



# FY 2020 Sustainability Report



# To our stakeholders

In the extraordinary year of 2020, we saw a myriad of ways in which the health of our communities, environment and businesses are inextricably linked. Climate change stoked record-breaking wildfires and hurricanes, while social justice issues brought people out of their homes where they had been living, working and quarantining to make their voices heard.

At BD, we recognize that we have a responsibility to address these issues head-on, using our scale and influence to drive continuous improvement across our society's biggest challenges. Our Purpose—*advancing the world of health™*—points to where that influence is most obvious: in responding to the COVID-19 pandemic with solutions for diagnosis, treatment and prevention. However, we're more than a med tech innovator; we're also an employer of more than 70,000 people around the world, a member of their communities and a community of our own. Our manufacturing facilities produce billions of life-enhancing devices each year, employing thousands in high-quality jobs, and we seek to do it while minimizing our environmental impact, supporting the members of our global team, and standing up for what is right.

In 2015, we launched a broader, more integrated approach to sustainability, with goals in four key issue areas that reflected our ambitions for 2020. It is an approach that has enabled our associates to rally around our purpose to develop innovative diagnostic solutions for COVID-19 in record time, increase the availability of products used in sample collection and the treatment of critically ill patients, and work with governments around the world to enable delivery of COVID-19 vaccinations. And it's an approach that has enabled us to celebrate our differences while challenging each other to continue advancing our own culture of inclusion while also addressing systemic inequities. I'm proud of how far we've come, and I know we can make further progress in the years ahead. The BD of 2020 is a very different company than the BD of 2015, having doubled in size through the successful integrations of CareFusion and Bard. That's why we're rolling out a new set of ambitions and commitments that will drive improvements across our global organization through 2030.

First, we want to highlight what we've accomplished in our 2020 focus areas, because this is the foundation that we will build upon over the next decade. These focus areas support priority health needs that are aligned with the UN Sustainable Development Goals (SDGs) and shared value creation—meaning how we address unmet societal needs through business models and initiatives that also contribute to the commercial success of BD.

This has been the framework for how we manage, and make an impact on, the most relevant social and environmental issues for our company:

## Innovation

We are building a strong portfolio of innovations that address unmet clinical needs, developing solutions for both acute and nonacute settings. We are also bringing to market products that meet patients where they are—whether it's in the physician's office, an outpatient surgery center, the hospital, a local retail pharmacy or in the patient's own home. In 2020, we leveraged our world-class manufacturing, research and development, global scale, and deep capabilities in software and informatics to respond with agility and urgency to the COVID-19 pandemic. We launched a SARS-CoV-2 test on our BD® Veritor Plus System, a rapid point-of-care antigen test system with a simple, digital display that returns results in 15 minutes. Moreover, we also produced the BD® SARS-CoV-2 Assay for the BD MAX™ Molecular Diagnostic System, a real-time PCR test intended for the qualitative detection of nucleic acid from SARS-CoV-2 in nasal, nasopharyngeal and oropharyngeal swab samples.

Other healthcare challenges did not disappear with the onset of the pandemic, however; the many innovations we developed and launched in 2020 serve the entire healthcare continuum, from discovery to diagnosis, to the process of care, to the treatment of disease.

## Access

Beyond the innovations we developed to expand COVID-19 diagnostic and vaccine delivery options globally, we continued to partner and collaborate with governments and nonprofit organizations around the world to address priority health needs. This encompasses our work with organizations like Project HOPE to reduce infusion-related infections among healthcare workers in China; with the U.S. Agency for International Development and India's National TB Elimination Program to improve access to, and increase capacity for, liquid culture and drug-susceptibility testing; and the many partnerships we've forged with leading health agencies and NGOs to raise awareness of the threat of antimicrobial resistance and help reduce the risk of infections globally.

BD was named to *Corporate Responsibility Magazine's* 100 Best Corporate Citizens list for the fifth consecutive year in 2020, and for the fourth time in the last six years, *Fortune* magazine included BD on its annual list of companies that "Change the World"—this time for fulfilling critical healthcare needs during the COVID-19 pandemic.

## Efficiency

As I mentioned, BD is a vastly different organization than it was in 2015, and the integration of two large organizations has increased our complexity. That's why one of the three pillars of our BD 2025 strategic vision is "Simplify"—we seek continuous improvement and efficiency across our global operations to reduce our environmental impact, reduce cost and waste, and enhance our customer and associate experiences.

In the years ahead, we are prioritizing climate change as a significant area of focus. That's why we have committed to reduce Scope 1 and 2 GHG emissions 46% by 2030 (from a 2019 baseline) and to be carbon neutral across our direct operations by 2040. This science-based target is aligned with a 1.5 °C global emissions reduction pathway and is just the first of several commitments we plan to align with our 2030 sustainability vision.

## Empowerment

The BD WAY is a compilation of the values, leadership commitments and mindsets that guide the behavior and actions of every BD associate; it has been our North Star throughout this extraordinary year. It helped empower our teams to take bold actions, make decisions swiftly and prioritize the things that matter the most.



Our associate resource groups (ARGs) are leaders in this regard. The newest of these, Parents and Caregivers Together (PACT), helped parents navigate the back-to-school process during a global pandemic, while our African Americans at BD (AABD) ARG organized a series of frank, open and timely discussions with Black leaders at BD about social justice. And the Women's Initiative Network (WIN) was honored by The Healthcare Businesswomen's Association with a prestigious 2020 ACE Award for their efforts to expand and embed a culture of mentoring to BD sites around the globe.

We work to empower our communities as well. For example, BD and the BD Foundation committed \$7.8 million in monetary grants and product donations over the next three years to support the continued expansion of the BD Helping Build Healthy Communities™ Initiative, which issues grants to community health centers that are implementing innovative, successful approaches to providing quality healthcare to underserved populations in the United States.

## Advancing toward a more sustainable future

We're proud of the advancements we have made toward a more sustainable future, even in a year in which our greatest focus was on responding to the greatest healthcare challenge in generations.

Our progress in *advancing the world of health™* is inseparable from the way we treat our associates, our customers, our communities and our environment. There will always be more work to do, and as we roll out our 2030 sustainability vision, we will strive to continue to be leaders in building an ethical and sustainable business that continues to grow while supporting our communities—and society—for generations to come.

Sincerely,

A handwritten signature in black ink that reads "Tom Polen". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Tom Polen

Chairman, CEO and President





## About this report

This report provides an update on our global environmental, social and governance (ESG) performance against our 2020 goals, during fiscal year 2020 (October 1, 2019 to September 30, 2020) for Becton, Dickinson and Company (BD) and our subsidiaries, unless otherwise stated.

We report annually on our sustainability performance, and published our last report, which highlighted progress made in fiscal year 2019, in July 2020.

In December 2017, BD acquired C. R. Bard, Inc. (Bard), a leading multinational developer, manufacturer and marketer of innovative, life-enhancing medical technologies in the fields of vascular, urological, oncological and surgical specialty products. Bard data is integrated into all data provided throughout this report, unless noted.

This report contains standard disclosures from the Global Reporting Initiative™ (GRI) Sustainability Reporting Guidelines. While this report is not intended to meet the requirements of the GRI Sustainability Reporting Guidelines, reference numbers

for standard disclosures have been included where full or partial information has been provided.

This report contains standard disclosures from the Sustainability Accounting Standards Board (SASB) Medical Equipment and Supplies Sustainability Accounting Standard. While this report is not intended to meet all the requirements of the SASB standard, reference numbers for disclosures have been included where full or partial information has been provided.

Data in this report has not been externally assured.

Reporting and performance data includes information on our owned and operated facilities. We have processes in place to ensure that reporting on key sustainability performance indicators is as accurate and robust as possible, and we continually work to improve them.

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

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

**GRI disclosures: 102-1, 102-10, 102-50, 102-51, 102-52, 102-53, 102-54, 102-56**

# 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 supports the heroes on the front lines of healthcare by developing innovative technologies, services and solutions that help advance both clinical therapy for patients and the clinical process for healthcare providers. BD and its 70,000 associates have a passion and commitment to help enhance the safety and efficiency of clinicians' care delivery processes.

BD enables 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. By working closely with customers, BD can help enhance outcomes, lower costs, increase efficiencies, improve safety and expand access to healthcare. For more information on BD, please visit [bd.com](https://www.bd.com).

**GRI disclosures: 102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7, 102-23, 102-24, 102-25, 201-1**





# About our businesses

**The BD Medical segment** focuses on providing innovative solutions to reduce the spread of infection, enhance diabetes treatment, advance drug delivery, improve surgical procedures and provide effective and safe medication management. Customers served include hospitals and clinics; physicians; governmental and public health agencies; healthcare workers; retail pharmacies; pharmaceutical and biotech companies; and consumers.

**The BD Life Sciences segment** delivers innovative solutions from discovery to diagnosis, continually advancing science and clinical outcomes across infectious disease and cancer. Offerings include preanalytical solutions for sample management; immunology research solutions, including flow

cytometry and multiomics tools; microbiology and molecular diagnostics; lab automation and informatics solutions; and differentiated reagents and assays. Customers served include research institutions, industrial and reference laboratories; blood banks; hospitals and clinics; alternate site healthcare; public health agencies; academic and government institutions; and pharmaceutical and biotech companies.

**The BD Interventional segment** focuses on developing innovative surgical, endovascular, urological and critical care interventions that not only meet clinical needs but also deliver value to health systems and improve patients' lives. Customers served include hospitals and clinics; physicians; ambulatory surgery centers; nurses; and consumers.

GRI disclosures: 102-2, 102-6



# Company structure

BD is structured to serve customers by providing unique solutions. The data below represents the company structure for FY 2020.

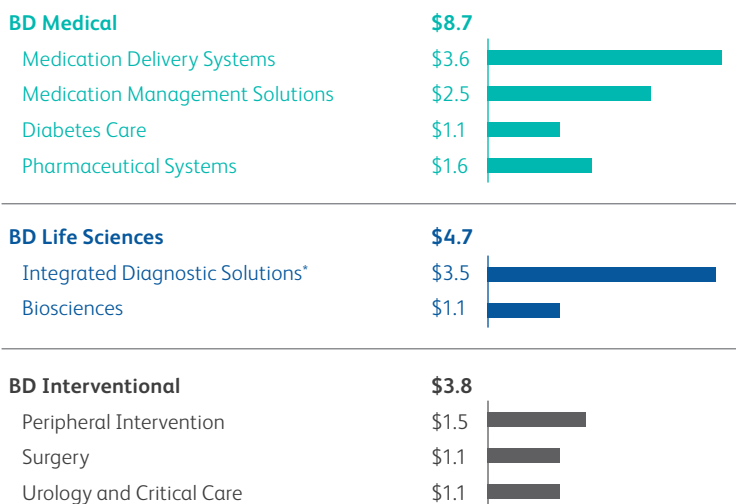
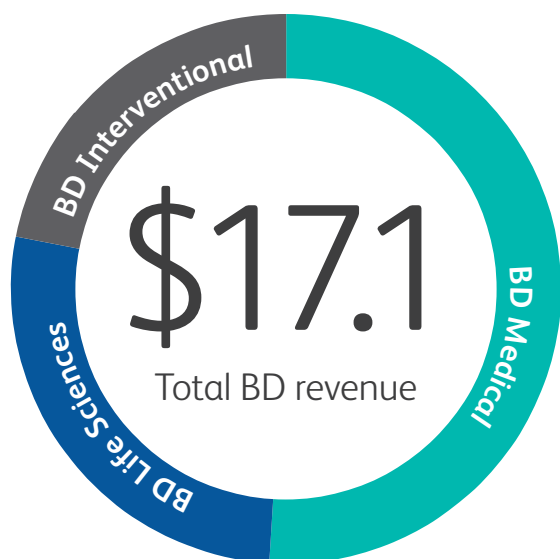
## Revenue by geography

(millions of dollars)



## Revenue by segment

(billions of dollars)



Values in this exhibit reflect rounded numbers in billions of dollars.

\*Effective October 1, 2019, the Preanalytical Systems and Diagnostic Systems units were joined to create the new Integrated Diagnostic Solutions unit.

GRI disclosures: 102-6, 102-7

# Value chain profile

BD has more than 800 critical to healthcare suppliers that provide key materials, including plastics, glass, metals, textiles, electronic and mechanical subassemblies, and various paper, agricultural, biological, chemical and petrochemical products.

BD manufactures and sells over 80,000 products worldwide. We market our products in the United States and internationally through independent distribution channels and directly to end users with company associates or independent sales representatives.

## Primary customers served

	BD Medical	BD Life Sciences	BD Interventional
Hospitals	✓	✓	✓
Ambulatory surgical centers	✓	✓	✓
Clinics	✓	✓	✓
Laboratories		✓	
Physicians' office practices	✓	✓	✓
Consumers and retail pharmacies	✓		
Government agencies*	✓	✓	✓
Academic and government institutions	✓	✓	✓
Public health agencies	✓	✓	✓
Nonprofit public health agencies	✓	✓	✓
Blood banks		✓	
Pharmaceutical companies	✓	✓	
Biotechnology companies	✓	✓	
Healthcare workers	✓	✓	✓

\*Including prison system, military (DOD), VA.

