD POLICIES SUPPORTING HUMAN RIGHTS

- **Global Human Rights Policy.**
- **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.**
- **Speaking Up Policy.**
- **Additional policies developed as needed for identified risks.**

Modern slavery

Practices geared toward ensuring that modern slavery, human trafficking and child labor do not exist in our workforce, or those of our suppliers, are integrated into our processes. These include:

- 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 our associates' identity documents, immigration documents or any other personal documentation.
- 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 annual forced labor and human trafficking training, which is developed by a third party and administered online. This course is taken by any associate who interacts directly or indirectly with our suppliers, including associates who source, manage and/or advise on supplier selection.
- We incorporate age verification into our new hire background screening process to ensure that child labor is not used.

Human rights due diligence in the supply chain

The Human Rights due diligence process in our supply chain focuses on identification of risk within our supply base, gaining further insight into that risk and mitigation, where appropriate. For more information about our engagement with suppliers, refer to the [Responsible Supply Chain](#) section in this report.



Prioritize

In our supply chain, where the highest risk of slavery and human trafficking exists, suppliers are evaluated internally and with a third-party tool. The results of this risk evaluation help identify which suppliers should be prioritized for further assessment. Our highest-risk suppliers are typically in countries and industries with the highest prevalence of modern slavery and human trafficking rights violations. We recognize that suppliers further down our supply chain tiers may pose a higher risk and have begun targeted supply chain mapping to better identify and address these risks.



Assess

BD uses desktop audits administered by a third party to assess performance, including labor and Human Rights. Our third-party expert reviews supplier responses and documentation to ensure an impartial evaluation.



Mitigate

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

Legislation and compliance

Proposed and current Human Rights legislation is tracked by our central S&EHS team. We assess applicable legislation to determine compliance requirements before implementing required actions and incorporating them into our Human Rights Management program.

As a multinational company, BD complies with various country-level Human Rights compliance requirements that ask us to report on our process to ensure that our supply chain is free of modern slavery and to demonstrate that we have a solid Human Rights Due Diligence program. These reports track in further detail the processes we have to implement this program. We monitored and prepared several disclosure requirements in FY 2023.

Country-level Human Rights reporting requirements. In FY 2023, we produced statements to comply with:

- **The U.K. Modern Slavery Act.**
- **The Australia Modern Slavery and Trafficking Act.**
- **The Norway Transparency Act.**
- **The Germany Supply Chain Act.**
- **The Canada Fighting Against Forced Labour and Child Labour in Supply Chain Act.**
- **The Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affects Areas and Child Labour.**

Each statement is approved by their respective country-level boards. Visit our Policy Center to view the compliance documents.

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, BD policies 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, the BD Code of Conduct, BD policies or our high ethical standards. This requirement extends to all associates, customers, vendors and/or 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 ethics and compliance at BD on our [website](#).

Code of Conduct

The BD Code of Conduct sets the foundation for how we behave at BD, providing guidance and resources for our ethical standards. Our value “We do what is right” is the cornerstone of our Code of Conduct. We endeavor to follow all laws, rules and policies that apply to us and adhere to the highest ethical standards, even when there’s no specific law or policy.

Everyone at BD—from officers to directors to associates—must follow our Code of Conduct; it applies equally to everyone. BD associates receive information and training about the Code of Conduct and other policies in several ways, including periodic communications and annual trainings. BD associates can access detailed information about our expectations through our intranet and our Ethics and Compliance mobile app. Our Code of Conduct is also available on our [website](#).

With oversight from our Board of Directors’ Audit Committee, our global ethics and compliance function seeks to ensure that BD has a comprehensive compliance program designed to prevent and detect wrongdoing and continuously encourages lawful and ethical conduct. BD’s senior vice president and chief ethics, compliance and privacy officer leads the global ethics and compliance function. Along with the BD Ethics and Compliance Committee, which comprises members of BD’s executive leadership team, this individual oversees these activities to ensure effective operation and enforcement. The program is integrated into our global business operations, and we evaluate its effectiveness and adapt it periodically to ensure that it’s appropriately tailored to address the risks inherent in our global business.

Reporting ethics concerns

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, except as prohibited by applicable law. BD takes all reports of violations of laws, BD policies and BD ethical standards seriously and will promptly, fairly and thoroughly investigate all such reports. BD does not tolerate any form of retaliation against a person who in good faith reports an actual or suspected violation or cooperates in BD investigations. BD is committed to creating an environment where 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 several ways, including through 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. It can be reached by telephone or [online](#) and provides translation services as needed. Reports can be made anonymously if permitted by law. BD associates can also report violations to their supervisors, management, Human Resources, or the Law Group or directly to Ethics and Compliance.

In FY 2023, BD’s Ethics Office received more than 1,200 contacts from associates worldwide seeking guidance or reporting concerns. When an investigation has a finding, our corrective actions can range from nondisciplinary-based training and process improvements in areas where a gap has been identified to discipline to termination of employment.

Antibribery and anticorruption

Acting with integrity is critical to ensuring our success and protecting our reputation, so we continuously work to ensure that our interactions do not involve bribery, corruption or other improper behavior. Our 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 as well as abiding by local laws and regulations.

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, clear policies and by approval processes with enhanced third-party intermediary life cycle management procedures.

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 and Anticorruption Policy](#), [Global Third-Party Life Cycle Management Policy](#), and the Global Standards for Interactions with Healthcare Professionals, Healthcare Organizations and Government Officials.

Risk-based training for associates engaging with third-party intermediaries is a core component of the antibribery and anticorruption program. These sessions focus 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.

Privacy

BD’s global business strategy is dependent on the collection, use and transfer of large volumes of data, including personal data processed through sophisticated and novel technologies. Consequently, BD is subject to privacy and data protection laws in most of the countries where we operate. We’ve created a Global Privacy program to strategically integrate applicable privacy-by-design principles and provisions into our ecosystem of processes, platforms and products.

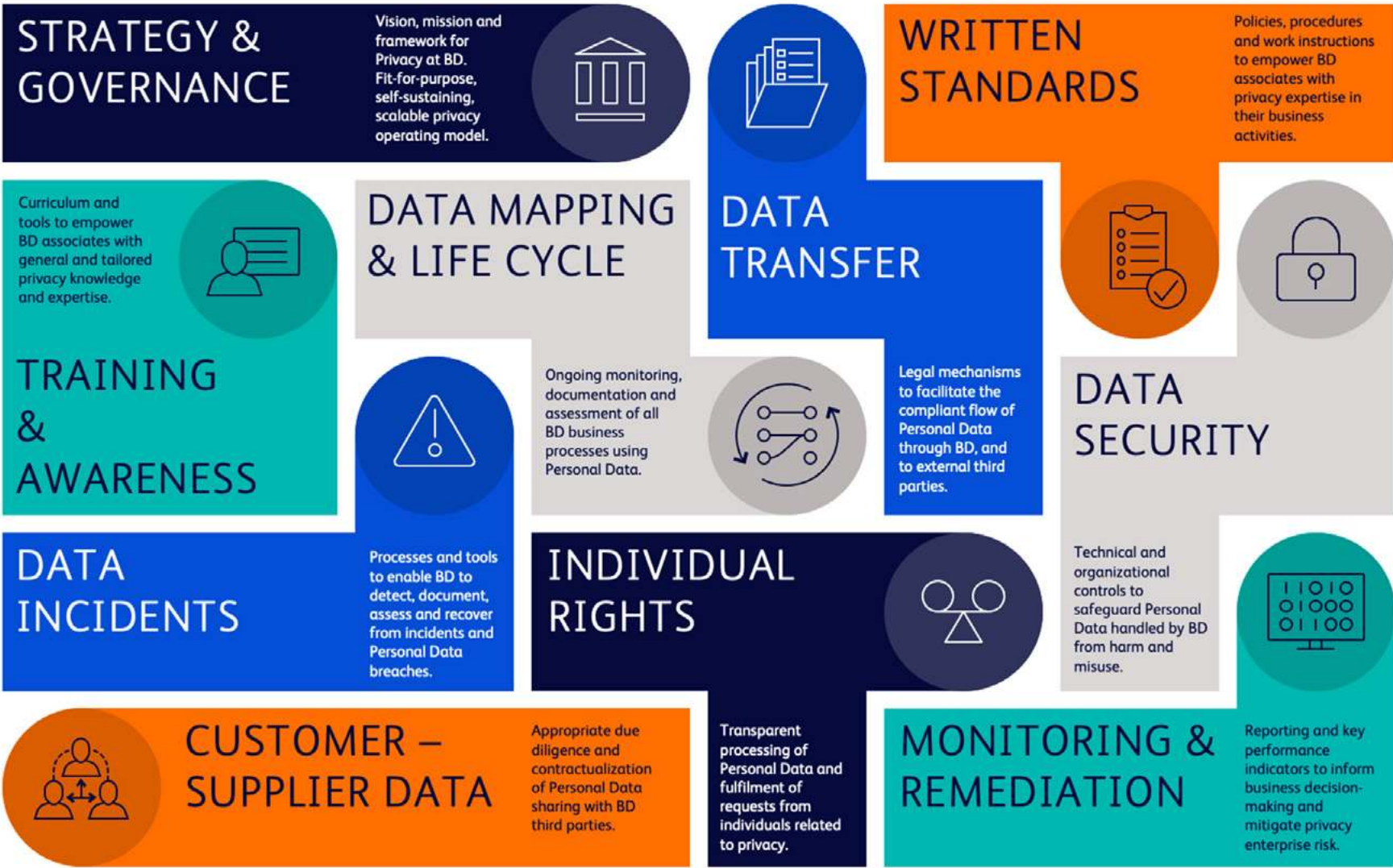
BD has a Global Privacy Framework to ensure enterprise-wide privacy compliance. The framework is composed of 10 defined scope areas that are aligned with global privacy standards (e.g., NIST and ISO/IEC privacy frameworks) and privacy law baseline requirements; a fit-for-purpose implementation strategy for businesses, functions and regions; and a privacy maturity model to evaluate areas of potential vulnerability. All privacy-related initiatives are aligned with the BD 2025 strategy, which emphasizes growth, simplification and empowerment.

The Global Privacy Program is based on BD’s Global Privacy Policy. It’s accessible to associates in 19 languages and defines minimum enterprise-wide privacy standards through a set of region-specific policies and benchmarks, in conformity with local legal requirements, e.g., HIPAA (United States), the General Data Protection Regulation (European Economic Area), the Personal Information Protection Law (China), and the General Personal Data Protection Law (Brazil).

Appropriate governance is in place, and the program is sustained by a network of privacy champions. BD’s Privacy Office members actively scan the privacy regulatory landscape and enforcement trends and adhere to standards set by privacy and industry associations (e.g., International Association of Privacy Professionals, International Pharmaceutical Privacy Consortium, AdvaMed, MedTech Europe).

BD has processes and dedicated communication channels to enable individuals (including BD associates, patients and customers) to exercise their data rights and to manage data incidents and breaches. In addition, reports on privacy enterprise risk mitigation efforts are submitted biannually to the Audit Committee of the Board of Directors.