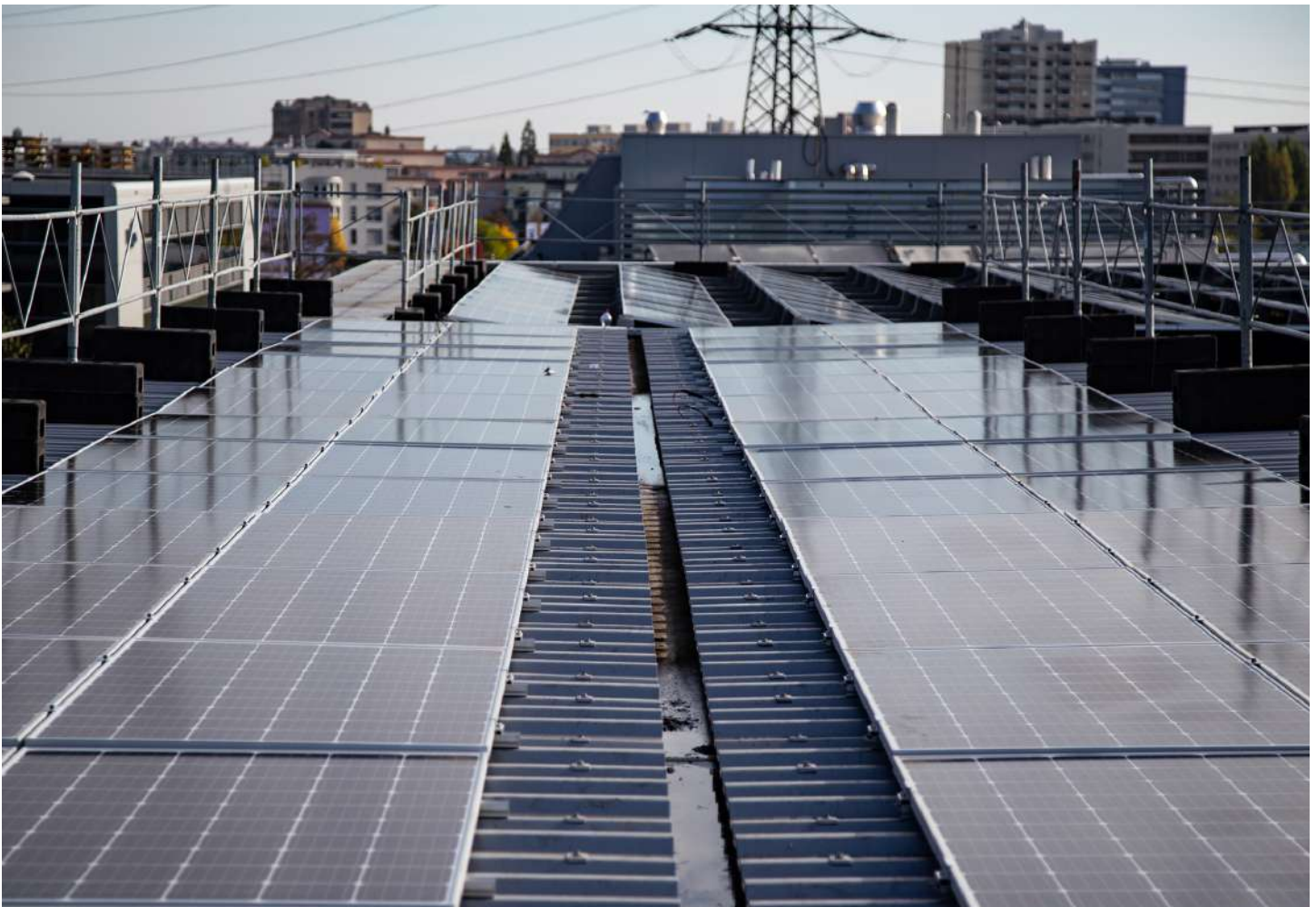


# Sustainability strategy

We center our sustainability strategy upon our Purpose—*advancing the world of health™*—and integrally tie it to our business strategy.

Our sustainability strategy addresses a wide range of challenges in our industry while helping to make a difference on relevant issues that affect society and the planet. We also actively evaluate how we can mobilize and contribute to the achievement of the UN Sustainable Development Goals (SDGs) through our product and service offerings as well as collaborative efforts across various sectors—most prominently around SDG 3, for good health and well-being.

In this section we outline our overall sustainability strategy and the mechanisms that help us support this work. We first detail the governance of our sustainability program and stakeholder engagement. This is followed by information about significant ESG issues that formed the basis of the 2020 sustainability strategy and goals; performance against the goals are covered in the following sections of this report. This section concludes with a high-level outline of the development of our 2030+ sustainability strategy and commitments. This will be the framework we will measure our performance against, and will report on in future issues of our sustainability report.



Solar panels installed at the BD European Headquarters in Eysins, Switzerland.

# To our stakeholders

As I reflect on the work we have done over the past five years toward our 2020 sustainability goals, I'm struck by the amount of transformation that has taken place at BD, within healthcare and throughout society in that short period of time. We successfully leveraged the change and transformation that transpired to advance work across each of the pillars of our strategy. The transformational acquisitions that BD made during this period, combined with advancements in technology and digitalization, enabled significant progress across our work on *Innovation* and *Access*. During that same time, we strengthened our capabilities and focus on addressing emerging social and environmental issues, enabling many accomplishments across our work on *Efficiency* and *Empowerment*. Most importantly, we have many lessons learned that will be applied to our work going forward.

Our 2020 goals created a platform to engage with our stakeholders on many different issues that affect society at large. Those perspectives, and the important dialog we have created, has informed the next phase of our work and will remain an important part of how we shape our strategies going forward. As we embark on the next phase of work to advance the many topics contained within our sustainability strategy, we remain steadfast in our alignment to the BD Purpose—*advancing the world of health™*.

Our 2030+ sustainability goals seek to address and further advance how we manage risks and opportunities around our most significant ESG issues. Our 2030+ sustainability strategy is rooted in an understanding of the important role we play in addressing social and environmental issues and setting an example for responsibility in a rapidly changing world. With our

2030+ goals as the platform, we will seek to address climate change through reducing emissions across our supply chain and integrating climate impacts into various parts of our business strategy and decisions, while at the same time addressing the impact of our products and resiliency of our supply chain. We will also seek to strengthen the health of our workforce and communities across the globe through the lens of well-being and equality for all. Lastly, we understand the importance of communicating to all our stakeholders on these important issues and will continue to evolve our ESG reporting.

We know that the work that lies ahead to pursue these goals is challenging, yet I continue to be inspired each day by our more than 70,000 associates globally who bring their innovative thinking and passion for our Purpose to their work. I know that through the power and will of our associates, along with our supply chain partners, customers and many other stakeholders, we will make a meaningful and lasting impact through our 2030+ sustainability goals and strengthen the resilience of our business in parallel.

Thank you for your engagement and partnership in this important work.



Ellen Kondracki  
VP, Sustainability and Environment,  
Health and Safety

## Sustainability governance

The Environment, Health, Safety and Sustainability (EHS&S) team manages our ESG reporting, as well as stakeholder engagement activities relevant to our sustainability strategy. This group is led by the VP EHS&S, who reports directly to the executive vice president of Integrated Supply Chain. This position reports to the CEO and is part of the company's Executive Leadership Team. The CEO is also Chairman of the Board.

Our sustainability strategy is governed by the Executive Leadership Team, which maintains a dialog with our stakeholders, businesses and associates about issues relevant to each group and monitors performance related to our sustainability strategy.

Our Board of Directors—as a board or through its committees—also oversees several sustainability-related issues, including:

- Community relations
- Political engagement
- Human capital management practices
- Environment, health and safety
- Ethics and enterprise compliance
- Innovation
- Cybersecurity
- Product quality and safety

In addition, the Corporate Governance and Nominating Committee oversees matters that involve the company's image, reputation and our standing as a responsible corporate citizen. This includes ESG issues and initiatives relating to sustainability, access to healthcare and other social topics. The VP EHS&S provides an update on activities related to our sustainability strategy and performance on an annual basis.

# Stakeholder engagement

Because of our global reach and the nature of our work, we serve and rely on a wide range of stakeholders. Engaging with them through a variety of channels across many parts of our organization is critical to how we apply the principle of shared value and therefore 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.

## Our stakeholders

- **Customers:** Our customers and patients are at the center of everything that we do. In a fast-changing environment, it is vital for BD to understand what our customers value most to develop solutions that will best meet their needs. We create a deep understanding of the healthcare market and its customers through a fact-based approach across regions and strategically engage with customers to develop and deploy our products and solutions.
- **Shareholders:** Our focus on shareholders is to ensure 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 quarterly calls and in-person meetings, on specific topics that range from our long-term growth and innovation strategy to how we integrate ESG factors into our business.
- **BD associates:** BD has grown to over 70,000 associates. The capabilities and dedication of these associates are critical to achieving our strategy. We engage and develop our associates through a variety of mechanisms, including internal social networks, town hall meetings, leadership and mentoring programs, and associate resource groups.
- **Business partners:** Our suppliers, distributors and other partners in the supply chain help us effectively serve our customers. We engage with them through a variety of strategic programs, including through relationship managers within our Integrated Supply Chain function.
- **Communities:** At the country level, our general managers engage with a variety of community stakeholders to understand the health system's priorities and align our capabilities to them. In communities where we have manufacturing operations, we engage with local government officials and civic organizations, and often develop relationships with teaching institutions to help develop the skill sets we require in our operations. In addition, our associates engage in community-organized volunteer efforts to support local programs.
- **Governments, policymakers and regulatory bodies:** We engage governments and policymakers through various ways, primarily through our public affairs teams. We engage at the agency and legislative levels in many countries to enhance our understanding of the governments' priorities. From these engagements, we seek ways to deploy our capabilities, products, and solutions to help support and achieve national health objectives. BD engages with our global regulatory bodies directly and through 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 UN agencies such as the World Health Organization (WHO), the United Nations Interagency Coordination Group (UN IACG) on Antimicrobial Resistance, UNICEF, the Joint United Nations Programme on HIV/AIDS (UNAIDS) and other international and intergovernmental organizations through collaborations that aim to address pressing global health needs. We routinely pursue these types of collaborations as an integral part of our business model in countries throughout the world. In many cases, NGOs and relief organizations are strategic partners in helping us meet unmet health needs. We engage with them through in-person meetings, collaborative initiatives and site visits to strengthen how we serve those in need.

GRI disclosure: 102-40



# 2020 sustainability strategy

## Significant ESG issues

We utilized a defined process to evaluate and prioritize the ESG factors most relevant to our business and stakeholders. By using this process, we defined four areas of focus that provided the framework for our 2020 sustainability goals:

- Innovation—How we contribute to more sustainable healthcare systems by improving outcomes, reducing system costs and protecting patients and healthcare workers
- Access—How we support health system leapfrogging in emerging and developing economies, and reach vulnerable populations globally
- Efficiency—How we work across our value chain to minimize environmental impact and create positive social impact
- Empowerment—How we advance our purpose-driven culture through workforce and community engagements

For the development of our 2020 strategy, our ESG issues were:



### Innovation

- Data security
- Informatics and innovation



### Access

- Collaborations and partnerships
- Patient-centric care
- Value-based outcomes
- Healthcare access and affordability



### Efficiency

- Planetary health
- Sustainable supply chain
- Product design and life cycle management
- Energy and GHG management
- Waste
- Water



### Empowerment

- Inclusion and diversity
- Associate health and safety
- Attraction and retention of talent
- Transparent and ethical business practices

## 2020 sustainability goals

We launched our 2020 sustainability goals in July 2015, reflecting a broader and more integrated agenda than previous years. In our FY 2016 Sustainability Report, we outlined alignment to our core activities and aligned the 2020 goal framework against the 17 SDGs and associated 169 targets.

Our analysis reviewed the type of impact BD has on the SDG target, the location of impacts within the value chain and our degree of control and relevant ESG factors. We will update this analysis against our new 2030 strategy and will publish the results in subsequent reports.



### Innovation

**Innovate** key healthcare processes such as medication management and lab automation

**Develop** innovations and informatics to enable disease management across the care continuum

**Enable** the transition from research into clinical practice

**Provide** solutions that improve healthcare worker and patient safety



### Access

**Develop** low-cost innovations to address leading causes of mortality and morbidity

**Collaborate** on health system strengthening with leading agencies and NGOs

**Further expand** BD manufacturing, product array and employment in emerging markets



### Efficiency

**Reduce** GHG emissions and increase climate resilience throughout operations and value chain

**Minimize** our environmental footprint and conserve natural resources

**Establish** a supplier responsibility evaluation methodology

**Reduce** priority materials of concern in specified product categories

**Improve** life cycle impacts of current and future products



### Empowerment

**Increase** the diversity of our workforce, particularly in leadership roles

**Achieve** best-in-class associate safety performance

**Partner** with nonprofits to address unmet needs locally and globally

**Drive** social impact and associate engagement through volunteer programs

# 2030+ sustainability strategy

Our 2030+ sustainability strategy has been informed by a stakeholder-driven assessment of a wide range of environmental, social and governance issues, along with scenario analysis using future factors. It will focus on five impact areas and will ensure we remain focused on shared value creation—meaning how we

address unmet societal needs through business models and initiatives that also contribute to the commercial success of BD.

Our 2030+ sustainability strategy will be formally launched in FY 2021.



## Climate change

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



## Transparency

Invite trust across stakeholder groups through transparent performance reporting on environmental, social and governance issues relevant to our business.



## Product impacts

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



## Healthy workforce

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



## Supply chain resilience

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

**Sustainability  
2030+**



## Climate change

When we analyze the various sustainability issues relevant to our business and society, we recognize the significant impact climate change will have on our operations, our supply chain and, most urgently, on human health. The Intergovernmental Panel on Climate Change has warned that global warming must not exceed 1.5 °C to avoid the catastrophic impacts of climate change. We therefore recognize that setting ambitious emission reduction targets based on science must be part of our overall strategy to manage and mitigate the impacts of climate change.

At the end of 2020, we **announced** our first set of targets under the climate change impact area. These targets are aimed at

reducing our contribution to global greenhouse gas emissions from direct operations. We have committed to reduce Scope 1 and 2 GHG emissions, 46% by 2030 (from a 2019 baseline) and to be carbon neutral across our direct operations by 2040. This science-based target is aligned with 1.5 °C global emissions reduction pathway.

Climate change will continue to shape our sustainability programs and our business for years to come. We will announce additional goals and targets in line with our 2030 sustainability strategy during FY 2021.



# Our response to COVID-19

BD continues to closely monitor COVID-19 (coronavirus) developments across the world as well as guidance from the U.S. Centers for Disease Control and Prevention (CDC), the World Health Organization (WHO) and global health officials. We are working vigilantly to protect the health and safety of BD associates while also ensuring continued availability of our critical health preserving, lifesaving and diagnostic medical devices during this challenging time. Content in this spotlight is current as of June 2021.

## Protecting the health, safety and well-being of BD associates

BD continues to follow all state, local and federal requirements and ensures adherence to workplace health and safety regulations for our essential workers. We have instituted preventative measures at our facilities to help protect associates, including:

- Enhanced cleaning protocols and increasing cleaning frequency
- Implementing temperature screenings and symptom checks for on-site associates
- Deploying personal protective equipment (PPE) to on-site associates and field workers
- Implementing social distancing in our facilities
- Supporting remote work for all associates who are able
- Suspending travel and group meetings
- Limiting on-site visitors
- Regularly educating associates about thorough health and hygiene practices, including social distancing, self-quarantining and handwashing

Changes in demand across our portfolio did result in the need to take temporary actions to reduce our costs so we could continue to serve our customers during the height of the pandemic and into the future. Steps included temporary work reductions, by slowing or suspending production at select manufacturing locations.

This led to a limited number of furloughs, which allowed us to retain BD associates as employees. While pay was adjusted accordingly, we recognized the disruption this could cause to our associates and their families and we wanted to do everything we could to support and care for associates—this included affected associates retaining their benefits, including medical benefits, and establishing an employee assistance fund

We also believe leaders in the company have the responsibility to serve and act in the best interest of the company and our associates, helping to ensure that we can emerge stronger. Therefore, all BD leaders globally, along with the chairman and Board of Directors, were subject to a temporary reduction in base pay in 2020.\*

\*Subject to any required consultation process and local law where applicable.





## BD operations

BD manufactures and sources products from multiple locations around the world. All of our global manufacturing and distribution centers are operational at this time, with the vast majority of critical-to-COVID sites operating at or near full capacity.

In countries where local governments have imposed stricter “lockdown” measures to slow the spread of coronavirus, BD facilities continue to operate with measures in place to ensure business continuity and minimize risk of disruption to our customers.

### Product availability: Supply and business continuity

In addition, BD continues to work closely with our key suppliers around the world that provide raw materials and components to our manufacturing plants. We have implemented business continuity measures to mitigate the risk of potential supplier disruption, including partnering with local governments to seek “essential business” exemptions for key suppliers where necessary.

BD continues to have sufficient raw material and component inventory for the majority of products considered critical to COVID-19. If materials or components are deemed at risk, BD activates any number of preapproved contingency plans, including those for:

- Seeking alternative suppliers
- Redeploying raw materials and/or finished goods from other parts of the BD network
- Placing at-risk products on order review to prevent stockpiling

Dedicated teams continue to actively monitor our global logistics and transportation network, taking action when necessary to navigate global capacity limitations and border constraints to minimize the risk of any customer delays. We are making every effort to ensure the final product is transported to distributors and customers as quickly and efficiently as possible.

For U.S. customers, an up-to-date list of products on manual inventory allocation can be found in the **Allocation** section of our website.





# Our products: Supporting a global response

## What we are doing to address immediate needs

### Increasing access to testing

The path forward out of COVID-19 relies on populations worldwide having access to tests.

BD is a critical supplier of swabs and other sample collection products for COVID-19 and has launched multiple molecular tests, enabling clinicians to know if a patient currently has COVID-19. These molecular tests are primarily completed in a hospital lab versus an offsite reference lab, so our results can be seen in as little as two to three hours, not two to three days.

Our product teams are developing new testing options that can be quickly deployed at scale, and we have already aggressively increased production of our existing portfolio to help meet the overwhelming global demand.

### Supporting COVID patient care

On any given day, we estimate our products are part of the care delivery for over 90% of U.S. hospital patients.

Our technologies and devices are on the front lines in the crisis, helping physicians and nurses manage medications, safely delivering drugs to patients and supporting advanced care needs in ICUs.

### Advancing discovery

Our solutions, instruments and data analysis platforms are integral to helping researchers rapidly deepen our understanding of COVID-19 at a cellular level, specifically in clarifying our picture of the body's immune system response.

With a more detailed knowledge of immune responses, researchers have a stronger foundation to develop more effective therapies.

## Carving a path out of the crisis

### Enabling a return to the workplace

In order to safely restart our economies, we need both multifaceted testing capabilities and advanced disease monitoring capabilities.

Our information and data technologies help health systems assess data on test results, drug inventory, hospital utilization trends and more to help form a picture of risks and responses. And as we look ahead to cautiously returning to “normal,” our technologies can help detect early warning signs of re-emergence of the disease.

### Enabling the delivery of COVID-19 vaccinations

BD has been by the side of vaccine developers and healthcare providers for decades, ensuring the availability and safe administration of vaccines from polio to the seasonal flu. As COVID-19 vaccinations accelerate, and researchers continue pursuing novel vaccines and treatments, BD has a full suite of medication delivery devices to meet the needs of each potential drug. We continue working with governments around the world to understand their needs and scale up production.

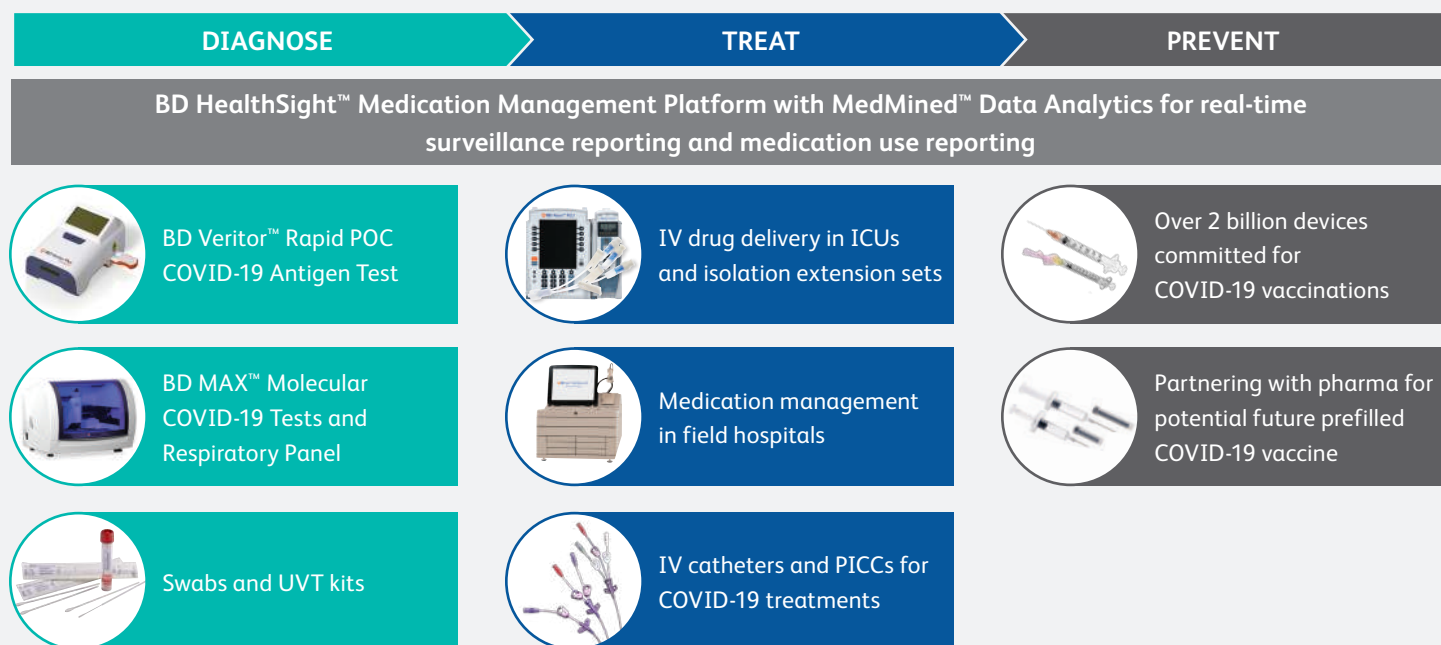
### COVID-19 Insights & Analytics

[Learn how testing can help](#)



As one of the largest global medical technology companies in the world, BD is deploying our capabilities, expertise and scale to address critical health needs related to coronavirus—from

our diagnostic offerings to detect SARS-CoV-2, to real-time informatics and electronic surveillance technology, to essential medical devices to support patient care.



Note: Not all products are available in all countries/regions.

### Specifically, BD:

- Is **offering a molecular diagnostic test** for both SARS-CoV-2 and influenza A+B that can return results using a single specimen in two to three hours;
- Is **providing point-of-care antigen tests** that have the potential to significantly change the public health interventions needed to minimize the spread of COVID-19;
- Has delivered more than 900 million injection devices and continues to deploy shipments of needles and syringes for pandemic orders of more than **2 billion injection devices** to support global COVID-19 vaccination planning efforts;
- Is **enabling COVID-19 testing facilities**, including labs, hospitals and nursing homes, to provide timely, accurate data reporting, empowering public health officials to more precisely monitor the spread of COVID-19;
- **Has leveraged its global manufacturing network and scale** to increase production of SARS-CoV-2 antigen tests from a rate of 8 million per month in October 2020, to a capability of 12 million per month by March 2021;
- Is **preparing for future pandemic efforts** by partnering with the U.S. government on a \$70 million capital project to further expand our operations and manufacturing capacity in Nebraska that, when complete, will provide the federal government with priority access to hundreds of millions of injection devices to support vaccination efforts for COVID-19 and future pandemics; and

- Is **investing approximately \$1.2 billion** over a four-year period to expand and upgrade manufacturing capacity and technology for prefillable syringes and advanced drug delivery systems. This allows for continued growth of new injectable drugs and vaccines, and provides surge capacity for increased prefillable syringe demand during times of pandemic response.

### Cybersecurity and COVID-19

Over the past year, BD has:

- Expanded secure connectivity options for the BD Veritor™ Plus System, a point-of-care device used to perform SARS-CoV-2 diagnostic testing;
- Enabled encrypted reporting capabilities for the BD Synapsys™ Microbiology Informatics Solutions, which unifies instrument-read COVID-19 test results from the BD Veritor™ and BD MAX™ Systems, simplifying the process of reporting accurate results to public health authorities daily;
- Engaged with the U.S. Department of Homeland Security Cybersecurity & Infrastructure Security Agency (CISA) to strengthen our threat intel and bolster supply chain cybersecurity; and
- Increased cybersecurity awareness training, especially among associates who quickly transitioned to remote work due to the COVID-19 pandemic.

# Philanthropic investments in the fight against COVID-19

BD and the BD Foundation have issued nearly \$2.8 million in philanthropic grants and product donations to trusted nonprofit partners that are working to protect the most vulnerable communities and individuals from the pandemic's spread and negative impacts. BD volunteers are heeding the call too. Clinically trained associates in BD sites around the world are volunteering their time to augment hospital staff in

communities hard-hit by COVID-19; and associates from a broad range of disciplines are delivering virtual trainings to teach community and nonprofit organizations how to contain its spread.

Here, we share just a few examples of the local and global impact of those philanthropic investments.

## Leveraging telehealth technology to provide care to New Jersey patients with urgent, chronic or preventive health needs



The **Bergen Volunteer Medical Initiative (BVMI)** is a free primary care clinic serving working, low income and uninsured residents of Bergen County, NJ, where the BD U.S. headquarters is located. When its healthcare center needed to be temporarily closed during the onset of the pandemic, BVMI leveraged its emergency COVID-19 grant funding from BD to help launch an urgent telehealth program to fill the gap.

*"Our online telehealth program ramped up quickly, providing 100 medical appointments each week for patients in need of urgent, chronic, or preventive care, and ensuring that patients with COVID-19 symptoms or concerns had immediate access to medical care. This program is also facilitating patient access to a case manager who assists our lowest income patients in obtaining food, rental assistance and other vital services in partnership with other community organizations,"* said Amanda Missey, President & CEO.

## Meeting the expanding needs of those facing homelessness and hunger in New Jersey



An increasing number of families across Northern New Jersey, where the BD U.S. headquarters is located, have experienced economic hardship as a result of COVID-19. **Family Promise of Bergen County** has leveraged its COVID-19 emergency grant funding from BD to provide shelter and/or support to 24 families through a combination of apartment or hotel housing, rental assistance and post-shelter support.

*"Each of the families we've been able to support has also received transformative case management, financial education, job training, childcare, transportation support, meals and enrichment for their children. We've also been able to address the growing issue of food insecurity in Bergen County by significantly expanding our meal program. Since March 2020, with help from BD, this program has provided 85,000 meals and more than 9,000 15-pound boxes of fresh produce to families,"* said Kate Duggan, Executive Director.