Privacy building blocks





Ethics in sales and marketing

Interactions with healthcare professionals

BD has policies and procedures to 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 where we do business. To help support compliance, BD has adopted various industry codes, including the AdvaMed Code of Ethics in the United States, MedTech Europe, Asia Pacific Medical Technology Association (APACMed), Mecomed and Abimed. Key provisions of applicable industry codes are also incorporated into BD global policies, including the Global Standards for Interactions with Healthcare Professionals, Healthcare Organizations and Government Officials. BD associates receive information and training on these codes and policies in a few ways, including periodic communications and online and in-person trainings. Associates can access detailed information on our policies 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 that comply with applicable laws and regulations. Expectations for the promotion of our products are outlined in our Code of Conduct.

Our advertising and promotion programs create a globally harmonized process for generating, reviewing and approving advertising and promotional communications. These programs promote consistency in definitions, rules, principles, governance and approval criteria to facilitate compliance across BD. A steering committee consisting of cross-functional representatives from marketing, medical affairs, regulatory affairs and the law group oversee our advertising and promotion review and approval processes. 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 and approval 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 that are used to manage and track approvals.

Participation in the policymaking process

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. Strong, long-term relationships with policymakers help us better understand unmet public health needs around the world.

Public policy governance

Our Board of Directors’ Corporate Governance and Nominating Committee oversees BD’s engagement in the political process to 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 recognized BD with a rating of 100% in its 2023 corporate political disclosure and accountability index, marking the seventh year in a row that we’ve received a perfect score for our transparency in conducting our political engagement.

Public policy advocacy

Our Public Affairs team leverages our diverse experience, expertise, global reach and collaborations to develop public policy positions that guide our advocacy efforts worldwide. It also makes constructive contributions to policy discussions that are relevant to the company and the communities where we operate. A range of global public policy positions are available on our [website](#).

Examples of our engagement include 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 also 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.

BD Political Action Committee

As permitted under U.S. law, our 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 \$133,500 to candidates in calendar year 2023. All contributions made by the BD PAC are also publicly reported on government agency websites, including the Federal Election Commission’s website. 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 our Board of Directors’ 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.

Violations and compliance

BD maintains robust processes for reporting violations 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 managers, senior managers, Human Resources representatives, the Legal department or the Compliance department.

Actual or potential violations may be reported without risk of retaliation by using the confidential Ethics Helpline (1-800-821-5452).

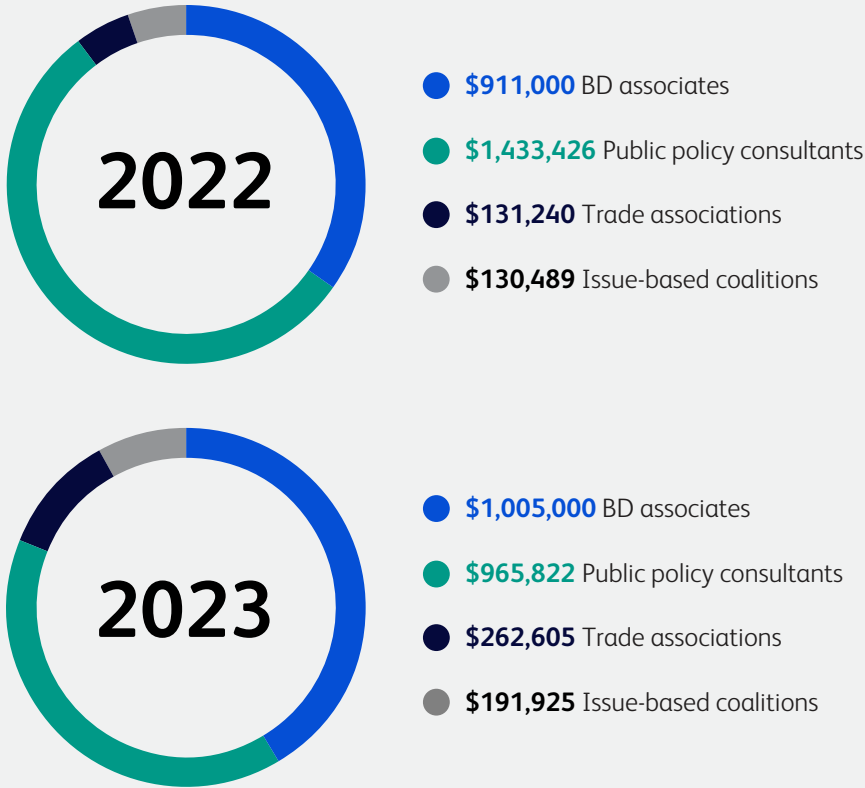
Company policies and bylaws governing BD’s political activities may be subject to periodic compliance validation and/or Internal Audit review to determine the effectiveness of implementation and ongoing compliance with policy. Findings and mitigation strategies may be reviewed with appropriate stakeholders.

Significant exceptions may be reported to the Corporate Governance and Nominating Committee.

In addition to the work of our Public Affairs team, we 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 2023, BD spent approximately \$2.6 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](#).

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.

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Stakeholder engagement

Due to the nature of our business and our global presence, we serve and rely on a wide variety of internal and external 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 groups	How we conduct meaningful engagement	Additional ways for stakeholders to engage with us
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.	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.	customer_support@bd.com 1.844.8.BD.LIFE (+844.823.5433) Or local customer support
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.	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 our more significant holders; however, we also engage with groups of smaller investors on specific topics.	investor.relations@bd.com +1-800-284-6845
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.	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.	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 jobs.bd.com. • LinkedIn.
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, and R&D functions and the central Product Stewardship team.	• supplier_diversity@bd.com. • BDResponsibleSourcing@bd.com. • New product ideas – BDTechnologiesBusDev@bd.com.

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 – news.bd.com/media-contacts.
 - Privacy – privacy@bd.com.
 - Quality Transparency Center – www.bd.com/en-us/about-bd/quality-at-bd.
- [Facebook](#)
 - [Instagram](#)
 - [LinkedIn](#)
 - [Twitter](#)
 - [YouTube](#)



Stakeholder group

Community affairs and local operations engagement

Community engagement plays a critical role 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.

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.

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.

How we conduct meaningful engagement

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.

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.

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.

Sustainability issues assessment

The following graphic shows each of our sustainability 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.

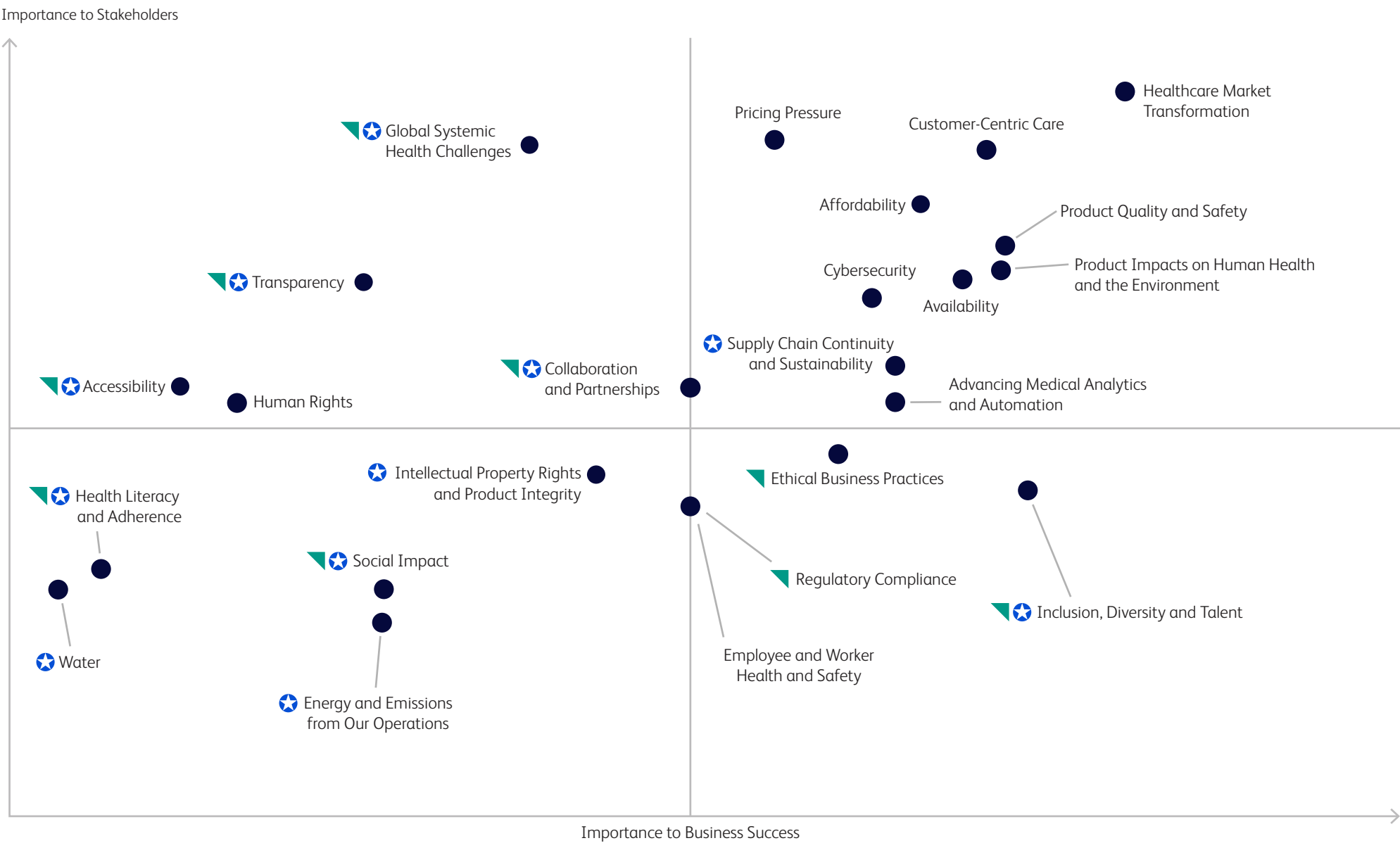
The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial impact of that information. For additional information regarding BD, please see our current and periodic reports with the Securities and Exchange Commission, including our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. The 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.

- ★

Highly Dynamic Issue (moved in 3 or more scenarios)

▴

Moved to the top right quadrant



Sustainability issues

Text in *blue italics* indicates feedback from stakeholder interviews that were carried out as part of the ESG assessment conducted in 2019.

Sustainability issue	Definition	How we manage this issue
Accessibility	Expanding access to BD products and services to low-income patients and underserved populations around the world.	<i>Stakeholders see BD as a leader in improving accessibility for underserved populations.</i> BD is committed to ensuring that market-appropriate and quality-assured solutions are available to the clinicians and patients who need them. We work through a network of over 30 UN agencies, procurement partners, and NGOs to offer products to development programs in low- and middle-income countries. For more details, refer to the Health Equity section.
Advancing Medical Analytics and Automation	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.	<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> The future of healthcare is changing, and we see three irreversible forces that are going to be shaping healthcare in new ways: - Smart connected care. - A shift to new care settings. - Chronic disease outcomes. For details on how we are approaching our two axes of growth—Durable Core and Transformative Solutions—see Our business in our 2022 ESG report.
Affordability	Expanding the quality and affordability of healthcare, especially in emerging and developing economies.	<i>Stakeholders would like to see BD leading on low-cost products for emerging markets and passing along cost savings to patients.</i> BD deploys a cross-functional approach to support access, affordability, and availability of our products, including support from Market Access, Health Economics, and Global Public Health.

Sustainability issue	Definition	How we manage this issue
Availability	- 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.	For further details on our approach in this area, refer to the Innovation at BD section.
Collaboration and Partnerships	Working with diverse stakeholders and multi-stakeholder partnerships to tackle global sustainability and health challenges and drive positive innovations, including through public policy engagement.	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, BD’s recent collaboration with a consortium of health care institutions in Denmark to recycle Vacutainer® and other used blood collection tubes. Partnerships are also central to our cybersecurity program and health equity activities and programs. In FY 2024, we signed the World Economic Forum’s Zero Health Gaps Pledge. The global, multi-sector pledge includes ten commitments to embed health equity principles into company strategy and social investments, accelerating progress toward equity and contributing to positive health outcomes.
Customer-Centric Care (Including Product Innovation)	- 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.	<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> Category innovation and customer outcomes are two elements of our 2025 strategy. For further details about innovation at BD, refer to the Innovation at BD section.
Cybersecurity	- 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.	BD achieved ISO/IEC 27001:2022 certification at the enterprise level, demonstrating that our information security management system conforms to internationally recognized cybersecurity standards. In July 2023, BD completed its first enterprise-level annual surveillance audit for ISO 27001, confirming that we continue to meet these rigorous standards. For information about how we manage cybersecurity, please refer to the cybersecurity section of this report.
Employee and Worker Health and Safety	- 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.	We have established 2030+ goals intended to maintain a healthy and thriving workforce that cultivates our culture of inclusion, safety and well-being. Refer to the health and safety section for further details on how we manage this area.
Energy and Emissions from Our Operations	- 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.	Details on how we manage energy usage, emissions and impacts from climate change can be found in the Climate change section.

Sustainability issue	Definition	How we manage this issue
Ethical Business Practices	• 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.	Refer to the Transparency section for further details on our Ethical Business Practice programs.
Global Systemic Health Challenges	• 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 and maternal infant mortality. • 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.	For details on how we are helping to address global systemic health challenges, including AMR, please refer to the health equity section. As part of our 2030+ goals, 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.
Health Literacy and Adherence	• 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.	We provide various materials to help patients understand and manage their conditions, including web-based tools from: BD Interventional: Patients can understand and manage their Urinary Retention condition from the following websites: Liberator Medical: This website provides consumers with tools to both understand their condition and choose the right product. BD® PureWick™ Catheter System: This site includes information to help women who are suffering from urinary incontinence understand whether the PureWick™ Catheter System is the right product for them.
Healthcare Market Transformation	• 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.	<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> Further details about our growth strategy can be found in the Our business section.

Sustainability issue	Definition	How we manage this issue
Human Rights	Respecting the Human Rights of various stakeholders, including suppliers, associates, customers, patients, and surrounding communities.	BD is committed to operating in a way that respects Human Rights. Our commitment is detailed in our global Human Rights policy. For further details, refer to the Human Rights section.
Inclusion, Diversity and Talent	- 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 to develop diversity and inclusion policies. - Creating a stimulating work environment that offers opportunities for development and promotion that attract and retain diverse top talent.	<i>The acquisitions of CareFusion and C. R. Bard changed the culture at BD. The 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> We have established 2030+ 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. We leverage internal communication platforms to communicate sustainability programs and performance—including publication of external ESG disclosures. 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+ goals.
Intellectual Property Rights and Product Integrity	- 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.	For information about our approach to safeguarding confidential information and intellectual property, please refer to our Code of Conduct.
Pricing Pressure	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.	For further details on our approach in this area, refer to the Innovation at BD section.
Product Impacts on Human Health and the Environment	- 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.	<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> We have established 2030+ 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. For details on how we manage waste from our operations and performance against targets, refer to Waste management.
Product Quality and Safety	Supporting robust quality and regulatory management, including communicating quality and safety standards to our suppliers. Conducting supplier audits and product monitoring and evaluations.	For further details about our programs in this area, refer to Product safety.

Sustainability issue	Definition	How we manage this issue
Regulatory Compliance	Adhering to local laws and regulations for product design, manufacturing and quality in the countries where BD operates.	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 included throughout this report.
Social Impact	Driving and measuring investments in healthcare innovation and community development and engaging associates in community service and capacity training.	Social impact is an element of our 2030+ goals to build Healthy workforce and communities .
Supply Chain Continuity and Sustainability	- 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.	<i>Given our role in the 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> We have established 2030+ 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.
Transparency	Maintaining overall transparency with key stakeholders, including disclosures on sustainability strategy and programs.	It is our goal to invite trust across stakeholder groups through transparent reporting of our performance on sustainability issues relevant to our business. We have set 2030+ goals to provide our stakeholders with regular disclosures about our sustainability performance and programs. We will do so by aligning with relevant and recognized external sustainability reporting frameworks and providing issue-specific information. This report establishes the foundation for our goal to provide information about our sustainability programs and performance.
Water	- Optimizing the use of water and the reduction and reuse of wastewater throughout operations. - Reducing potable water use and improving water disposal and discharge. - Reporting performance against water targets.	For details on how we manage water usage in our operations and performance against targets, refer to Water management .

UN Sustainable Development Goals (SDGs)

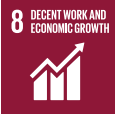
The following table provides an outline of how we contribute to the achievement of each SDG, how directly BD can impact the SDG through core business activities (degree of control) and which stages of BD’s value chain are most relevant to the SDG.

Sustainable Development Goal	How we contribute to the achievement of the SDG ¹	Degree of control ²	Value chain ³
 Goal 1. End poverty in all its forms everywhere	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. Through our work in health equity, we support programs to build community resilience.	Moderately direct for our own operations, less direct in our value chain	Raw materials, Suppliers, Operations, Distribution
 Goal 2. End hunger, achieve food security and improved nutrition, and promote sustainable agriculture	<i>We have determined that BD’s impact on, or contribution to, achievement of this goal is negligible.</i>	Moderately direct for our own operations, less direct in our value chain	Raw materials, Suppliers, Operations, Distribution
 Goal 3. Ensure healthy lives and promote well-being for all at all ages	Details of how we are contributing to the achievement of this SDG are provided throughout this report. Goal 3.9 requires that the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination be substantially reduced by 2030. Our 2030+ goals 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.	Very direct	Raw materials, Suppliers, Inbound logistics, Operations, Distribution, Product use, End of life
 Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	We are supporting achievement of this goal through our 2030+ goals 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. We collaborate with agencies around the world, providing training to assist in the strengthening of health systems.	Moderately direct	Operations, Product use
 Goal 5. Achieve gender equality and empower all women and girls	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. Details on how we build inclusion, diversity and equity can be found here.	Moderately direct	Suppliers, Inbound logistics, Operations, Distribution, Product use

¹ The 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.

² Degree 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.”

³ Value-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 ¹	Degree of control ²	Value chain ³
	Goal 6. Ensure availability and sustainable management of water and sanitation for all We believe that access to water, sanitation and hygiene is a human right. Our 2030+ goals 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. Details on how we manage water use can be found here.	Very direct	Raw materials, Suppliers, Operations, Product use, End of life
	Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all Our contribution to achievement of this SDG is neutral. Details on how we manage our energy usage can be found here.	Moderately direct	Suppliers, Inbound logistics, Operations, Distribution
	Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all Our Global Human Rights Policy is guided by the principles outlined in the UN Universal 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. We are also supporting achievement of this SDG through our 2030+ goals to a healthy workforce and community and programs such as our Good Jobs Strategy. Our 2030+ goals 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.	Very direct	Suppliers, Inbound logistics, Operations, Distribution, Product use
	Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation We support the achievement of this SDG through our development of products and services related to healthcare and medical research; and through our 2030+ goals to a responsible supply chain. Details of our investment in R&D can be found here.	Very direct	Operations, Product use
	Goal 10. Reduce inequality within and among countries 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.” This extends to our Expectations for Suppliers.	Very direct	Suppliers, Operations
	Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable Our 2030+ goals 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. Details on our waste management and air emissions programs can be found here.	Very direct	Suppliers, Inbound logistics, Operations, Distribution, Product use, End of life

Sustainable Development Goal	How we contribute to the achievement of the SDG ¹	Degree of control ²	Value chain ³
	Goal 12. Ensure sustainable consumption and production patterns Our 2030+ goals 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. Our 2030+ goal to transparency supports achievement of Goal 12.6.	Very direct	Raw materials, Suppliers, Inbound logistics, Operations, Distribution, Product use, End of life
	Goal 13. Take urgent action to combat climate change and its impacts 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). We are pleased to report that the Science Based Targets initiative recently approved our near-term and 2050 Net-Zero targets. Our science-based targets - along with our 2030+ goal to use our capabilities to contribute to solutions that address unmet climate-related health needs - contribute to achievement of this SDG. Details of our approach to climate change management can be found here.	Very direct	Raw materials, Suppliers, Inbound logistics, Operations, Distribution, Product use, End of life
	Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development Our 2030+ goals 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.	Less direct	Raw materials, Suppliers, Inbound logistics, Operations, Distribution, End of life
	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 Our 2030+ goals 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.	Less direct	Raw materials, Suppliers, Inbound logistics, Operations, Distribution, End of life
	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 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. Details of how we support achievement of this goal through ethical business practices can be found in the Transparency section of this report.	Very direct	Raw materials, Suppliers, Inbound logistics, Operations, Distribution
	Goal 17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development We support achievement of this SDG by partnering with agencies and NGOs around the world to build capacity and strengthen health systems.	Moderately direct	Operations, Product use

Data tables

Scopes 1 and 2

2030 goals

Current status

Reduce Scopes 1 and 2 emissions by 50% by 2030 (from 2019 baseline, absolute).	Decreased by 19% (market-based) in FY 2023 from FY 2019 baseline.
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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.

Data has been restated to account for changes to emissions factors and improved reporting.

Data includes emissions to related to acquisitions through FY 2023.

GHG emissions – Scopes 1 and 2 (location-based)

	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Metric tonnes CO ₂ e, absolute emissions					
Scope 1	167,124	154,791	160,320	159,843	169,951
Scope 2	420,016	408,919	402,426	412,546	388,533
Total Scope 1 and 2	587,139	563,139	562,746	572,390	558,484
Reduction from baseline		−4	−4	−3	−5

GHG emissions, by source – Scopes 1 and 2 (market-based)

	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Metric tonnes CO ₂ e, absolute emissions					
Total Scope 1	167,092	154,768	160,320	159,843	169,951
Diesel	2,579	3,120	2,630	2,492	1,650
Gasoline (Petrol)	54	61	72	80	70
Liquefied Petroleum Gas (LPG)	3,262	3,490	5,072	4,562	3,849
Natural Gas	113,306	106,337	105,621	111,993	113,194
Number 2 Fuel Oil	3,928	3,645	3,627	3,409	3,383
Propane	8,709	7,458	8,022	7,984	7,959
Fleet	31,542	27,019	30,235	24,891	32,792
Other (Dry ice, non-ODS refrigerants, jet fuel)	3,694	3,638	5,040	4,433	7,053
Total Scope 2	356,057	320,209	281,789	281,328	255,695
Electric Power	468,919	435,423	435,668	446,317	425,311
Green Electric Power	−52,879	−51,704	−100,402	−109,1717	−112,296
Renewable Energy Credit (REC)	−59,983	−64,086	−54,309	−57,198	−59,111
Steam		576	832	1,380	1,791
Total Scope 1 and 2 (Market-based)	523,149	474,976	442,109	441,171	425,646
Reduction from baseline		−4	−15	−16	−19

Footnotes:

Market-based: 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).