## Providing urgent, lifesaving services to families in Port Elizabeth, South Africa



For more than 21 years, **Ubuntu Pathways** has placed South Africa's most vulnerable children on pathways out of poverty, from cradle to career. When the COVID-19 pandemic hit, the organization immediately mobilized an emergency COVID-19 response to deliver urgent lifesaving services in the city of Port Elizabeth.

*"With the generous grant from BD, we are providing a comprehensive support system to help families cope with this crisis,"* said Jacob Lief, Founder & CEO. *"This includes delivering food and safety packages to 4,000 households (nearly 30,000 people); supplying critical personal protective equipment to 27 local clinics, hospitals and social service institutions; providing medical services to patients living with HIV and compromised immune systems; and implementing a host of wraparound services, including case management, remote education and job skills training."*



## Working to reduce the impact of COVID-19 in 180+ countries



**UNICEF** has leveraged its emergency COVID-19 grant funding from BD to support its global efforts to reduce and address the impact of COVID-19 on families in more than 180 countries. UNICEF and its partners have reached over 2.75 billion people with

COVID-19 prevention messaging around handwashing and hygiene; more than 63.5 million people have benefited from its critical water, sanitation and hygiene supplies; and 49.4 million women and children have continued to rely on UNICEF for pre- and post-natal care and essential nutritional supplies.

## Supporting frontline health workers in four African nations



*"The donation from BD to **Last Mile Health** supported community and frontline health workers in safely preventing, detecting and responding to COVID-19 across four countries in Africa,"* said Lisha McCormick, Chief Executive Officer, who explained that Last Mile Health:

- Supported Liberia's Ministry of Health in designing and delivering a comprehensive COVID-19 curriculum focused on prevention measures, case detection and response and a protocol for the "no touch" delivery of primary healthcare services;
- Distributed 2.4 million pieces of PPE across Liberia and Malawi, to help health workers stay safe while continuing to deliver essential primary care to patients living in remote communities; and
- Helped the Ministries of Health in Ethiopia and Uganda to leverage digital tools to disseminate COVID-19 educational and training resources to health workers and community members, which have been viewed by more than 2,000 health sector professionals.

Learn more about our philanthropic responses:

- **Our COVID-19 philanthropic response expands to \$2.8 million**
- **Virtual COVID-19 trainings help HCPs in Papua New Guinea**
- **The impact of COVID-19 on community health centers**
- **BD commits \$1.1 million to global COVID-19 response efforts**
- **Reimagining community service in the age of COVID-19**

Throughout the pandemic, we will continue to create and deliver value to all our stakeholders, by prioritizing the needs of our associates and customers around the world, while remaining focused on our long-term strategy.

Further details can be found at the **BD COVID-19 response webpage** and our **video library**.

# How we do business

## Ethics and compliance

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

The following BD Values further strengthen our culture of ethics and compliance and guide how we hold ourselves accountable to our shareholders and stakeholders.

- 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.

These values are cascaded through all levels of the organization. Read more about our commitment to ethics and compliance on our [website](#).

**GRI disclosure: 102-16**

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## Code of Conduct

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

Everyone at BD, no matter their position or level, must follow our Code. This is a condition of employment at BD. Our Code is available in English and over 30 other languages. Every BD associate is required to complete annual training on our Code.

In addition to our Code, BD has a set of global policies and standards, including our Global Standards for Interactions with

Healthcare Providers, Health Care Organizations and Government Officials, which are designed to ensure associates have clear guidance on how to do what is right in the context of their work for BD. BD associates must comply with these global standards, the Code, BD policies and procedures, applicable laws and regulations and relevant industry codes (including AdvaMed, APACMed, MedTech Europe, Mecomed and Abimed). BD associates receive information and training about the Code, global standards and other policies in several ways, including periodic communications and trainings. Associates can access detailed information on our expectations through our intranet and on our ethics and compliance mobile app. Our Code of Conduct is also available on our [website](#).

**GRI disclosure: 102-16**

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## Reporting ethics concerns

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

Associates can report these in a number of ways, including via the BD Ethics Helpline, which is independently operated and available anywhere in the world 24 hours a day, 7 days a week.

Alternatively, associates may use our online reporting tool where associates worldwide can make a report in their native language from any computer or mobile device with internet access. The helpline provides translation services as needed, and reports can be made anonymously where permitted by law. Associates can also report violations to their supervisor, management, Human Resources, the Law Group or directly to Ethics and Compliance.

In FY 2020, the Ethics Office received more than 850 contacts from associates worldwide seeking guidance or reporting concerns. Depending on the findings of the investigation, we may take corrective action, such as discipline up to and including termination of employment or providing nondisciplinary-based training and process improvements in areas where a gap has been identified.

**GRI disclosure: 102-17**

## Antibribery and anticorruption

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

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

These efforts are advanced by fostering collaboration with business leaders to deliver consistent and clear policies and approval processes—along with enhanced third-party life cycle management procedures—to help provide assurance that BD is

“doing business the right way.” BD is committed to training all associates via both in-person, scenario-based sessions and learning management system courses that leverage policy materials, such as the Global Anti Bribery and Anti Corruption Policy and the Global Standards for Interactions with Healthcare Professionals, Healthcare Organizations and Government Officials.

Risk-based training with third-party intermediaries is a core component of the antibribery and anticorruption program. These sessions are focused on applicable antibribery and anticorruption laws, including the Foreign Corrupt Practices Act and relevant BD policies.

**GRI disclosures: 102-16, 205-2**

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## Interactions with healthcare professionals

We comply with all applicable laws and regulations that govern the interactions between medical technology companies and healthcare professionals, healthcare organizations and government officials in the many countries in which we do business. To help ensure compliance, BD has adopted various industry codes, including the Advanced Medical Technology Association (AdvaMed) Code of Ethics in the United States and MedTech Europe Code of Ethics. BD associates receive information and training about these codes in a few ways,

including periodic communications, and online and in-person trainings. Associates can access detailed information on our expectations through our intranet and our Ethics and Compliance mobile app. Key provisions of applicable industry codes are also incorporated into various global policies, including the Global Standards for Interactions with Healthcare Professionals, Healthcare Organizations and Government Officials.

**GRI disclosure: 102-16**  
**SASB disclosure: HC-MS-510a.2**



## Human rights

At BD, we are committed to operating in a way that respects the human rights of all associates, as well as the people in our supply chains, the communities in which we operate and those who are impacted by our products.

Rather than doing the minimum required, BD is focused on doing what is right. This value, along with the rest of our values, guide our efforts on having a positive social impact across our businesses and operations.

Our commitment to human rights is guided by the principles outlined in the UN Declaration of Human Rights and extends beyond BD processes and practices to those in our supply chains. This commitment is detailed in our **Global Human Rights Policy**.

We believe that all people should be treated with dignity and respect, and we are committed to conducting our business in a manner consistent with this principle.

We comply with applicable employment and human rights laws and regulations wherever we have operations; we expect our suppliers to do the same.

### In all of our operations:

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

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

- Additional policies.
  - **BD Code of Conduct**, which reinforces our commitment to human rights and details how to report suspected violations anywhere in our supply chain.
  - **BD Expectations for Suppliers**, our Code of Conduct designed for our thousands of suppliers.

- Practices geared towards ensuring modern slavery and human trafficking do not exist in our workforce and those of our suppliers.
  - We do not charge any of our associates recruitment fees, and do not work with recruitment agencies that engage in this practice.
  - We do not withhold identity documents, immigration documents or any other personal documentation of our associates.
  - We encourage our associates to report, without fear of retaliation, any matters related to human trafficking, modern slavery or any other human rights violations.
    - We provide BD associates with forced labor and human trafficking training, developed by a third party and administered online, to associates each year. This course interacts directly and indirectly with sourcing, managing, advising on or is otherwise involved with our suppliers.
- Due diligence, including initial assessments of suppliers against 12 risk factors (including ESG risk and desktop audits of prioritized suppliers).
- Risk management efforts to ensure compliance against related policies throughout our operations.
  - For example, our Global Operations and Human Resources teams work to ensure compliance with our policies prohibiting forced labor, human trafficking and modern slavery across all of our operations, including manufacturing operations.
- Training and capacity building, both internally and for key suppliers.

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

More detail on our Supplier Human Rights Due Diligence process can be found in the **Efficiency** section of this report.

# Ensuring product safety

At BD, we create value for our patients and customers through predictable delivery of differentiated, high-value products and solutions. We work relentlessly to develop solutions that advance healthcare and improve worker and patient safety.

Product safety is at the heart of how we design, manufacture and deliver products. This section details some of that work.

## Inspire Quality

For over 120 years, customers have relied on BD for safe, effective products and services for patients around the world. Our commitment to quality is at the core of what we do in *advancing the world of health™* through innovation, instilling confidence and trust in the reliability of what we bring to market. Quality is so integral to who we are at BD, it is embedded in The BD WAY values, “We thrive on innovation and demand quality.”

Inspire Quality is our renewed commitment to a culture of quality that every BD associate shares around the world. Inspire Quality brings to life our BD Quality Policy for our associates, customers and shareholders through a multi-year journey towards best-in-class quality.

*“Quality is at the heart of everything we do across BD. It is everyone’s responsibility and one we take seriously—from manufacturing, to marketing and everyone in-between. It is that culture-shift and mindset that quality is everyone’s responsibility that is so important because at BD, we are inspired by the customers who use our products to treat patients and enhance and save lives.”*

David Shan  
EVP, Chief Quality Officer

Inspire Quality focuses on growing customer relationships through trust, reliability and compliance with all applicable laws and regulations within the countries we operate and sell products. With the acquisitions of Bard and CareFusion, we have the opportunity to simplify our internal processes and streamline our systems to enhance the customer experience, reduce complexity and meet the expectations of regulatory and oversight bodies.

## Our Quality Policy

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

Tom Polen  
Chairman, CEO and President

As a first step, we established tiered governance forums for improved oversight of key quality, regulatory affairs, and medical matters. These enhanced systems will empower us, together with our customers and regulators, to be more proactive and transparent with quality matters by harnessing the power of data-driven insights to address potential quality deviations sooner and with greater accuracy. This builds on our philosophy of partnership, trust and transparency when it comes to all product quality and patient safety matters.

## Inspiring Quality in product development

We understand that patient safety depends on us delivering only the highest quality products and services. Quality at BD starts with innovation and designing our products and services with quality in mind. Utilizing the Design for Six Sigma tools and human factors engineering, we ingrain best practices within our daily activities.

In FY 2020, we updated our risk management process to align with ISO 14971:2019 to strengthen our product designs and manufacturing processes to enable us to be more proactive and predict potential product failures and implement controls to prevent occurrences.

We performed design remediation activities on legacy products to align with the changing global regulatory environment, such as the E.U. MDR/IVDR, driving improvements in the safety and efficacy of our older designs.

## Inspiring Quality in registration excellence

We operate in a complex and evolving world of regulations, standards, and guidance documents governing the development and market access for our products and services. As we continue to expand our portfolio, we must evolve to ensure we have robust regulatory submissions that comply with the most current standards and industry expectations.

To that end, the Regulatory Affairs and Quality teams at BD work together to ensure that our products and processes are compliant with global laws, regulations, standards and policies.

The BD standards management process links our business units, functional, and regional colleagues to monitor new and updated regulations and standards worldwide that may impact BD products and processes. The global teams have expertise in quality, regulatory affairs, research and development, manufacturing, cybersecurity, sterilization, environmental health and safety, and medical affairs.

When changes are identified, the cross functional and global teams assess the impact of the new requirements against our current processes. Once gaps are identified, plans are put in place to ensure necessary remediation can be made within a defined time frame. Compliance plans are implemented across BD facilities worldwide and built into our product life cycle process.

BD associates around the world engage in meaningful dialog with regulators, standards development organizations, collaborative communities, and trade associations to seek better understanding, harmonization, and improvements in regulatory requirements that impact BD, our customers and patients who use our products.

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

Through this effort we are driving registration excellence by adopting a structured approach to conducting risk assessments, identifying gaps, remediating, and ultimately updating our regulatory filings. We are also working toward digitizing our registration processes and content management to enable efficient global registrations that will impact public health.





## Inspiring Quality in manufacturing

We are driven to manufacture high-quality products and to help maintain safety for our customers. BD monitors the quality of our products using quality tools, including statistical trends of quality control data, automated high-speed inspection and manufacturing execution systems (MES) data monitoring. We perform incoming, in-process and final inspections of our products. Having real-time inspections and monitoring allows us to monitor for potential issues and react quickly when they occur.

At BD, we believe quality is everyone's responsibility, and our approximately 48,000 global manufacturing associates take that responsibility seriously. Associates are empowered and encouraged by management, as part of our "speak up/listen up" culture, to stop production if they see anything off with a product regardless of their role or the stage of product production. The product can be halted on the manufacturing line or prior to distribution. This cultural mindset of associate empowerment and having the mechanisms in place to stop the product before it reaches a customer or patient, prioritizes quality and safety.

We are rolling out a single, unified operating system, the BD Production System (BDPS), as a framework for global operational excellence. This new way of working proactively standardizes and systematizes daily operations, emphasizing a Zero Loss mindset and culture: working safely every day to effectively deliver high-quality products on time. The BDPS fosters goal alignment and drives performance accountability across functions and at every level of the organization. It engages the talents of all associates through highly collaborative cross-functional teams that are focused on solving the root cause of problems using a systemic approach. The BDPS is active in nearly 90% of our worldwide manufacturing sites with active expansion into the European and North American distribution centers.

In the midst of the global COVID-19 pandemic, quality remained at the forefront as we continued to operate our global manufacturing and distribution centers, with the vast majority of the critical-to-COVID sites operating at or near full capacity. We instituted preventative pandemic precautions at facilities to

*"We understand the responsibility we hold as the world's largest manufacturer of injection devices. Our leadership position prompted our early response to the COVID-19 crisis—rapidly scaling up our manufacturing operations, without sacrificing quality or associate safety. We proactively took this initiative so that once the COVID-19 vaccine became available, BD syringes and needles would be ready. We are committed to enabling healthcare providers to deliver the best possible patient care, which includes meeting the critical need for vaccinations."*

Alexandre Conroy  
EVP, Integrated Supply Chain

protect employees, including increasing cleaning protocols, implementing temperature screenings for on-site employees, deploying PPE to on-site associates and field workers, implementing social distancing in our facilities, supporting remote work for all associates who are able, suspending travel and group meetings, limiting on-site visitors, and regularly educating associates about good hygiene and health practices. We continue to enforce our pandemic protocols and measures within our facilities to maintain the health and safety of our associates, while ensuring business continuity and maintaining a high level of quality for our customers.

Further details on our response to the pandemic can be found in the [COVID-19 section](#).

## Inspiring Quality through our suppliers

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

supplier performance and managing supplier changes. In 2020, BD implemented a Supplier Change Portal that enables suppliers to directly communicate potential changes to BD. This portal is also used as a means for BD to communicate back to suppliers. This tool has greatly improved communication and visibility of supplier changes.

## Inspiring Quality through continuous improvement

### Quality management systems

In order to meet our customer needs and regulatory requirements, we maintain Quality Management System (QMS) Certifications across our BD facilities.



Certifications at manufacturing, design, distribution and shared service sites.

In order to drive continuous improvement in our quality systems, our corporate auditing program independently assesses compliance to quality and regulatory standards and our internal processes, including complaint management, production and process controls, design controls, and corrective and preventive actions (CAPA). Each of our businesses and regional sites fulfill local regulatory requirements for performing internal quality audits and develop action plans to address all relevant audit observations. We adapted this program in FY 2020 to perform virtual audits as a result of the COVID-19 pandemic, enabling continued compliance assessments and maintaining continuous improvement momentum.

### Quality culture

Our commitment to quality is driven by a culture of quality that all associates across BD share through our BD Value, “We thrive on innovation and demand quality.” Beginning in FY 2020, we took steps to strengthen our culture of quality to ensure that all associates, regardless of function, are trained on the importance of quality in their daily activities. Annual training is provided via our online compliance tool and supplemented by in-person training. We also introduced virtual customer contact messaging at our manufacturing facilities, allowing associates to hear

*“As part of our Inspire Quality journey, we are focused on simplification and reducing complexity of our Quality Management Systems (QMS) by consolidating and launching a unified QMS. This change, which we are deploying in FY 2021, will enable us to function as One BD to our customers, be more agile as a corporation and [make it] easier for our customers to do business with us. Quality is the foundation of customer and patient trust and a unified QMS will take us one step closer towards being a best-in-class quality organization.”*

Jerry Porreca  
SVP, Quality, Interventional and Inspire Quality Sponsor

stories from patients whose lives have been impacted by BD products they manufacture.

In November 2020, we demonstrated this renewed commitment to quality across BD by expanding our traditional “Quality Day” with global events throughout the month of November to a larger “Quality Week” with a series of global live and virtual events, awards, engagement forums and philanthropic opportunities. Our celebration of quality solidified the organizational commitment we are making to quality and the inspirational journey we are on to inspire quality through the degree of excellence in everything we do.

## Inspiring Quality in industry

We are committed to enabling healthcare providers to deliver the best possible patient care. We work closely with organizations and trade associations outside of BD to drive quality and shape the external environment through industry-wide standards and initiatives consistent with our Purpose of *advancing with world of health™*.

We actively support the creation and harmonization of standards at both a national and international level. Through participation in standard development work groups, such as ISO standard development through national organizations like the **Association for the Advancement of Medical Instrumentation (AAMI)**, we help improve performance and product compatibility around the world.

Our executive vice president, general counsel, public policy & regulatory affairs serves on the **Medical Device Innovation Consortium (MDIC)** Board of Directors.

We are also involved in the MDIC Case for Quality Collaborative Community (CfQcc), the National Evaluation System for Health Technology Coordinating Center (NESTcc) and the Cybersecurity Program.

*“Behind each and every product and service we deliver is an engaged BD associate who is committed to doing the right thing and delivering quality each and every day. Our culture of quality is essential for building the foundation of customer and patient trust and the reliability and consistency expected of BD products.*

*We are so proud of our associates for embracing our “speak up/listen up” culture of quality and making their voices heard when it comes to potential quality matters. Thank you to all our BD associates for putting quality first.”*

Betty Larson  
EVP, Chief Human Resources Officer

*“We at BD have a responsibility as a leading manufacturer of quality products to have a seat at the table in the quality professional’s industry. Our voice can be powerful and influential, sharing best practices, driving innovation in quality management, educating and advancing awareness of our industry and value to organizations. The perception of the quality function is changing thanks to the engaged professionals who are moving us collectively forward.”*

Adrienne Brott  
VP, Global Quality Management, Central Quality

Through an educational grant, BD provides funds and clinical reviewers for the **Infusion Nurses Society (INS)** development update to the **Infusion Therapy Standard of Practice**. This publication defines and develops organizational infusion-based policies and procedures for all healthcare practice settings.

In collaboration with the Society for Healthcare Epidemiology of America (SHEA), BD launched the Prevention Course in Healthcare-Acquired Infections (HAI) Knowledge and Control. This online course was developed with frontline staff in mind and allowed course participants to review the fundamentals of infection prevention, review best practices for the prevention of device- and pathogen-associated infections and improve understanding of disinfection and sterilization procedures.



# Product performance

In order to ensure that we continue to provide high-quality products and services, each BD business unit monitors product performance, identifying early warning signs of potential quality issues. Under Inspire Quality, each business unit has established plans to proactively eliminate the potential root causes of internally identified nonconformances to continually improve our processes and products. Additionally, each business unit has performed a “deep dive” into the root causes of our recalls and

near misses to identify projects to reduce the recurrence of recalls for similar issues across the company.

Each year, BD establishes business-wide key driver goals (KDGs) shared across the company, by all functions. In FY 2020, BD prioritized improving quality with multiple targeted KDGs in the areas of customer experience, product quality performance, complaint and adverse reporting and compliance to regulations.

## Key quality indicators

	FY 2018	FY 2019	FY 2020
Number of inspections by worldwide regulatory agencies	27	34	42
Percentage with zero observations	74%	59%	81%
Number of FDA inspections	18	15	6*
Percentage with zero observations	72%	73%	50%
Number of FDA Warning Letters received	2	0	0
Number of FDA Warning Letters resolved	0	1	0
Number of corporate audits	20	35	47
Number of FDA Class I recalls	1	4	10**

\* FDA Inspections were reduced due to the COVID-19 Pandemic

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

GRI disclosure: 416-2

SASB disclosures: HC-MS-250a.1; HC-MS-250a.4

## Post-market surveillance

“We do what is right” is one of our core values. When an issue has been identified, initiating a field action, such as recalling a product from the marketplace, is the right thing to do for patients and end users. Post Market Surveillance (PMS) is a key Quality and Regulatory requirement for the medical device industry. It provides how a medical device company becomes aware and monitors actual device-related events (complaints) associated with the commercialized product. Part of PMS involves medical safety’s support to assess the level or severity of harm that may have or could have occurred with the particular event.

Each business unit in BD has a Field Action Committee (FAC), which convenes when necessary to evaluate concerns with the quality, safety or regulatory compliance of a product in the

market. The FACs consist of leaders from Quality, Medical Affairs and Regulatory Affairs who determine, independent of commercial considerations, whether actions need to be taken to correct or recall a product from the market. Patient safety takes priority over any other factor in this decision-making process.

We continue to implement corrective actions to address **recalls on BD products**. In line with its obligations to regulators, BD reports all necessary data relating to cases where any of its devices may have caused or contributed to a death or serious injury. This information is available in the **FDA’s Manufacturer and User Facility Device Experience database (MAUDE)**. Additionally, a list of BD products in the FDA’s MedWatch Safety Alerts for Human Medical Products is available on the **FDA website**.

SASB disclosures: HC-MS-250a.2; HC-MS-250a.3; HC-MS-250a.4

## Medical Affairs

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

As part of the BD Inspire Quality initiative, Global Medical Safety and Governance is involved in restructuring how Medical Affairs will support Quality, specifically, product risk management file review and approvals across BD. This is fundamental to ensuring consistent product benefit-risk assessments throughout the BD portfolio of products.

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

Safety-signal detection has always been an important “quantitative” element from a Quality perspective. GMS&G provides a “qualitative” medical assessment that adds another layer of surveillance. This includes using tools that allow for custom queries and reports, FDA MAUDE database reviews as well as Natural Language Processing or “Word Cloud” technology that allows for search and trending of key risk terms from within the BD complaint database. The data analytics from these tools are reviewed on a regular basis and are part of the Medical Safety Review Board.

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

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## Enforcement action

While we have implemented, and continue to improve upon, programs and management systems around product quality and safety, we are, on occasion, subject to enforcement action.

For a description of certain enforcement matters see our Form 10-Q for the quarterly period ended March 31, 2021 and our subsequent [SEC filings](#).

**GRI disclosure: 416-2**  
**SASB disclosure: HC-MS-250a.4**

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## Quality and Regulatory compliance

Our Quality and related Regulatory Compliance strategies are based on principles of prevention, speak up culture and Find It Once – Fix It Everywhere. Any known non-compliances are resolved through rigorous CAPA processes.

The Corporate Quality Audit (CQA) Program provides independent assessment of BD entities to identify compliance and product quality risk areas and drive holistic remediations. The Corporate Quality Audit Program uses experienced BD auditors as well as subject matter experts/consultants to ensure robust reviews. The audit findings are shared across BD and assessed for similar weakness in the Quality System.

A Quality Audit Network (QAN) of all auditors across BD meets regularly to share best practices and audit trends. These meetings also serve as a platform for educational programs to continuously improve auditor skills.

Good quality performance is rewarded through awards such as Becton Award for continuous improvement, CAPA Award for excellence in CAPA and First Pass Award for robust audit actions. These awards are communicated through various channels, including the BD intranet as well as town hall meetings. Quality metrics and strategic milestones are included in the BD incentive program.

Quality and compliance metrics with target goals are instituted at all sites, business units and regions and are monitored routinely. Any trends or missing goals are escalated to higher levels of management so that timely actions can be taken to bring performance metrics back to target levels. Quality Metrics and trends are reviewed regularly at cross-functional forums that ensure focus on regulatory compliance and product quality.

## Selecting materials

A key part of our product development program is the selection of the right materials that ensure patient safety, device functional performance and continuity of the device to the healthcare market. There are five criteria that are considered when selecting materials for any of our devices:

- What is critical to the function of the product?
- What is critical to the manufacturability of the product?
- What is critical to the quality of the product?
- What is critical to compliance with regulation?
- What is critical to business requirements?

Once required material properties have been established, potential materials can be identified for feasibility studies. These studies evaluate characteristics that include chemical,

toxicological, physical and mechanical properties. All materials are rigorously evaluated for safety and suitability for their intended clinical application. This includes qualification against national and international standards for biological safety (e.g., ISO 10993 and U.S. FDA guidance on same [2016]) and compliance with U.S. and international regulations for biological (patient) safety.

Materials are also subject to re-evaluation under conditions as defined in these standards and regulations, for example, upon any change in source or specification. All materials are subject to our established controls with respect to formulation continuity and ongoing quality conformance.

**For each of the critical areas, probing questions are asked to develop the critical material property requirements to ensure patient safety, functional performance and continuity to the healthcare market. For example:**

**Critical to function:**

*Who is the end user? What critical material properties will enable function?*

**Critical to manufacturability:**

*What manufacturing processes will be used? What sterilization method is necessary to ensure sterility?*

**Critical to quality:**

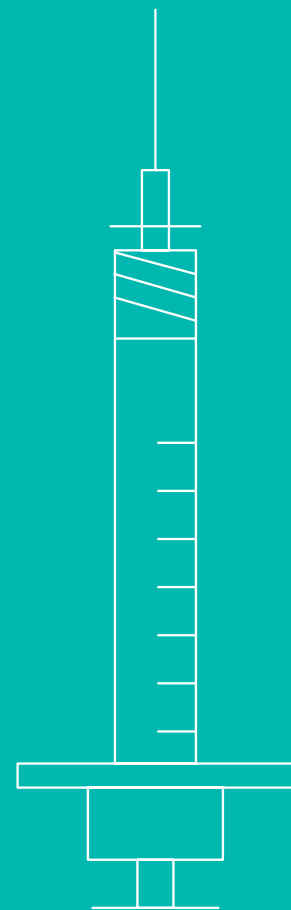
*What properties need to be monitored/measured to ensure the product performs consistently?*

**Critical to compliance:**

*What regulatory requirements must the product comply with?*

**Critical to business requirements:**

*Are there constraints on cost or supplier? What options are available for second sources?*



## Management of Materials of Concern

Our Materials of Concern (MOC) list guides the way we address the reduction of MOC across our portfolio. The list contains both regulated and nonregulated substances that we consider to be of concern and is updated twice a year. It includes substances the company has put special emphasis on—for example, PVC and phthalates—and those that BD has chosen to avoid and/or reduce from its products and packaging.

BD carefully considers the potential impact of the materials we use in our products and packaging and reviews customer preferences related to chemicals of concern in finished goods. In order to monitor the changing landscape around chemicals of high concern among customers, regulatory bodies and advocacy groups, BD established a Chemical Review Board in 2013. This internal board, led by our director of Global Product Stewardship, includes representation from R&D for each of our business units and functional expertise from toxicology and procurement.