Location-based: Quantifies Scope 2 GHG emissions based on average energy generation emission factors for defined geographic locations, including local, subnational, or national boundaries (e.g., local power grid).

Scope 3

2030+ goals:

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

Current status:

The following targets have been set. Progress will be reported in future reports.

Near-Term Target: 75% of BDs suppliers and customers by emissions covering purchased goods and services, capital goods, upstream transportation and distribution, use of sold products and end-of-life treatment of sold products, will have science-based targets by 2028.

Long term target: Reduce scope 3 GHG emissions 97% per unit of sold product by 2050 from a 2021 base year.

	Metric tonnes CO ₂ e, absolute emissions	FY 2021 baseline	FY 2022	FY 2023	Percentage of total reported FY 2023 Scope 3 emissions	Method of calculation
Category 1	Purchased goods and services	3,213,976	3,260,263	2,677,219	39%	BD procurement report data is sorted according to spend category. Purchases associated to capital spend (Category 2), Logistics (Category 4), and business travel (Category 6) are not included in Category 1 calculations as they are included in the other associated Scope 3 category. Purchased Goods Calculations for purchased goods uses a combination of average data and spend-based methods. Where possible, the average data method is used. Purchased Services Calculations for purchased services use an activity-based spend method, which as a preference is based on supplier data, rather than an industry average EEIO emission factor. Data for FY 2021 and FY 2022 has been restated due to incorporation of new mass data for purchased goods.
Category 2	Capital goods	417,477	87,249	182,902	3%	Procured goods and services associated with capital spend are separated out from the main BD procurement report. Line items are then assigned an appropriate category within the USEEIO 2020 database. The emission factors are multiplied by the spend assigned to the purchased line item to calculate the GHG emissions associated with that line item.
Category 3	Fuel- and energy-related activities (not included in Scopes 1 or 2)	148,597	148,181	167,327	3%	Fuel- and energy-related activities were calculated using BD Scopes 1 and 2 data and applying electricity and fuel transmission and distribution loss and well-to-tank factors from DEFRA.

	Metric tonnes CO ₂ e, absolute emissions	FY 2021 baseline	FY 2022	FY 2023	Percentage of total reported FY 2023 Scope 3 emissions	Method of calculation
Category 4	Upstream transportation and distribution	665,960	601,173	590,970	9%	Third party transportation and distribution services relevant to Category 4 are calculated using BD activity data covering transportation services purchased by BD for inbound and outbound logistics. BD logistics data comprise mass of transported load, distance transported and mode of transport. The mass of transported load and distance transported were multiplied together in order to generate a tonne kilometre (tkm) value for goods transportation. The value is then multiplied by the selected mode of transport emission factor, using the Global Logistics Emissions Council (GLEC) Framework. BD assumes that it is responsible for the cost of this outbound transportation, and therefore the emissions are categorized as Scope 3, category 4. 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.
Category 5	Waste generated in operations	20,772	20,725	18,967	0%	Primary waste data (recyclables, solid waste including both incinerated and sent to landfill) was used with the EPA Waste Reduction Model (WARM) emission factors.
Category 6	Business travel	40,530	68,834	93,741	1%	Air travel was calculated from reports received from BD vendors, where each flight segment was categorized into specific flight haul lengths and then multiplied by DEFRA’s published emission factors for those flights. Rental car was calculated based on reports from BD vendors. These reports included total miles driven with the calculation based on DEFRA emission factors. For hotel stays, the total of room nights by each country was multiplied by the DEFRA hotel stay emissions factors for that country. Rail travel was based on city-pair distances and a vendor report, which shows the origin station and destination station for each trip. The total distances travelled from both reports are 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. Data for FY 2021 and FY 2022 has been restated due to a change in emission factors from a well-to-tank approach to a well-to-wheel approach.
Category 7	Employee commuting	65,654	65,421	64,703	1%	In FY 2023 we amended our calculation methodology for the category. Data has been restated back to the FY 2021 baseline. The data for the transport modes, average commute distances, annual number of working days, and number of full-time employees (FTE) staff are combined to calculate the total distances travelled by each mode in each region. These distances are then multiplied by the emission factors for their respective mode. For countries where this information was not available, data were matched according to geographic proximity and/or similarity to commuting environment. Remote FTEs were not included in the commute calculations.

	Metric tonnes CO ₂ e, absolute emissions	FY 2021 baseline	FY 2022	FY 2023	Percentage of total reported FY 2023 Scope 3 emissions	Method of calculation
Category 8	Upstream leased assets	754	619	--	0%	Not relevant FY 2023 data - following review of locations covered by this category, locations were reclassified into either Scope 1, 2 and / or Scope 3, category 4. For calculation methodology for FY 2021 and FY 2022, please refer to our 2022 ESG report.
Category 9	Downstream transportation and distribution	299,630	286,273	281,414	4%	the calculated carbon impact values for BD purchased logistics provide the basis for estimating the emissions from downstream transportation and distribution of finished goods. Distribution distances and mode of transport were assumed to be the same as BD purchased transportation data. BD purchased transportation data comprises mass of transported load, distance transported and mode of transport. The mass of transported load and distance transported were multiplied together in order to generate a tonne kilometre (tkm) value for goods transportation. The value is then multiplied by the selected mode of transport emission factor, using the Global Logistics Emissions Council (GLEC) Framework.
Category 10	Processing of sold goods	--	--	--		Not relevant
Category 11	Use of sold products	262,033	281,742	342,164	5%	BD has a broad and diverse product portfolio, including products that have no impact in use per se and those where the majority of the life cycle impact is in the use phase (i.e., energy-using products), as well as products and markets both where end-of-life recovery can be expected to be high and where it can be expected to be low. It is not feasible to consider each product separately, and therefore 10 exemplar products were selected to represent product categories and to assess the footprint of Categories 11 and 12 in each case. This data was supplemented with data calculated via life cycle assessment for syringe products. Exemplar product USP GHG emissions per unit were extrapolated to account for total number of units of sold per product category. The weight of the exemplar product accounts for both the product and its packaging. USP scenarios were developed separately for direct and indirect emissions. To calculate direct and indirect GHG emissions associated with each exemplar product, product activity data were multiplied by the relevant emission factor, accounting for country-specific grid electricity factors for energy consuming products.

	Metric tonnes CO ₂ e, absolute emissions	FY 2021 baseline	FY 2022	FY 2023	Percentage of total reported FY 2023 Scope 3 emissions	Method of calculation
Category 12	End-of-life treatment of sold products	2,417,861	2,355,929	2,296,026	35%	BD has a broad and diverse product portfolio, including products that have no impact in use per se and those where the majority of the life cycle impact is in the use phase (i.e., energy-using products), as well as products and markets both where end-of-life recovery can be expected to be high and where it can be expected to be low. It is not feasible to consider each product separately, and therefore 10 exemplar products were selected to represent product categories and to assess the footprint of Categories 11 and 12 in each case. This data was supplemented with data calculated via life cycle assessment for syringe products. Sold products are categorized against exemplar product groups, according to product characteristics and typical end-of-life treatment method. Exemplar product ETSP GHG missions per unit were extrapolated to account for the total number of units of sold per product category. ETSP scenarios were developed separately for product and packaging. To calculate GHG emissions associated with each exemplar product, the weight of the product and packaging were multiplied by the relevant waste management emission factor.
Category 13	Downstream leased assets	3,134	1,940		0%	Not relevant FY 2023 data - following review of locations covered by this category, locations have been reclassified, leading to emissions to be included in either Scope 1, 2 and / or Scope 3, category 4. For calculation methodology for FY 2021 and FY 2022, please refer to our 2022 ESG report.
Category 14	Franchises	--	--	--	--	Not relevant
Category 15	Investments	--	--	--	--	Not relevant
	Total Scope 3 emissions (metric tonnes CO₂e)	7,451,036	7,178,349	6,715,433	100%	

Energy

2030+ goals:

Current status:

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

Reduced by 14% in FY 2023, from FY 2019 baseline.

42% of electric power from renewable energy.

Data represents Scope 1 (direct) and Scope 2 (indirect from electricity) energy sources.
Data has been restated to account for improved reporting and includes emissions related to acquisitions through FY 2023.

Energy consumption (MWH)	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Scope 1, absolute	717,592	670,283	715,437	803,329	834,257
Scope 2, absolute	1,113,108	1,086,857	1,142,853	1,183,756	1,123,890
Total energy, absolute	1,830,700	1,757,140	1,858,290	1,987,085	1,969,672
Total energy, normalized (MWH per \$M COPS)	203	184	177	191	175
% reduction from baseline, normalized		−9%	−13%	−6%	−14%
Renewable energy consumption (MWH)	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Green Electric Power Consumed*	143,006	155,499	268,550	306,859	309,835
Renewable Energy Credits (RECs) purchased	119,523	127,699	121,379	133,722	122,177
Renewable Energy Credits (RECs) - Unbundled	2,777,779	–	–	–	–
Green Power**	–	20,738	21,833	38,904	32,624
Renewable Power - Onsite	2,918	2,908	4,565	4,630	10,223
Total Renewable Energy	543,226	306,845	416,326	484,116	474,859
Renewables as % of electric power consumption	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Electric Power Consumption (MWH)	1,113,108	1,084,316	1,139,180	1,177,665	1,115,982
% of electric power via REC purchases	11%	12%	11%	11%	11%
% of electric power sourced from green electric power	13%	14%	24%	26%	28%
% of electric power sourced from direct PPA	0%	2%	2%	3%	3%
% of electric power generated on-site	0%	0%	0%	0%	1%
% of electric power from renewable energy	49%	28%	37%	41%	43%

* Green Electric Power Consumed means purchased electricity from renewable sources; in other words, electric power purchased through a utility with a contract to source a percentage of energy as renewable
** Green Power means electric power purchased through a green electricity provider (e.g. a direct PPA)

Water

2030+ goals:

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

Current status:

Reduced by 21%.

Data has been restated to account for improved reporting and includes emissions related to acquisitions through FY 2023.

Water consumption (m³)	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Water - Purchased from local utility	4,892,629	4,506,586	4,369,066	4,855,289	4,812,445
Water - Groundwater	482,592	495,099	513,127	537,888	496,761
Water - Rainwater	1,629	777	302	9,456	9,693
Water - Recycled	3,174	3,850	3,885	3,536	3,549
Water - Surface Water	129,714	154,073	166,931	111,621	93,550
Total water use	5,509,738	5,160,385	5,053,311	5,517,790	5,415,998
Total water use, normalized (cubic meters per \$M COPS)	616	543	484	534	483
% reduction from baseline, normalized		-12%	-21%	-13%	-21%

Wastewater disposal (m³)	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Wastewater	4,705,633	4,339,785	4,024,039	4,123,978	4,007,837
Total wastewater disposed, normalized (cubic meters per \$M COPS)	523	455	383	397	358
% wastewater discharged to a public utility	85%	84%	79%	74%	74%

Waste

2030+ goals:

Current status:

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

Reduced by 17%.

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

71% diversion rate.

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

Recycling rate of 57%.

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

Reduced by 3%.

Nonhazardous waste generated (metric tonnes)	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Total nonhazardous waste generated	72,509	77,309	75,963	76,914	75,138
Total nonhazardous waste generated, normalized (metric tonnes per \$M COPS)	8.05	8.10	7.23	7.40	6.71
% reduction from baseline, normalized		1	−10	−8	−17

Waste diverted from landfill (metric tonnes)	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Total nonhazardous waste disposed of via landfill	19,076	19,502	20,176	21,320	22,158
% nonhazardous waste diverted from landfill	74%	75%	73%	72%	71%

Waste recycled (metric tonnes)	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Total nonhazardous waste recycled	43,084	45,157	44,188	44,895	42,649
% nonhazardous waste recycled	59%	55%	56%	55%	57%

Waste disposed of via incineration (metric tonnes)	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Total nonhazardous waste disposed of via incineration	10,348	12,650	11,608	10,699	10,331
% nonhazardous waste incinerated	14%	16%	15%	14%	14%

Hazardous waste generated (metric tonnes)	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Total hazardous waste generated	2,675	3,008	3,086	3,323	3,222
Total hazardous waste generated, normalized (metric tonnes per \$M COPS)	0.30	0.32	0.29	0.32	0.29
% reduction from baseline, normalized		6%	−1%	8%	−3%

Regulated (biohazardous and controlled) waste generated (metric tonnes)	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Total regulated waste generated	1,990	2,346	1,982	2,141	1,899
Total regulated waste generated, normalized (metric tonnes per \$M COPS)	0.22	0.25	0.19	0.21	0.17
% reduction from baseline, normalized		11%	−15%	−7%	−23%

Data has been restated to account for improved reporting and includes emissions related to acquisitions through FY 2023.

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 that 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 35%.

Reduced by 98%.

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.

Throughout FY 2021 and FY 2022, we conducted audits of all our locations worldwide in order to capture the number and type of units that use R22 freon. A replacement schedule is under development.

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.

Data has been restated to account for improved reporting and includes emissions related to acquisitions through FY 2023.

	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Total VOCs emitted	546	572	537	509	463
Total VOCs emitted, normalized (metric tonnes per \$M COPS)	0.06	0.06	0.05	0.05	0.04
Total HAPs emitted	123	96	85	91	75
Total HAPs emitted normalized (metric tonnes per \$M COPS)	0.01	0.01	0.01	0.01	0.01
Total VOCs + HAP emitted	669	669	622	600	539
Total VOCs + HAP emitted, normalized (metric tonnes per \$M COPS)	0.07	0.07	0.06	0.06	0.05
% reduction from baseline, normalized		−6%	−20%	−22%	−35%

VOCs – volatile organic compounds
HAPs – hazardous air pollutants

	FY 2019 baseline	FY 2020	FY 2021	FY 2022	FY 2023
Total ODS emitted	105	26	22	3	2
Total ODS emitted, normalized (metric tonnes per \$M COPS)	0.012	0.003	0.002	0.0003	0.0002
% reduction from baseline, normalized		−76%	−82%	−97%	−98%

ODS – ozone depleting substances

Turnover rate

Role	Turnover Rate
Operations	28.6%
Non-operations	21.5%

Tenure	Executives	Management	All Associates	Turnover Rate	Ops Turnover	Non-Ops Turnover
<1	5.1%	5.5%	12%	65.9%	80.1%	51.5%
1-2 years	7.3%	7.9%	15%	28.3%	31.5%	25.0%
2-3 years	7.9%	7.4%	10%	23.4%	25.2%	21.8%
3-4 years	7.1%	11.3%	14%	17.7%	18.2%	17.9%
5-9 years	16.4%	27.0%	21%	12.8%	12.7%	13.5%
10-14 years	16.1%	16.8%	10%	9.0%	8.8%	10.0%
15+ years	40.1%	24.2%	18%	9.5%	9.4%	10.6%
Total Count	354	12,258	73,101			

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.
We define “executives” as associates in positions of vice president and above. “Management” positions are defined as those in manager, director or equivalent roles.

Inspections and audits

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Number of inspections by worldwide regulatory agencies	34	41	41	54	46
Percentage with zero observations	59%	81%	68%	78%	76%
Number of FDA inspections	15	6	4	10	15
Percentage with zero observations	73%	50%	50%	60%	73%
Number of corporate audits	35	47	65	74	61

Data in this table includes embecta, prior to the spin-off.
This table also includes audits at locations affected by the divestiture of BD’s Surgical Instrumentation platform to Steris and corporate quality audits of newly acquired locations.

Key quality indicators

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Number of FDA Class I recalls	4	10*	3	1	1
Number of FDA Class II recalls	33	25	25**	23	26
Number of FDA Class III recalls	7	11	10	11	8
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	0	0
Number of FDA warning letters resolved	1	0	0	0	0

Data in this table includes embecta, prior to spin-off.
*7 out of 10 FDA Class I recalls in FY 2020 related to BD Alaris™ System.
**Includes one recall related to embecta, prior to the spin-off.

R&D spend data

	FY 2020	FY 2021	FY 2022	FY 2023
R&D expense (millions of dollars)	\$1,039	\$1,279	\$1,256	1,237
% of revenues	6.5%	6.7%	6.7%	6.4%

GRI index

Statement of use

Becton, Dickinson & Company has reported the information cited in this GRI content index for the period October 1, 2022 to September 30, 2023, with reference to the GRI Standards.

GRI Standard	Disclosure	Location	Page
GRI 2: General Disclosures 2021	2-1 Organizational details	Introduction – About BD	8
	2-2 Entities included in the organization's sustainability reporting	Introduction – About this report	5
	2-3 Reporting period, frequency and contact point	Introduction – About this report	5
	2-4 Restatements of information	Appendices – Data tables	110
	2-5 External assurance	The report is not externally assured	
	2-6 Activities, value chain and other business relationships	Introduction – Our business 2023 Form 10-K	9
	2-7 Employees	Healthy workforce and communities – Inclusion, diversity and equity	68
	2-9 Governance structure and composition	Transparency – Corporate governance	82
		Transparency – Together We Advance	84
		2023 Proxy Statement	
	2-10 Nomination and selection of the highest governance body	2023 Proxy Statement	
	2-11 Chair of the highest governance body	2023 Proxy Statement	
	2-12 Role of the highest governance body in overseeing the management of impacts	Transparency –Together We Advance	84
	2-13 Delegation of responsibility for managing impacts	Transparency – Together We Advance	84
	2-14 Role of the highest governance body in sustainability reporting	Transparency – Together We Advance	84
	2-16 Communication of critical concerns	2023 Proxy Statement	
	2-17 Collective knowledge of the highest governance body	Transparency – Together We Advance	84
	2-18 Evaluation of the performance of the highest governance body	2023 Proxy Statement	
	2-19 Remuneration policies	2023 Proxy Statement	
	2-20 Process to determine remuneration	2023 Proxy Statement	

GRI Standard	Disclosure	Location	Page
	2-21 Annual total compensation ratio	2023 Proxy Statement	
	2-22 Statement on sustainable development strategy	Introduction – Sustainability strategy	16
	2-23 Policy commitments	Introduction – Alignment with United Nations Sustainable Development Goals	17
	2-24 Embedding policy commitments	Transparency – Together We Advance	84
	2-25 Processes to remediate negative impacts	Transparency – Together We Advance	84
	2-26 Mechanisms for seeking advice and raising concerns	Transparency – Ethics and compliance	93
		Transparency – Human Rights	90
	2-27 Compliance with laws and regulations	Product impact – Product safety	43
		Transparency – Ethics and compliance	93
		Climate change – Environmental, health and safety management	28
	2-28 Membership associations	Product impact – Product safety	43
	2-29 Approach to stakeholder engagement	Appendices – Stakeholder engagement	99
	2-30 Collective bargaining agreements	Not disclosed	
		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.	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Introduction – Sustainability issue management	15
	3-2 List of material topics	Introduction – Sustainability issue management	15
		Appendices – Sustainability issues	102
	3-3 Management of material topics	Introduction – Sustainability issue management	15
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2023 Form 10-K	
		Responsible supply chain – Economic impact	
	201-2 Financial implications and other risks and opportunities due to climate change	Appendices – TCFD Disclosures	131
	201-3 Defined benefit plan obligations and other retirement plans	2023 Form 10-K	
	201-4 Financial assistance received from government	2023 Form 10-K	

GRI Standard	Disclosure	Location	Page
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Responsible supply chain – Economic impact	59
		Healthy workforce and communities – Health equity	77
	203-2 Significant indirect economic impacts	Responsible supply chain – Economic impact	59
		Healthy workforce and communities – Health equity	77
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Responsible supply chain – Supplier diversity	59–60
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Transparency – Ethics and compliance	93
	205-2 Communication and training about anti-corruption policies and procedures	Transparency – Ethics and compliance	93
	205-3 Confirmed incidents of corruption and actions taken	While we have implemented, and continue to improve upon, programs and management systems for 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 2023 fiscal year and our subsequent SEC filings.	
		See also Transparency – Ethics and compliance.	93
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, 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 2023 fiscal year and our subsequent SEC filings.	
		See also Transparency – Ethics and compliance.	93
GRI 207: Tax 2019	207-1 Approach to tax	2023 Form 10-K	
	207-4 Country-by-country reporting	2023 Form 10-K	
GRI 301: Materials 2016	301-2 Recycled input materials used	Due to the nature of our products and the need for consistence 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 – Partnerships, collaborations and thought leadership	42
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Data tables – Energy	116
	302-2 Energy consumption outside of the organization	Data tables – Energy	116
	302-3 Energy intensity	Data tables – Energy	116
	302-4 Reduction of energy consumption	Data tables – Energy	116

GRI Standard	Disclosure	Location	Page
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Climate change and environment – Water management	24
	303-3 Water withdrawal	Data tables – Water	117
	303-4 Water discharge	Data tables – Water	117
	303-5 Water consumption	Data tables – Water	117
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Data tables – Scopes 1 and 2	110–111
	305-2 Energy indirect (Scope 2) GHG emissions	Data tables – Scopes 1 and 2	110–111
	305-3 Other indirect (Scope 3) GHG emissions	Data tables – Scope 3	112–115
	305-4 GHG emissions intensity	Climate change – Climate change management	19
	305-5 Reduction of GHG emissions	Data tables – Scopes 1 and 2, Scope 3	110–115
		Climate change and environment – Climate change and environment management	19
	305-6 Emissions of ozone-depleting substances (ODS)	Data tables – Air emissions	120
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	We report emissions of Hazardous Air Pollutants (HAPs) as regulated by the EPA. These are found in Data tables – Air.	120
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Climate change and environment – Waste	25
	306-2 Management of significant waste-related impacts	Climate change and environment – Waste	25
	306-3 Waste generated	Climate change and environment – Waste	25
		Data tables – Waste	118–119
	306-4 Waste diverted from disposal	Climate change and environment – Waste	25
		Data tables – Waste	118–119
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Climate change and environment – Waste	25
		Data tables – Waste	118–119
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Responsible supply chain – Supply chain resiliency and responsible sourcing	52–62
	308-2 Negative environmental impacts in the supply chain and actions taken	Responsible supply chain – Supply chain resiliency and responsible sourcing	52–62