This group is equipped to evaluate the feasibility of alternative materials, provide guidance to R&D within the company and leverage material expertise across the organization to accelerate our work to reduce priority MOC from the portfolio.

At the corporate level, BD has a Global Product Stewardship function, led by a director of Global Product Stewardship and director of Global Product Stewardship Compliance. The Global

Product Stewardship function reports to the VP of Environment, Health & Safety and Sustainability (EHS&S); the VP EHS&S reports to the company's executive VP Integrated Supply Chain.

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

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

Our MOC list and materials for suppliers are available on the Supplier Resources page on our [website](#).

**SASB disclosure: HC-MS-410a.1**





# Laboratory animal welfare: Ensuring patient safety for human and veterinary patients

BD continues to build its product portfolio that includes a variety of medical devices, diagnostics, biotechnology and pharmaceuticals. Products in this sector must meet very stringent requirements to demonstrate safety, efficacy and suitability for their intended use. As part of this work of ensuring ultimate patient safety, existing regulations and standards require the use of laboratory animals in research and product evaluation.

BD is committed to animal welfare and uses recognized leading standards to ensure best animal care practices. Good animal welfare leads to good scientific data in support of product safety. Every required study must first be approved by an ethics committee known as the Institutional Animal Care and Use Committee (IACUC). This ethics committee is comprised of veterinarians, scientists, animal care teams and a member of the community to represent general public opinion. The IACUC ensures responsible use of BD research animals in consideration of the 4Rs: Replacement, Refinement, Reduction and Retirement.

BD continues to support refinement by veterinary gold standard practice across all animal studies; replacement by using in vitro testing if and when possible; reduction of animal numbers by extensive literature reviews of previous studies; and an active retirement program that has provided adoption opportunities to BD research animal heroes.

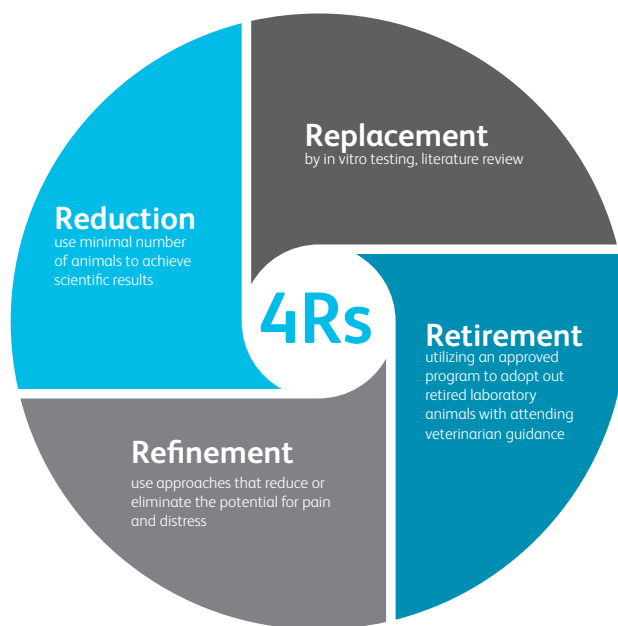
BD continues to build transparency of the Research Animal Programs under the BD corporate policy guidance on the humane and responsible use of research animals signed by senior management. The policy is available to the public on [bd.com](https://www.bd.com). The Animal Welfare Policy and Oversight Committee is defined within this policy and is comprised of global members that work to support BD animal research. This group meets regularly to share best practices and examples of the 4Rs across programs.

BD supports membership to the National Association of Biomedical Research and the European Animal Research Association to help educate the public about the importance of laboratory animal research and seek collaboration on best practices. The BD Biosciences facility in Tatabanya, Hungary is one of the front runners to support animal research transparency in Hungary. The site has hosted local round table discussions to share information about their operation and to provide local teams the opportunity to visit its facility to learn about their animal research program.

The BD Research Animal Program is supported by a team of research animal care professionals that are highly committed to animal welfare through daily welfare assessments, animal training programs and novel environmental enrichment opportunities. The BD Research Animal Program actively publishes best practices and techniques in the global animal research community.

We require that all third parties who carry out animal testing on our behalf are covered by our Expectations for Suppliers (EFS) and our company policy. We preferentially use American Association for Accreditation of Laboratory Animal Care (AAALAC)-accredited third parties but have made exceptions when other qualification information is considered sufficient and if unique expertise limits options. Even in the latter case, the BD Animal Research Program performs full supplier animal welfare and care audits to ensure sound animal welfare among animal vendors and suppliers, and adherence to our EFS and content of our policy.

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



## Global Clinical Affairs

Clinical studies are carried out by a central function within Medical Affairs, serving all BD businesses and regions. The VP, Global Clinical Affairs (GCA) reports directly to the company's Executive VP and Chief Medical Officer and has overall responsibility for clinical studies.

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

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

Free and informed consent is obtained from all study participants prior to the start of each study. Consent is obtained by the study site principal investigator and designees, as per site procedures. The names and contact information of the study site's principal investigator and the EC/IRB are provided to each study participant in written form, usually by listing this information in the subject's Informed Consent. Participants are encouraged to reach out to either of these contacts if they have questions or concerns about the study.

Extensive training in BD policies related to human subject research and in GCA's formal Quality System, consisting of standard operating procedures (SOPs) and work instructions, is required of all BD associates who engage in clinical study

activities. This training occurs via course and procedure review via the BD online training system, as well as through direct education during study team meetings.

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

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

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

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

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

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## Product marketing

BD has policies and procedures to ensure the advertising and promotion of our products, solutions and services comply with applicable laws and regulations. Our advertising and promotions programs serve to create a globally harmonized process for generating, reviewing and approving advertising and promotional communications. This program ensures consistency in definitions, rules, principles, governance and approval criteria to enable consistent compliance across BD. Our advertising and promotion review and approval processes are overseen by a steering committee consisting of cross-functional representatives from each business unit, including Marketing, Medical Affairs, Regulatory Affairs and Legal.

Our global policy on advertising and promotion prohibits the development and distribution of advertising and promotional materials that have not been approved under the structure set out in the policy. This policy is supported by procedures that

outline how material is reviewed and approved, and systems used to manage and track approvals.

All policies outline the obligation to report noncompliance, how associates can do this, including via the BD Ethics Helpline, and potential disciplinary action that could be taken for noncompliance.

Finally, expectations around the promotion of our products are laid out in our Code of Conduct.

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

Information regarding interactions with healthcare professionals can be found in the [How We Do Business](#) section of this report.

# Cybersecurity




Our commitment to cybersecurity includes the protection and resilience of our products, manufacturing and IT. We strive to meet high security standards so our customers can focus on what matters most: caring for patients.

## Cybersecurity program

BD Information Security is part of the company's Risk Management organization and is responsible for global strategy

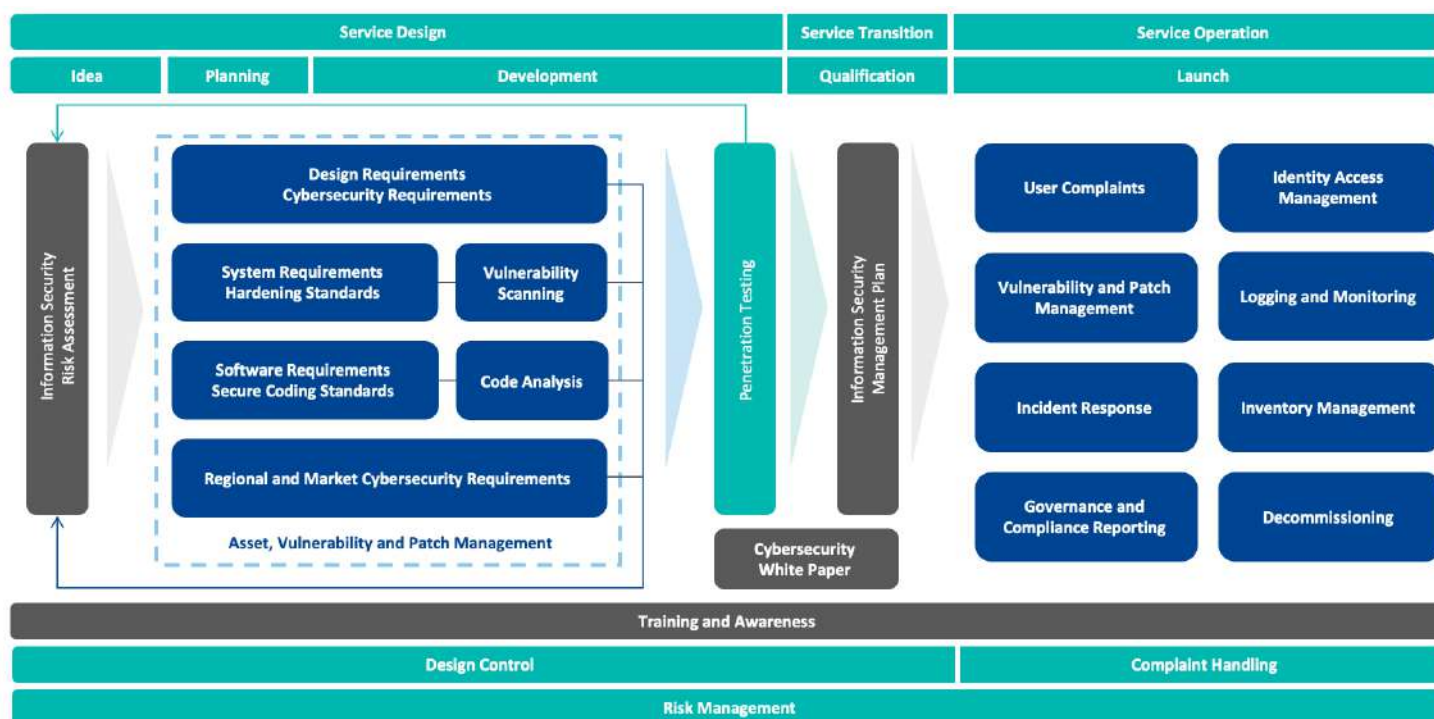
across the company's enterprise, IT, manufacturing systems and product offerings. This includes cybersecurity strategy and governance (including cybersecurity policies, procedures and compliance); security operations (including incident response, investigations, monitoring and detection, as well as vulnerability and threat intel); security engineering (including security architecture, testing and research and solutions management); product security; and regional cybersecurity.

## Our cybersecurity program incorporates:

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

BD utilizes a framework to incorporate cybersecurity into our processes for product design, manufacturing, customer support and enterprise systems. Our framework has been aligned to various industry work products including the HSCC Med Tech Joint Security Plan, NIST Cybersecurity Framework, ISO 27001, UL 2900, and ISA 62443.

## BD Cybersecurity framework



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

In addition, we provide cybersecurity awareness training to our 70,000 associates, comprised of 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.

## Transparency and collaboration with customers

While we maintain robust security protocols, we also recognize that new security threats in the healthcare industry emerge continually. That is why we believe transparency and collaboration are essential.

In 2020, we launched the **BD Cybersecurity Trust Center** where customers can learn more about our cybersecurity program and access product security bulletins and patches, along with product security white papers, which include Manufacturer Disclosure Statement for Medical Device Security (MDS2) attestations. Customers, security researchers, third-party component vendors and other external groups can also report a product security concern, incident or vulnerability to BD through the Cybersecurity Trust Center.

We recognize that systems and threats evolve continuously, and no system can be protected against all vulnerabilities. That's why vulnerability disclosure is essential. When a potential vulnerability or incident is uncovered or reported to BD, we work to identify vulnerable IT systems and products, examine them, develop and validate compensating controls and/or security

updates (as needed), and disclose our findings publicly, equipping customers with the information they need to manage potential risks properly. For maximum awareness, BD voluntarily reports coordinated vulnerability disclosures to the **U.S. Food & Drug Administration (FDA)** and Information Sharing Analysis Organizations (ISAO) where BD participates—including the **U.S. Department of Homeland Security Cybersecurity & Infrastructure Security Agency (CISA)** and the **Health Information Sharing and Analysis Center (H-ISAC)**—and publishes them to the BD Cybersecurity Trust Center.

In addition to product security bulletins and patches, customers can also access third-party certifications and attestations through the BD Cybersecurity Trust Center. Our cybersecurity programs and policies for products have been evaluated by the Underwriters Laboratories Cybersecurity Assurance Program (UL CAP), affording BD an independently audited certification that demonstrates the cybersecurity of medical device products through a rigorous program of analysis. UL CAP cybersecurity testing is extensive and challenges BD products against known



cybersecurity vulnerabilities, malware, malformed input (fuzz testing), structured penetration, static source code analysis, static binary and bytecode analysis and verification of security controls (access control, user authentication and authorization, remote communication, cryptography and software updates). Two BD products, the BD FACSlyric™ Flow Cytometer and the BD Synapsys™ Microbiology Informatics Solution, were among the first medical devices to earn UL CAP certification, with additional evaluations underway.

BD also maintains a SOC2+ program for multiple BD products and systems that collect and process patient health information in accordance with the Health Insurance Portability and Accountability Act (HIPAA). These annual audits address the Trust Principles for Security and (for our cloud-based products) Availability. SOC2+ 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 and SOC2+ reports are available to customers upon request via the BD Cybersecurity Trust Center.