GRI Standard	Disclosure	Location	Page
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Healthy workforce and communities – ID&E	68–72
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Healthy workforce and communities – Compensation, benefits and well-being	73
	401-3 Parental leave	Healthy workforce and communities – Compensation, benefits and well-being	73
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Climate change – EHS management Healthy workforce & communities – Health & safety	28–30 74–76
	403-2 Hazard identification, risk assessment, and incident investigation	Climate change – EHS management Healthy workforce & communities – Health & safety	28–30 74–76
	403-3 Occupational health services	Healthy workforce & communities – Health & safety	74–76
	403-4 Worker participation, consultation, and communication on occupational health and safety	Healthy workforce & communities – Health & safety	74–76
	403-5 Worker training on occupational health and safety	Healthy workforce & communities – Health & safety	74–76
	403-6 Promotion of worker health	Healthy workforce & communities – Health & safety	74–76
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Healthy workforce & communities – Health & safety	74–76
	403-8 Workers covered by an occupational health and safety management system	Healthy workforce & communities – Health & safety	74–76
	403-9 Work-related injuries	Healthy workforce & communities – Health & safety	74–76
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	While we do not report this metric, details of training for our associates are outlined throughout the report	67
	404-2 Programs for upgrading employee skills and transition assistance programs	Healthy workforce & communities – Human capital management, ID&E	66–72
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Healthy workforce & communities – ID&E	68–72
	405-2 Ratio of basic salary and remuneration of women to men	Healthy workforce & communities – ID&E	68–72

GRI Standard	Disclosure	Location	Page
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Climate change and environment – Environmental justice	31–36
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Responsible supply chain – Supply chain resiliency and responsible sourcing	52–54
		Transparency – Human rights	90–92
	414-2 Negative social impacts in the supply chain and actions taken	Responsible supply chain – Supply chain resiliency and responsible sourcing	52–54
		Transparency – Human rights	90–92
GRI 415: Public Policy 2016	415-1 Political contributions	Transparency – Participation in the policymaking process	96–97
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Product impact – Product safety	43–47
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product impact – Product safety	43–47
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Product impact – Materials of concern and product stewardship	39
		Transparency – Ethics in sales and marketing	95

SASB index

SASB Disclosure	Disclosure requirement	Response or disclosure location
HC-MS-250a.1	Number of recalls issued, total units recalled	See Key quality indicators
HC-MS-250a.2	List of products listed in the FDA’s MedWatch Safety Alerts for Human Medical Products database	See Key quality indicators
HC-MS-250a.3	Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience	See Key quality indicators
HC-MS-250a.4	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMPs), by type	See Key quality indicators
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 for 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 2023 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; Materials of concern and product stewardship
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 – Advancing circularity in our operations Healthy workforce & communities – Health equity
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% of manufacturing sites and 84% 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 level (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 that 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 – Supplier resiliency

SASB Disclosure	Disclosure requirement	Response or disclosure location
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 for 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 2023 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 the October 2021 report “Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures.”

Governance

At the Board of Directors 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 Enterprise Risk and ESG Committee (ERC) provides oversight of our enterprise risk management (ERM) program, our 2030+ goals, and other ESG priority matters, including climate change. The ERC is also responsible for overseeing reporting to the Board and its committees, as well as external and internal reporting on climate change.

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

The chief EHS & sustainability officer (CSO) leads the company’s strategy around climate change. The CSO reports to the company’s EVP & chief integrated supply chain officer (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 our business or regulatory updates that could impact the company’s strategy, the CSO will brief the ERC as needed, and will brief the relevant Board committee and the full Board of Directors, if applicable.

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

The central Sustainability team is resourced to address a number of broad areas of focus regarding climate change, including:

- Stakeholder engagement and reporting.
- Human Rights.
- 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 central Sustainability team also works with the ERM team to provide input on risks and opportunities related to climate change through the ERC.

The central Sustainability team also oversees the Sustainability Operations Council. Sponsored by the CSO 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 as well as central Procurement. The council tracks performance against Scopes 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 (purchased goods and services) and category 2 (capital goods) emissions, and partnering with our suppliers to lower those emissions. The central Sustainability 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 oversees the Responsible Sourcing Operating Committee, which has been established to guide and facilitate the Human Rights and ESG supplier due diligence and reduction efforts of our Scope 3, category 1 emissions. The committee is chaired by the director, supply chain resilience and customer excellence. Overall progress and action items are reported to the SVP, global supply chain and the chief procurement officer (CPO) and to the CSO 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, categories 4 and 9 emissions (upstream and downstream transportation and distribution) and reducing those emissions. This team is also responsible for reducing Scopes 1 and 2 emissions from our distribution centers. Further details on category 4 and category 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 (use and end-of-life disposal of products). The central R&D team coordinates 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 Sustainability 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, categories 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 time 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	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 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 timely or cost-effective manner, or at all, which could have an adverse impact on our operating results.
Our response	Our 2030+ goals include targets to reduce GHG emissions across our value chain, in addition to a commitment to create 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. 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. For example, hurricane Fiona in September 2022 resulted in under \$5M of financial impact to the company. However, thanks to the emergency preparedness and crisis management governance we put in place following hurricane Maria, we had minimal interruption of production and deliveries, which resulted in no loss of sales. Case study: We have developed and are implementing risk mitigation plans to protect factories against extreme weather-related risks (namely flood and windstorm). In FY 2023 we have reduced the amount of potential loss in this area by 60%. During FY 2024 we plan to reduce risks again by 45%. In addition, future extreme weather conduction is included in our Network optimization strategies. At four of our facilities in Puerto Rico, we plan to install Combined Heat and Power (CHP) units by 2030, which 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 have updated 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 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 our business. These scenarios incorporated credible and publicly available climate projections for emissions reductions and climate impacts. These scenarios were reviewed by BD management in early 2020 and insights from the scenario analysis were incorporated into the development of our BD 2030+ goals.

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	Our operations are global, and 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 manufacturing 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 where we operate; these can impact 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 44 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.
Our response	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 potential sustainability benefits and associated cost savings and contribute to the competitiveness of BD in both the short and 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. 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, Mexico, Japan, the Netherlands and the U.K. In FY 2023, we invested over \$2.5 million in solar and wind energy through power purchase agreements and RECs from existing contracts. Case study: In FY 2023, we implemented 121 projects that include updating building controls, HVAC replacements, lighting retrofits, machine replacements, process optimization and other efficiency upgrades in the production process and building operations. The projects were expected to generate \$3,200,000 annual savings in energy cost and 5090 metric tonnes of CO2e reduction starting in FY 2023 and into FY 2024. We have increased the number of sites using renewable electricity to 41. Of these sites, 22 are using 100% renewable electricity, nine sites are using partial renewable electricity, and ten sites are utilizing on-site renewables.

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	We sell products to researchers at pharmaceutical and biotechnology companies, academic institutions, government laboratories and private foundations. Research and development spending by 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 from 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 that 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. Although they are 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 some 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.
Our response	We manage this risk through our 2030+ goals, partnerships and scenario analyses. Our 2030+ 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. We have set a 2030+ product impact goal 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. Scenario analysis can be a valuable tool to envision alternative scenarios and challenge conventional wisdom about the future. 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 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 our business. These scenarios incorporated credible and publicly available climate projections for emissions reductions and climate impacts. These scenarios were reviewed by BD management in early 2020, and insights from the scenario analysis were incorporated into the development of our 2030+ goals.

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	BD has approximately 1,100 critical-to-healthcare suppliers that provide many different types of raw materials and components, including plastics, glass, metals, textiles, paper products, electronic and mechanical subassemblies, and various biological, chemical and petrochemical products. 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.
Our response	Our 2030+ goals include targets to reduce GHG emissions across our value chain, in addition to a commitment to create 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. Case study: In February 2021, Texas experienced a historical winter event that resulted in the state experiencing a deep freeze. With rolling power outages leading to force majeure, refining capacity and resin supply was significantly impacted. This resulted in increased cost of resin, along with additional costs resulting from mitigation, such as capacity and inventory management, alternate source qualifications, and managing internal production impacts. This 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. These types of incidents are managed through procurement and engineering expertise. Our strategic sourcing and supplier resiliency teams, in collaboration with all business units, continuously assess the risks in our supply chain, including those from sole and single-sourced suppliers, and put mitigation and continuity plans in place for prioritized high-risk materials and suppliers. These remediation and 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 additional controls around supplier business continuity plans. 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. We also incorporate reputational risks into our Enterprise Supplier Risk Management process for direct suppliers. Every year, we refine the risk factors, incorporating emerging sustainability-related risks into our supply chain resiliency framework and business processes. As risks are identified, we prioritize them and implement mitigation plans as necessary. We will continue to refine our risk model and adjust accordingly. We have set a 2030+ product impact goal 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.

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	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 products.
Our response	Our 2030+ goals include targets to reduce GHG emissions across our value chain, in addition to a commitment to create 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. Case study: In February 2021, Texas experienced a historical winter event that resulted in the state experiencing a deep freeze. With rolling power outages leading to force majeures, refining capacity and resin supply was significantly impacted. This resulted in increased cost of resin, along with additional costs resulting from mitigation, such as capacity and inventory management, alternate source qualifications and managing internal production impacts. This 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. Extreme weather events also continue to cause logistical disruptions. The Panama Canal has been experiencing drought since 2023, impacting the number of vessels that can pass through the canal. This caused disruption to global trade, adding lead time and increasing costs, for example carriers introducing low water surcharges. These types of incidents are managed through procurement expertise. Our strategic sourcing and supplier resiliency teams, in collaboration with all business units, continuously assess the risks in our supply chain, including those from sole and single-sourced suppliers, and put mitigation and continuity plans in place for prioritized high-risk materials and suppliers. These remediation and 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 incorporate reputational risks into our Enterprise Supplier Risk Management process for direct suppliers. Every year we continue to refine the risk factors, incorporating emerging sustainability-related risks into our supply chain resiliency framework and business processes. As risks are identified, we prioritize them and implement mitigation plans as necessary. We will continue to refine our risk model and adjust accordingly. In addition, our 2030+ goals to create 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 and critical suppliers to evaluate risk in Tier 2 by 2030.

Opportunities

Where the opportunity occurs in the value chain	Upstream
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 return on investment) 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	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 the competitiveness of BD in both the short and 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. 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, Mexico, Japan, the Netherlands and the U.K. In FY 2023, we invested over \$2.5 million in solar and wind energy through power purchase agreements and RECs from existing contracts. Case study: In FY 2023, we implemented 121 projects that include updating building controls, HVAC replacements, lighting retrofits, machine replacements, process optimization and other efficiency upgrades in the production process and building operations. The projects were expected to generate \$3,200,000 annual savings in energy cost and 5,090 metric tonnes of CO2e reduction starting in FY 2023 and into FY 2024. We have increased the number of sites using renewable electricity to 41. Of these sites, 22 are using 100 percent renewable electricity, nine sites are using partial renewable electricity, and ten sites are utilizing on-site renewables.

Where the opportunity occurs in the value chain	Upstream
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	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 a 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.
Strategy to realize opportunity	As part of our 2030+ goals, 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 and 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 the competitiveness of BD in both the short and long term. These methods have contributed to more than \$13.8 million in cost savings in both energy and water since FY 2019. Case study: BD implemented 15 water-related projects in FY 2023 that are projected to reduce annual water costs by \$269,000 per year. These projects focused on water conservation and reuse of water. 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.

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	We face changing customer preferences and requirements, including increased demand for more environmentally preferable products as customers become more concerned about climate change and its impacts. While climate change criteria are not currently used as a purchasing condition 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 and New Zealand, and a significant portion from U.S.-based customers as well. 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, beginning in 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. We have also had increased interest from, and engagement with, our pharmaceutical customers regarding our carbon reduction plans and how we can assist in lowering carbon emissions across the pharmaceutical value chain. 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.
Strategy to realize opportunity	As part of our 2030+ goals to climate change and product impact, we have set a number of goals to realize this opportunity. First, we are committed to setting targets to reduce Scope 3 emissions that result from the use and end-of-life disposal of our products. Second, we have set a number of goals to realize our commitment to reduce the environmental impact of our portfolio and address the sustainability needs of our customers. These priorities led us to form the Sustainable Medical Technology Institute. 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. We have also begun investigating circular economy solutions, including • A recycling pilot with Casella Waste Systems Inc, to manage discarded syringes and needles that led to 40,000 pounds of medical waste being recycled and diverted from disposal. • Partnering with Odense University Hospital, the Health Innovation Centre of Southern Denmark, the Danish Technological Institute, the Global Material & Asset Fund and EcoFITT ApS to conduct a feasibility study, focusing on used blood collection tubes from laboratories. The study shows that these used tubes, which are made from high-quality polyethylene terephthalate (PET) plastic, can be cleaned, shredded and molded into other types of new articles.

Where the opportunity occurs in the value chain	Downstream
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 diagnostic and surveillance solutions; and disproportionate climate-related health impacts in developing countries, which may increase demand for our low-cost innovations.
Strategy to realize opportunity	As part of our 2030+ goals related to mitigating 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. 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 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 our business. These scenarios incorporated credible and publicly available climate projections for emissions reductions and climate impacts. These scenarios were reviewed by BD management in early 2020, and insights from the scenario analysis were incorporated into the development of our BD 2030+ goals.

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.
- The increasing expectations of our customers, and reputational considerations in both the short- and long-term.

These risks have translated into our 2030+ goals across the areas of climate change, product impact and a responsible supply chain, and our near-term and Net-Zero targets.

Opportunities such as customer preferences for environmentally preferable products have resulted in our 2030+ goal to reduce the environmental impact of our portfolio and address the sustainability needs of our customers.

While our 2030+ 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+ goals to increase operational efficiency, but certain segments place 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 may have a greater impact, and more consideration is given to the energy efficiency of products. Due to the range of our portfolio and product lifecycles, individual glidepaths to Net-Zero are being co-created with each business team and various central teams. Through FY 2024 we are partnering with a top-tier strategic consulting firm to carry out this work. These glidepaths will identify bold and transformative moves to get us to Net-Zero, providing projections of how each BU’s emissions may change over time given a specific set of assumptions on actions that the BU can take.

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
Products and services	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 that 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 expected from climate change 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 <i>advancing the world of health™</i> 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. We have also begun investigating circular economy solutions, including • A recycling pilot with Casella Waste Systems Inc, to manage discarded syringes and needles that led to 40,000 pounds of medical waste being recycled and diverted from disposal. • Partnering with Odense University Hospital, the Health Innovation Centre of Southern Denmark, the Danish Technological Institute, the Global Material & Asset Fund and EcoFITT ApS to conduct a feasibility study, focusing on used blood collection tubes from laboratories. The study shows that these used tubes, which are made from high-quality polyethylene terephthalate (PET) plastic, can be cleaned, shredded and molded into other types of new articles.
Supply chain	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 and transportation 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. Our strategic sourcing teams continuously assess our sole-sourced raw materials and maintain business continuity plans with our suppliers. Our 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 incorporate reputational risks into our Enterprise Supplier Risk Management process for direct suppliers. Every year, we continue to evolve our supplier risk program to account for emerging and evolving risks to supply chains and leverage a prioritization process to deploy mitigation plans. 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, global and complex. Time horizons covered include short and medium term. Case study of substantial strategic decisions: As part of our 2030+ goal 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.

Part of the value chain	Description of influence
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 expected to result from climate change 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 to 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. As part of our 2030+ goal 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 <i>advancing the world of health™</i> 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 focuses 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. We have also begun investigating circular economy solutions, including • A recycling pilot with Casella Waste Systems Inc, to manage discarded syringes and needles that led to 40,000 pounds of medical waste being recycled and diverted from disposal. • Partnering with Odense University Hospital, the Health Innovation Centre of Southern Denmark, the Danish Technological Institute, the Global Material & Asset Fund and EcoFITT ApS to conduct a feasibility study, focusing on used blood collection tubes from laboratories. The study shows that these used tubes, which are made from high-quality polyethylene terephthalate (PET) plastic, can be cleaned, shredded and molded into other types of new articles.
Operations	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 by 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 the competitiveness of BD in both the short- and long-term. Previous projects have included HVAC replacements, chiller upgrades, compressed-air upgrades and LED installations, in addition to larger projects such as Building Management Systems (BMS), the installation of cogeneration facilities, and various major solar installation projects.

Part of the value chain	Description of influence
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 during 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 off-site green energy. 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 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 our 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 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 our BD 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+ goals.

Further information about which of our sustainability issues increased in importance and/or were dynamic can be found in the [Sustainability issues](#) section.

Risk management

At a company level, climate-related risks are identified by the central Sustainability 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 Sustainability 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 with 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 Sustainability 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 of 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 Sustainability 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 over mitigating the risk.

Climate-related risks (including GHG emissions and water scarcity) were also identified by the central Sustainability team as risks to the company as a part of the [ESG issue management](#).

Our 2030+ 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 expectations for transparency, and therefore helps to manage any reputational risk.

BD has also developed a best-in-class Supply Base Resiliency program that evaluates supplier risk against 15 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.

The following table details 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 goals, which were 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 for 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.

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](#).

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://www.bd.com/en-us/about-bd/esg/inclusion-diversity-equity	Links to ID&E
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
Quality transparency center	https://www.bd.com/en-us/about-bd/quality-at-bd	Provides easier access to recall and field action information
BD corporate policies & brands		
BD Brand List	https://www.bd.com/content/dam/bd-assets/bd-com/en-us/document/about/bd_product-brand-list_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	
BD Expectations for Suppliers	https://www.bd.com/en-us/about-bd/policies/expectations-for-suppliers-page	
Clinical Trial Publication Policy	https://www.bd.com/en-us/about-bd/policies/clinical-trial-publication-policy.html	
Data Protection Notice – Customers in Europe	https://www.bd.com/en-us/about-bd/policies/data-protection-notice-for-bd-customers-europe	
Materials of Concern list	https://www.bd.com/content/dam/bd-assets/bd-com/en-us/document/policy/corporate-policies-and-guidelines/guidelines/bd-moc-list_en.pdf	
Conflict Minerals Policy	https://www.bd.com/content/dam/bd-assets/bd-com/en-us/document/policy/corporate-policies-and-guidelines/guidelines/bd_corporate_conflict-minerals-supplier-guidance.pdf#:~:text=BD%20is%20subject%20to%20the%20U.S.%20Conflict%20Minerals,respect%20human%20rights%20and%20not%20contribute%20to%20conflict.	
Global Antibribery and Anticorruption Policy	https://www.bd.com/content/dam/bd-assets/bd-com/en-us/document/policy/corporate-policies-and-guidelines/corporate/BD-ABAC_Policy.pdf	
Global EHS Policy	https://www.bd.com/content/dam/bd-assets/bd-com/en-us/document/policy/corporate-policies-and-guidelines/corporate/BD-Global-Environment-Health-Safety-Policy.pdf	
Global External Funding Policy	https://www.bd.com/en-us/about-bd/global-funding#overview	
Global Humane Handling Care and Use of Animals Policy	https://www.bd.com/content/dam/bd-assets/bd-com/en-us/document/policy/corporate-policies-and-guidelines/corporate/BD-Global-Humane-Handling-Care-and-Use-of-Animals-Policy.pdf	
Global Human Rights Policy	https://www.bd.com/content/dam/bd-assets/bd-com/en-us/document/policy/corporate-policies-and-guidelines/corporate/BD-Global-Human-Rights-Policy.pdf	
Privacy statement	https://www.bd.com/en-us/about-bd/policies/privacy-policy-statement	
Human rights and conflict minerals regulatory statements & disclosures		
Australia Modern Slavery and Human Trafficking statement	https://www.bd.com/content/dam/bd-assets/bd-com/en-us/document/policy/corporate-policies-and-guidelines/suppliers/FY2023_Australia-Modern_Slavery_and_Human_Trafficking_Statement.pdf	
California Transparency in Supply Chains Act	https://www.bd.com/content/dam/bd-assets/bd-com/en-us/document/policy/corporate-policies-and-guidelines/guidelines/bd-ca-transparency-in-supply-chains_en.pdf	
Form SD, Specialized Disclosure Report – Conflict Minerals.	https://investors.bd.com/sec-filings/all-sec-filings/content/0001193125-24-135729/d786326dsd.htm	
Norwegian Transparency Act Disclosure	https://www.bd.com/content/dam/bd-assets/bd-com/en-us/document/policy/corporate-policies-and-guidelines/suppliers/BD_Norway-AS_Human_rights_disclosure_FY2023_Final.pdf	
U.K. Modern Slavery and Human Trafficking statement	https://www.bd.com/content/dam/bd-assets/bd-com/en-us/document/policy/corporate-policies-and-guidelines/suppliers/FY2023_UK%20_Modern_Slavery_and_Human_Trafficking_Statement.pdf	
Canada Fighting Against Forced Labour and Child Labour in Supply Chain Act Disclosure	https://www.bd.com/content/dam/bd-assets/bd-com/en-us/document/policy/corporate-policies-and-guidelines/suppliers/FY2023-BD-Canada-Fighting-Against-Forced-Labour-and-Child-Labour-in-Supply-Chain-Act.pdf	
Germany Supply Chain Act (LkSG Declaration of Principles)	https://www.bd.com/content/dam/bd-assets/bd-com/en-us/document/policy/corporate-policies-and-guidelines/suppliers/BD-LkSG-Grundsatzerkla%C3%A4rung_DE.pdf	

Acronyms, initialisms 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
AdvaMed	Advanced Medical Technology Association
AI	Artificial Intelligence
AMR	Antimicrobial resistance
ARG	Associate Resource Group
BD	Becton, Dickinson and Company
BD SMTI	BD Sustainable Medical Technology Institute
BDU	BD University
BSR	Business for Social Responsibility
CA	Clinical Affairs
CDC	Centers for Disease Control
CDP	Carbon Disclosure Project
CEJST	Climate and Economic Justice Screening Tool
CEO	Chief Executive Officer
CEQ	Council on Environmental Quality
CFP	Chemical Footprint Project
CISA	Cybersecurity and Infrastructure Security Agency
COPS	Cost of products sold
CPA	Center for Political Activity
CRC	Clinical Research Collaboration
CRC	Cybersecurity Risk Committee
CSO	Chief Sustainability Officer
EC/IRB	Ethics Committee/Institutional Review Board
eDHR	Electronic device history records
EEIO	Environmentally Extended Input-Output
EEO-1	U.S. Federal Employment Information Report
EFS	Expectations for Suppliers