## Cybersecurity and COVID-19

In 2020, our cybersecurity strategy helped to enable the company's response to the COVID-19 pandemic. We expanded secure connectivity options for the BD Veritor™ Plus System, which is an antigen-based point-of-care device granted Emergency Use Authorization by the FDA to perform SARS-CoV-2 diagnostic testing. We also enabled encrypted reporting capabilities for BD Synapsys™, an integrated informatics solution. The BD Synapsys™ Solution unifies instrument-read COVID-19 test results from the BD Veritor™ Plus System and the BD MAX™ System. The BD MAX™ System is a fully integrated, automated PCR-based molecular platform also granted Emergency Use Authorization by the FDA to perform SARS-CoV-2 diagnostic testing. Once the data is aggregated in the BD Synapsys™ Solution, customers who enable the solution's optional reporting capabilities can create encrypted reports, simplifying compliance requirements and reducing the need for manual reporting.

## Improving cybersecurity through partnership

We believe industry collaboration makes us stronger and, likewise, enhances healthcare cybersecurity. The partnerships below exemplify industry engagements from 2020 that helped us further improve our cybersecurity practices at BD while also advancing cybersecurity maturity across the industry.

**Operation Warp Speed (OWS)**—OWS was a public-private partnership initiated by the U.S. government in 2020 for the purpose of producing and delivering 300 million coronavirus vaccine doses across the U.S. Our participation with this multiagency initiative helped to strengthen our threat intel and bolster manufacturing cybersecurity while also guarding against increased cyberactivity related to the vaccine effort.

**U.S. Department of Homeland Security Cybersecurity & Infrastructure Security Agency (CISA)**—CISA offers in-depth cybersecurity resources for U.S.-based organizations, including those in the healthcare and public health sector. Following our involvement with OWS, CISA engaged with BD on several initiatives including assessments, reviews and preparedness exercises. CISA also performed an evaluation of our phishing

simulation program to help us assess our cybersecurity awareness training for BD associates.

**The International Medical Device Regulators' Forum (IMDRF)**—The IMDRF published **Principles and Practices for Medical Device Cybersecurity** in March 2020. BD is a member of the IMDRF Cybersecurity Working Group, which calls for greater transparency around third-party software labeling, as well as device end of life (EoL) and end of support (EoS).

**The Medical Device Innovation Consortium (MDIC)**—The MDIC Cybersecurity Steering Committee, chaired by BD Vice President and Chief Information Security Officer, Rob Suárez, is working to develop a maturity model benchmark based on the **Healthcare and Public Health Sector Coordinating Council (HSCC) Med Tech Joint Security Plan (JSP)**. BD also contributed to the development of the MDIC's Threat Modeling Playbook, authored by the MITRE Corporation, and helps facilitate the **MDIC's Medical Device Cybersecurity Threat Modeling Bootcamp**.

To learn more about our engagement with cybersecurity working groups in healthcare, read our inaugural **Cybersecurity Annual Report**. Released in 2020, this report highlights our engagement with cybersecurity working groups in healthcare and updates stakeholders on BD cybersecurity practices.

For more information about our cybersecurity program, visit the **BD Cybersecurity Trust Center**.

## Sterilization

Medical device sterilization is essential to a functioning and effective healthcare system. Sterilization protects patients from the risks of infectious diseases caused by bacteria, viruses and fungi. At BD, we use a variety of methods to safely sterilize our products, including ethylene oxide (or “EtO”), gamma radiation, e-beam and moist heat.

The appropriate method of sterilization depends on a variety of factors. For example, a large number of devices can be damaged by moist heat, radiation and other modes of sterilization, making EtO the only practical sterilization option for those devices. Further, viable sterilization methods must not only ensure the safety of devices, but they must also provide the ongoing capacity and scale required to process the billions of

medical devices needed by patients in today’s modern healthcare systems. For these reasons and others, EtO sterilization is the method used for approximately 50% of our company’s sterile devices.

We recognize the responsibility we have to safely use all modes of sterilization in our operations. That is why for decades, BD has invested in emission control technologies, process safety controls, as well as subject matter expertise in process safety engineering, environmental engineering, radiation safety, industrial hygiene, sterility assurance and other disciplines. Our environmental health and safety (EHS) standards ensure that all BD sterilization facilities are designed and operate with a high level of process safety and environmental controls.

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## U.S. FDA Innovation Challenge

In FY 2019, BD was selected as a participant in the U.S. FDA’s two-part innovation challenge to: 1) identify new sterilization methods and technologies as alternatives to EtO, and 2) reduce EtO emissions. We were one of 12 accepted proposals out of 46 applicants, for our submission under part 2 of the challenge, to reduce EtO emissions. The FDA’s selection of our proposal into the program marks a critical step in our ongoing partnership with the FDA.

It demonstrates the company’s commitment to improve upon and ensure the continued safe use of EtO, and to investigate alternative work practices that will provide the same sterility assurance and result in the same device performance, at the scale required.

Under this program, BD has completed submissions to regulatory agencies for an optimized sterilization cycle for our sterilization facilities in Georgia in the U.S. We received FDA

approval for use of this optimized cycle in a number of product families in August 2020. We also completed the installation and commissioning of additional emission control systems at our Georgia sterilization facilities to control fugitive emissions from the process. This new application of emission control technology makes them among the industry’s most effectively controlled EtO sterilization facilities.

Until there is a safe and effective replacement for EtO, BD will continue to pursue our goal to reduce the amount of EtO used and minimize emissions from the process. Optimizing EtO sterilization cycles, evaluating new device packaging configurations and evaluating new approaches to validation are examples of possible ways to minimize the amount of EtO used in the sterilization process. We are also actively looking at alternate sterilization modalities, taking into consideration product performance, sterility assurance, regulatory compliance and scalability.



# Corporate governance

## Corporate Governance Principles

Our Corporate Governance Principles outline how we hold ourselves accountable to shareholders and stakeholders. These principles address the operation of our Board and its committees; strategic and succession planning; director qualifications, independence, compensation and equity

ownership; and the ability of shareholders and others to communicate directly with Board members.

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

**GRI disclosures: 102-18, 102-22, 102-23, 102-24, 102-25, 102-28, 102-35**

## Board composition

BD is governed by a Board of Directors consisting of 12 members, 11 of whom are independent. Our Board members have a variety of backgrounds, which reflects our continuing efforts to achieve a diversity of viewpoints, experiences and knowledge, as well as ethnicities and genders. Our Board is comprised of four female directors and eight male directors, one of whom is African American.

There are five operating Board committees (listed below) and an executive committee that meets only as needed:

- Audit
- Compensation and Management Development
- Corporate Governance and Nominating
- Quality and Regulatory
- Science, Marketing, Innovation and Technology

A charter for each committee outlines its mission, the qualifications required for membership and its members' duties.

See more about our Board of Directors on the [Corporate Governance website](#).

## Executive compensation

Our goal is to provide an executive compensation program that best serves the long-term interests of our shareholders. We believe that attracting and retaining superior talent and rewarding performance is key to delivering long-term

shareholder returns, and that a competitive compensation program is critical to that end. For further details of executive compensation, see our [proxy statements](#).

# Participation in the policymaking process

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

BD engages in public policy advocacy through ongoing, constructive and transparent interactions with government officials and stakeholder groups. All advocacy activities are directed toward furthering the company's Purpose of *advancing the world of health™*, without regard to the personal political affiliations or views of any individual BD associates at any level across the organization. We employ public affairs professionals who work closely with our country and business leaders to

make constructive contributions to policy discussions relevant to the company and to the communities in which we operate. We leverage our diverse expertise, global reach and collaborations with healthcare professionals, patients and others to advance sound public policy.

Our participation in the policymaking process, including lobbying and the BD Political Action Committee, is governed by the Board of Directors and the Executive Leadership Team.

## Engaging with governments in a transparent manner

**The Center for Political Accountability (CPA)** recognized BD with a first-place rating of 100% on their 2020 corporate political disclosure and accountability index. The ranking benchmarks Fortune 500 companies and is produced by CPA in conjunction with the Zicklin Center for Business Ethics Research at the

Wharton School at the University of Pennsylvania. This is the fourth year in a row that the company has received a perfect score for the transparency with which we conduct our political engagement, and it is a designation that investors watch.

## Public policy advocacy

In areas where BD has deep experience, the company develops public policy positions that guide our advocacy efforts worldwide. We currently have a range of **global public policy positions** available online.

We also engage in policy dialog to advance regulatory and reimbursement frameworks that ensure the safety and efficacy

of medical technologies while enabling timely patient access to them. We promote sensible tax policies that enhance competitiveness and innovation, support policies and programs that advance biomedical research and seek to expand access to care for all people.

## Political Action Committee: BD PAC

As permitted under U.S. law, the company operates a 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 contributed a total of \$64,000 to candidates in 2020. All contributions made by the BD PAC are also publicly reported.

For annual reporting of itemized PAC contributions and any other corporate contributions, visit our **website**.

For details on U.S. lobby expenditures by year, visit the **BD Sustainability Report archive**.

## Process for corporate financial contributions

The company prohibits the use of corporate funds and assets to support U.S. federal or state candidates, political parties, ballot measures or referendum campaigns. Exceptions to this policy require approval by the CEO, the general counsel and a designated member of the Board of Directors Corporate

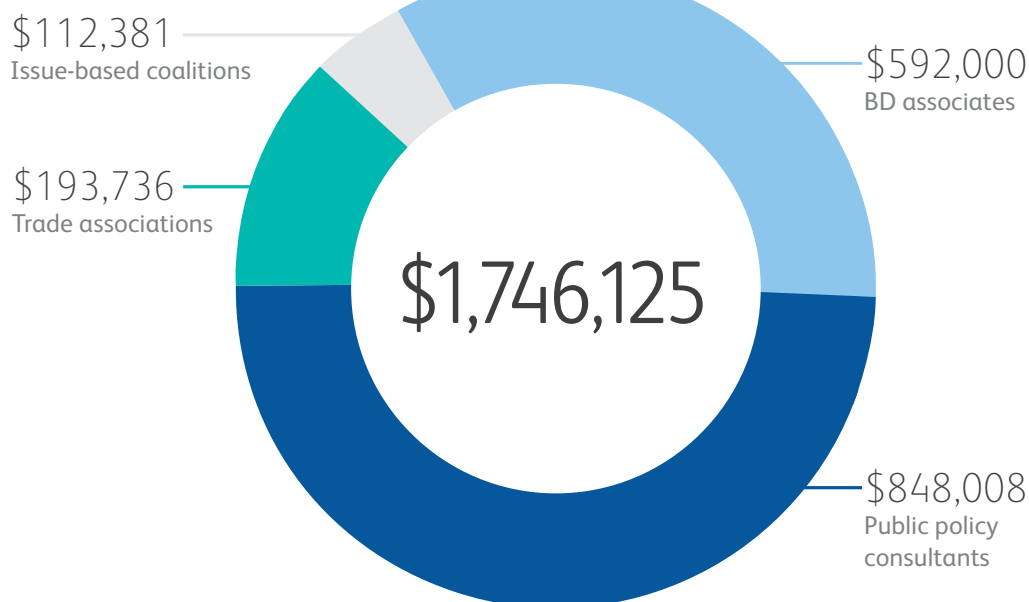
Nominating and Governance Committee. To date, no exceptions have been sought or approved.

Certain conditions must also be met for any political contributions outside of the United States.

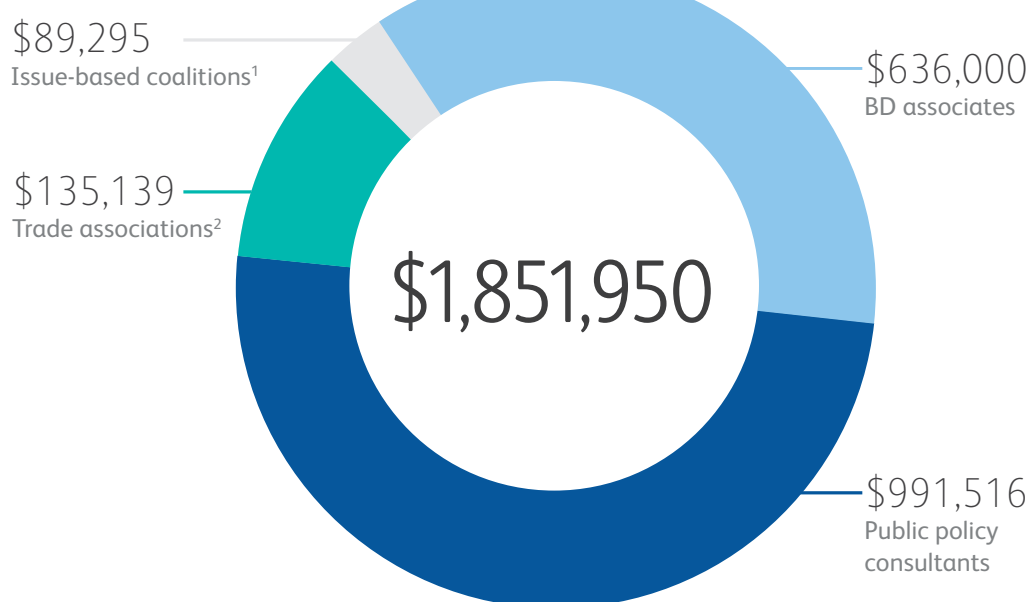


## U.S. lobbying expenditures

**2019\***



**2020\***



\* Data represents calendar years.

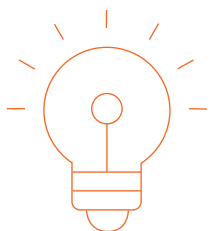
### References

<sup>1</sup> 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.

<sup>2</sup> Trade associations: AdvaMed, Healthcare Institute of New Jersey, California Life Sciences Association, North Carolina Biosciences Organization, Bio Nebraska.