EHS	Environment, health and safety
EMS	Environmental management system
EPP	Environmentally preferable purchasing
ERC	Enterprise Risk and ESG Committee
ERM	Enterprise Risk Management
ERM	Environmental Resources Management
ESG	Environmental, social and governance
EVP	Executive Vice President
EVP ISC	Executive Vice President, Integrated Supply Chain
FDA	Food and Drug Administration
FIND	Foundation for Innovative New Diagnostics
FY	Fiscal Year
GCA	Global clinical affairs
GHG	Greenhouse gas
GHGP	Greenhouse Gas Protocol
GLEC	Global Logistics Emissions Council
GMS&G	Global Medical Safety and Governance
GRI	Global Reporting Initiative™
HAP	Hazardous air pollutant
HIPAA	Health Insurance Portability and Accountability Act
HIRC	Healthcare Industry Resilience Collaboration
HPRC	Healthcare Plastics Recycling Council
HPV	Human papillomavirus
HQ	Headquarters
HVAC	Heating, ventilation, and air conditioning
ID&E	Inclusion, Diversity and Equity
IIR	Injury and illness rate
IMP	Inventory management plan

ISC	Integrated supply chain
ISO	International Organization for Standardization
IT	Information Technology
LEAP	Leadership Excellence Accelerator Programs
LTIFR	Lost time injury frequency rate
M&A	Merger and Acquisition
MAUDE	Manufacturer and User Facility Device Experience
MIS	Management information system
MOC	Materials of Concern
NGO	Nongovernmental organizations
NIST	National Institute of Standards and Technology
NOX	Nitrogen oxides
ODS	Ozone-depleting substances
OHS	Occupational health and safety
OIFR	Occupational illness frequency rate
OT	Operational Technology
PAC	Political action committee
POC	Point of care
PPA	Power purchase agreement
PPE	Personal protective equipment
QMS	Quality management system
R22	A chemical refrigerant
R&D	Research and development
REC	Renewable Energy Credits
RFP	Request for proposal
RMW	Regulated Medical Waste
ROI	Return on investment
S&EHS	Sustainability and environment, health and safety

SAB	Scientific Advisory Board
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets initiative
SCR	Supplier Change Request
SEC	Securities and Exchange Commission
SKU	Stock-keeping unit
SMI	Strategic Marketplace Initiative
SOC2+	System and Organization Controls

SOPs	Standard operating procedures
SOX	Sulfur oxides
SVP	Senior vice president
TB	Tuberculosis
TCFD	Task Force on Climate-related Financial Disclosures
UL	Underwriters' Laboratories
UL CAP	UL Cybersecurity Assurance Program
UN SDGs	United Nations Sustainable Development Goals

VOCs	Volatile organic compounds
VP	Vice president
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.

<i>Advancing the world of health™</i>	Our Purpose.
BD 2025	Our current phase of value creation, anchored in three key pillars—Grow, Simplify and Empower.
BD Excellence	Our mindset and operating system that empowers our teams to continuously improve and strive for excellence everywhere, while upholding the highest levels of quality and staying true to our cultural values in The BD WAY.
THE BD WAY	A set of behaviors that embodies who we are, what we stand for and why we exist.
Together we advance	Our corporate sustainability strategy, a four-pillar framework through which we address the most relevant environmental, social and governance issues for our business and stakeholders.
2030+ goals	A set of 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.

Independent Limited Assurance Report to Becton Dickinson and Company

ERM Certification & Verification Services Incorporated (“ERM CVS”) was engaged by Becton Dickinson and Company (“BD”) to provide limited assurance in relation to the selected information set out below and presented in the Becton Dickinson’s 2023 Corporate Sustainability Report (the “Report”).

Engagement summary

Scope of our assurance engagement

Whether the data for the following selected indicators are fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

FY2019

- Total Scope 1 GHG emissions [MT CO₂e]
- Total Scope 2 GHG emissions (location-based) [MT CO₂e]
- Total Scope 2 GHG emissions (market-based) MT CO₂e]

FY2021

- Scope 3 emissions (by individual category) [MT CO₂e]
 - Category 1: Purchased Goods and Services
 - Category 4: Upstream Transportation and Distribution
 - Category 12: End of Life Treatment of Sold Products

FY2023

- Total Scope 1 GHG emissions [MT CO₂e]
- Total Scope 2 GHG emissions (location-based) [MT CO₂e]
- Total Scope 2 GHG emissions (market-based) [MT CO₂e]
- Scope 3 GHG emissions (by individual category) [MT CO₂e]
 - Category 1: Purchased Goods and Services
 - Category 4: Upstream Transportation and Distribution
 - Category 12: End of Life Treatment of Sold Products
- Total energy consumption [GJ]
- Total non-hazardous waste [MT]
- Total hazardous waste [MT]
- Waste diverted to landfill [MT]
- Non-hazardous waste recycled [MT]
- Total regulated and controlled waste [MT]
- Total water consumption [m³]
- Total VOCs + HAPs [MT]
- Total ODS [MT]
- Total Recordable Incident Rate (TRIR) [Number of Incidents per 200,00 working hours]
- Lost Time Incident Rate (LTIR) [Number of Lost Time Incidents per 200,000 working hours]
- Fatalities [#]

Progress against goals

- % reduction of Scope 1 and 2 (market-based) emissions between FY19 baseline and FY23 [%]

Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report except where specifically noted.

Engagement summary

Reporting period	FY2019: 1 October 2018 – 30 September 2019 FY2021: 1 October 2020 – 30 September 2021 FY2023: 1 October 2022 – 30 September 2023
Reporting criteria	• Becton Dickinson’s Basis of Reporting (located on BD’s website) • The GHG Protocol Corporate Accounting and Reporting Standard (WBCSD/WRI) Revised Edition 2015) for Scope 1 and Scope 2 GHG emissions • The Corporate Value Chain (Scope 3) Accounting and Reporting Standard (WBCSD/WRI 2011) for Scope 3 GHG emissions
Assurance standard and level of assurance	We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) ‘Assurance Engagements other than Audits or Reviews of Historical Financial Information’ issued by the International Auditing and Assurance Standards Board. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
Respective responsibilities	Becton Dickinson is responsible for preparing the Report and for the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the Report. ERM CVS’ responsibility is to provide a conclusion to Becton Dickinson the agreed scope based on our engagement terms with Becton Dickinson the assurance activities performed and exercising our professional judgement.

Disclaimer of conclusion

As described in the Basis of disclaimer of conclusion, we have not been able to obtain sufficient appropriate evidence to form a conclusion on whether the FY2021 and FY2023 data for Scope 3 Category 4: Upstream Transportation and Distribution Emissions are fairly represented in the Report, in all material respects, in accordance with the reporting criteria. Accordingly, we do not express a conclusion on the FY2021 and FY2023 data for Scope 3 Category 4.

Based on the assurance activities completed and evidence obtained, with the exception of the matter described above, nothing has come to our attention to indicate that the FY2019, FY2021, and FY2023 data and information for the remaining disclosures listed under ‘Scope’ above are not fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

Basis of disclaimer of conclusion

While Becton Dickinson has actual information for a portion of Scope 3 Category 4: Upstream Transportation and Distribution Emissions calculations, due to the lack of availability of actual data on inbound transportation emissions, Becton Dickinson has applied operational assumptions to develop an estimation methodology in accordance with the reporting criteria as explained in section 7.5.3 of the Report. The limited information available to substantiate said assumptions and the level of uncertainty of the impacts of the assumptions made on the accuracy of Scope 3 Category 4 inhibits us from concluding on their accuracy and relevance.

Our assurance activities

Considering the level of assurance and our assessment of the risk of material misstatement of the Selected Information a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Evaluating the appropriateness of the reporting criteria for the Report;
- Interviewing relevant staff to understand and evaluate the management systems and processes (including internal review and control processes) used for collecting and reporting the selected disclosures;
- Reviewing of a sample of qualitative and quantitative evidence supporting the reported information at a corporate level;
- Performing an analytical review of the year-end data submitted by all locations included in the consolidated FY2019, FY2021 and FY2023 group data for the selected disclosures which included testing the completeness and mathematical accuracy of calculations, and consolidation in line with the stated reporting boundary;
- In-person visits to six BD manufacturing sites in Columbus West and Sumter (USA), Nogales and Cuautitlán (Mexico), Kulim (Malaysia) and Plymouth (UK) to review source data and local reporting systems and controls;
- Evaluating the conversion and emission factors and assumptions used, and reasonableness of assumptions and extrapolations; and
- Reviewing the presentation of information relevant to the scope of our work in the Report to ensure consistency with our findings.

Other Matters - observations

We have provided BD with a separate management report with our detailed (non-material) findings and recommendations. Without affecting the conclusion presented above, we have the following key observation(s):

- Becton Dickinson recently completed an analysis of its Health & Safety reporting process, systems and controls at operational and corporate-level, resulting in the identification of areas for improvement. We recommend BD continues to work towards strengthening the identified areas.

The limitations of our engagement

The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

Our independence, integrity and quality control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of the IESBA Code relating to assurance engagements.

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy related services to Becton Dickinson in any respect.

November 11th, 2024
Malvern, PA

ERM Certification & Verification Services Incorporated
www.ermcvs.com | post@ermcvs.com

To find out more about sustainability at BD or to provide feedback on our reporting, please contact [BD Sustainability Office@bd.com](mailto: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. These statements are based on plans, estimates and projections as of the time they are made, and therefore undue reliance should not be placed on them. We undertake no obligation to update the statements or information contained in this report.

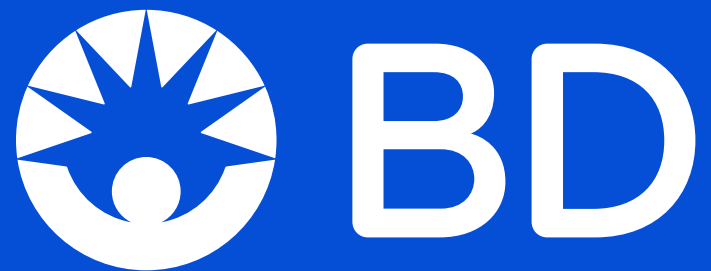
Cautionary statement regarding forward-looking statements

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. Statements regarding BD's goals, commitments and objectives may include statistics or metrics that are based on estimates and assumptions under developing standards that may change in the future. Such goals and commitments are not intended to be promises or guarantees, and actual results may differ, possibly materially. It is not possible to predict or identify all of these risks and uncertainties, many of which are beyond BD's control, including, without limitation, challenges relating to economic, competitive, governmental and technological factors affecting BD's operations, markets and products, and other factors listed in BD's 2023 Annual Report on Form 10-K and other filings with the Securities and Exchange Commission (SEC). BD expressly disclaims any undertaking to update or revise any forward-looking statements set forth herein to reflect events or circumstances after the date hereof, except as required by applicable law or regulation.

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 2023 Annual Report on Form 10-K and other filings with the SEC.

Any links to BD's website shall not be deemed to be incorporated into this report. Additionally, this report contains links to external websites or references to third parties. Such links or websites are not endorsements of any products or services on such sites, and no information in such site has been endorsed or approved by BD or incorporated into this report.

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