In addition to the work of our public affairs team, BD is able to expand our reach by leveraging state and federal public policy consultants; collaboratively engage on issues that impact our industry through trade associations; and advance policy proposals focused on key priorities through advocacy coalitions.

For calendar year 2020, the company spent approximately \$1.8 million on salaries and expenses associated with lobbying in the U.S., which was roughly the same as the company's 2019 expenditure. 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.



# Innovation

## Healthcare safety, outcomes and cost

### Introduction

BD is on the forefront of helping healthcare systems balance four key priorities: increasing access, improving outcomes, mitigating healthcare system cost pressures and protecting patients and healthcare workers. A sustainable innovation system needs investment, discipline and leadership to succeed.

Innovation requires diligence and partnering, and our capabilities span ideation through market development. Along this continuum, we can increase our impact through selective partnerships.

We think a broad definition of the term “innovation” is the best way to advance healthcare. Whether it is technology, processes, systems partnerships or any dimension of business, we pioneer new, relevant ways to address healthcare’s most pressing problems. Our technologies and execution capabilities allow BD to make a profound impact on the quality of care.

### R&D investments

Our Purpose—*advancing the world of health™*—and innovating to solve major health problems are mutually reinforced goals. When we innovate to increase access to quality healthcare, it benefits people and societies throughout the world and drives our business performance.

BD conducts its R&D activities around the world. In North America this work is done at its operating units and at BD Technologies in Research Triangle Park, NC. Outside North America, BD primarily conducts R&D activities in China, France, India, Ireland and Singapore. BD also collaborates with certain universities, medical centers and other entities on R&D programs and retains individual consultants and partners to support its efforts in specialized fields.

Our investments in research and development led to a number of product launches in FY 2020, including:

- The BD Veritor™ Assay for rapid detection of SARS-CoV-2, a digitally read immunoassay for the direct and qualitative detection of SARS-CoV-2 antigens in nasal swabs from patients with signs and symptoms who are suspected of COVID-19;
- The BD® SARS-CoV-2 Assay for the BD MAX™ System, a real-time PCR test intended for the qualitative detection of nucleic acid from SARS-CoV-2 in nasal, nasopharyngeal and oropharyngeal swab samples;

- The BD™ Intraosseous Vascular Access System, providing a solution for immediate vascular access via the bone marrow in emergent situations;
- The BD Onclarity™ HPV Assay, the only FDA-approved HPV assay to individually identify and report genotypes beyond 16, 18 and 45;
- The Caterpillar™ and Caterpillar™ Micro Arterial Embolization Devices, self-expanding arterial occlusion plugs intended for use in the peripheral vasculature—our first venture into interventional oncology; and
- The Arctic Sun™ Stat Temperature Management System, with an updated ergonomic design, integrated analytics capabilities and interoperability with hospitals’ electronic medical records.

### R&D expense

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
USD, millions	\$828	\$770	\$1,004	\$1,062	\$1,096

## Innovation awards

Innovation is not a buzzword at BD. It's the heart of the company. Each year, we invest more than a billion dollars in innovation, knowing that behind every advance we make, there's a patient who could get a more accurate result, a faster or better treatment, a better quality of life and, ideally, more time. Given that impact, it's vital that we continue to cultivate a culture where innovation can thrive.

For the sixth year running, BD was included in the Clarivate Top 100 Global Innovators list in recognition, in part, of this innovation-focused culture.

Since 2012, Clarivate has published the Top 100 Global Innovators report to honor the most innovative companies and institutions in the world. Through robust analysis of Clarivate's unique and proprietary data, including patent volume, patent grant success rates, global reach and invention influence, Clarivate is able to identify, without bias, the world's most innovative organizations.

At the start of 2021, BD had approximately 27,000 active, issued patents worldwide and 4,500 in the United States alone. Based solely on volume, for 2020, the Intellectual Property Owners Association ranked BD 120th for number of granted U.S. patents, and the European Patent Office ranked BD 70th in number of patent applications filed—reflecting a significant input to the analysis performed by Clarivate that pushed us into the top 100 category.

We're proud to be recognized on Clarivate's Top 100 Global Innovators list. Innovation always has been and always will be vital as we continue to look for new and better ways of *advancing the world of health™*.

**Top 100  
Global  
Innovator  
2021**

**Clarivate™**

## Innovation strategy

BD remains focused on delivering sustainable growth and shareholder value, while making appropriate investments for the future. We operate the business in a manner consistent with various core strategies, including:

- Increasing revenue growth by focusing on our core products, services and solutions that deliver greater benefits to patients, healthcare workers and researchers;
- Supplementing our internal growth through strategic acquisitions;
- Continuing investment in research and development for platform extensions and innovative new products; and
- Making investments in growing our operations in emerging markets.

Our strategy focuses on four specific areas within healthcare and life sciences:



## Innovation in review

In the five years since we set our 2020 goals, BD has been relentlessly focused on helping healthcare systems balance four key priorities: increasing access, improving outcomes, mitigating healthcare costs and protecting patients and healthcare workers. Through sustained, disciplined investments in innovation, strategic partnerships and two transformative acquisitions—of CareFusion in 2015 and Bard in 2017—BD has continued to evolve and expand our product and solution offerings to address healthcare's most pressing problems.

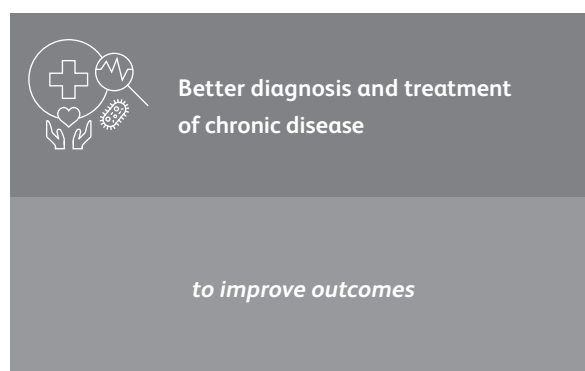
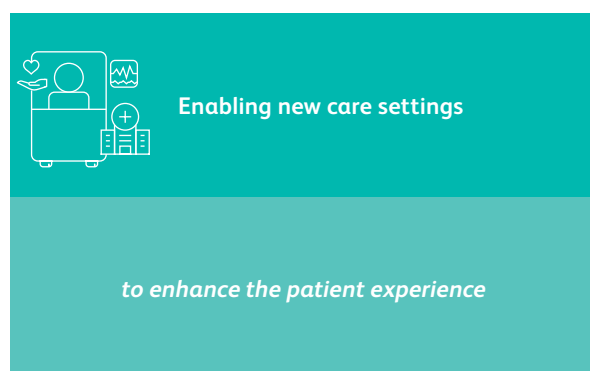
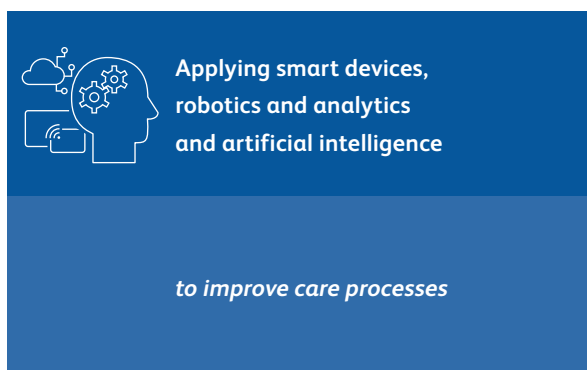
- In 2015, our acquisition of CareFusion significantly accelerated our strategy and enhanced the scale and depth of our medication management and patient safety solutions. This transformative acquisition was instrumental in BD becoming one of the largest global leaders in medical technology, significantly strengthening our ability to partner with healthcare providers around the world to provide safer, more economical care. The combination of our complementary product portfolios enabled BD to offer medication management solutions and smart devices, from

drug preparation in the pharmacy, to dispensing on the hospital floor, to patient administration and subsequent medication monitoring.

- Just two years later, in 2017, we further expanded opportunities to innovate in fast-growing clinical areas, including vascular, urology, oncology and surgical specialty products, with the acquisition of Bard. This acquisition enabled BD to expand its leadership position in medication management and in infection prevention, with offerings positioned to address 75% of the most costly and frequent healthcare-associated infections.

Today, we estimate approximately 90% of all U.S. hospital inpatients receive care using a BD device; and approximately 70% of all U.S. acute hospitals have connectivity to a BD data platform.

Looking towards FY 2021 and beyond, our expanding innovation pipeline will leverage our core strengths to focus on lowering healthcare costs by addressing shifting industry trends, which include:



Over the course of the last five years, BD has launched numerous products that contribute towards our four sustainability goals that relate to innovation. In this five-year lookback, we'll highlight some of the key products we launched across our four innovation goals.



**Innovate** key healthcare processes such as medication management and lab automation

BD innovations in lab automation and medication management have enabled the seamless unification of complex work systems. Over the past five years, we have continuously built upon successful models like the BD Kiestra™ Lab Automation Solution and BD HealthSight™ System. Notable launches that helped to innovate key processes include:

**FY 2015**


BD Cato™  
Medication  
Workflow  
Solution



BD Alaris™  
Infusion  
System



Pyxis™ ES  
System

**FY 2016**


BD MAX™  
Extended  
Enteric Bacterial  
Panel



BD MAX™  
CT/GC/TV Assay



BD MAX™  
Vaginal Panel



BD Totalys™  
Automated  
Cervical Cancer  
Screening  
System



BD™ U-500  
Insulin  
Syringe

**FY 2017**


The BD HealthSight™ Platform for enterprise medication management is our unique combination of connective technologies, analytics and expert services that close gaps and create seamless visibility across BD medication management solutions, such as BD Pyxis™ Dispensing System and BD Alaris™ Infusion Solutions. The BD HealthSight™ Platform connects systems and processes to help hospitals and health systems drive a safer, more efficient medication management process. We continue to develop the capabilities of the BD HealthSight™ Platform.



BD Phoenix™  
M50 System



BD Phoenix™  
CPO Detect  
Test

## FY 2018



BD MAX™  
Enteric Viral  
Panel



BD MAX™  
MDR-TB Panel



BD Onclarity™  
HPV Assay



PAXgene®  
Blood ccfDNA  
Tube (CE-IVD)

## FY 2019



BD Pyxis™  
SupplyStation™  
RF Cabinet



BD Pyxis™  
Kanban RF  
System



BD COR™  
Automated  
Molecular  
Diagnostic  
System

## FY 2020



BD Kiestra™  
ReadA  
Compact



BD COR™  
GX/PX with  
BD Onclarity™  
HPV Assay  
(E.U. only)



BD Synapsys™  
3.1 Solution

### Develop innovations and informatics to enable disease management across the care continuum

Technology is advancing capabilities for how clinicians and patients manage disease across the care continuum. We work closely with healthcare systems to improve safety, costs and outcomes. We continue to invest in new technologies under development to provide more advanced “wearable” drug delivery devices and diabetes disease management applications. As we pursue new digital technologies, we are committed to providing secure products to our customers.

## FY 2015



BD  
Intelliport™  
Medication  
Management  
System



BD  
FlowSmart™  
Technology

## FY 2016

**BD Veritor™ Plus System**

The wireless BD Veritor Plus™ System provides healthcare providers and laboratorians in physicians' offices, clinics, hospitals and integrated delivery networks (IDNs) with objective, lab-quality immunoassay test results within minutes. This rapid and accurate solution streamlines the point-of-care (POC) diagnostic workflow and enables providers to quickly review patient results to assist in determining the appropriate treatment in a single consultation. The system can help detect results for a variety of tests while the patient is still on site, which enables faster decision making for earlier intervention.

In FY 2020, BD was able to develop a SARS-CoV-2 (the novel or new coronavirus strain that causes COVID-19) assay for use on the BD Veritor™ Plus System. At this time, the BD Veritor™ System, which is slightly larger than a cell phone, was in use at more than 25,000 hospitals, clinician offices, urgent care centers and retail pharmacies in all 50 U.S. states. Its one-button functionality, workflow flexibility and ease-of-use made it an ideal solution for settings without laboratory personnel. It also offers customers real-time reporting capabilities through the BD Synapsys™ Informatics Solution, providing them with the ability to easily report data for disease monitoring and surveillance purposes.

Used as part of a comprehensive coronavirus mitigation program, this fast, easy-to-use testing system for SARS-CoV-2 provides virus detection for healthcare providers, therefore helping to decrease the spread of the virus.

## FY 2017



**BD Rowa™ VMax**  
Automated  
Storage and  
Dispensing  
System

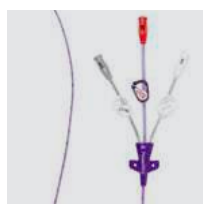


**BD Rowa™**  
VMax 210  
System

## FY 2018



**Covera™ Stent**  
Graft  
(fistula  
indication)



**BD Provena™**  
PICC

## FY 2019

**BD HealthSight™ Diversion Management Analytics**

Addiction to prescription narcotics in the U.S. has reached epidemic proportions, contributing to the opioid crisis and becoming a major driver of drug diversion within healthcare settings. Diversion of drugs, for personal use or illegal distribution, can cause significant financial loss and potentially impact care to patients and staff safety.

As part of the BD HealthSight™ Platform that is designed to support enterprise-wide medication management, the BD HealthSight™ Diversion Management Analytics application assists with opioid drug diversion investigations by creating an investigation workflow to monitor, triage and assign potential diversion cases to specific investigators. Compared to traditional, statistically based analytical tools that only look at opioid amounts dispensed to identify potential diversion, BD utilizes machine learning algorithms and multiple dispensing behaviors—such as overrides, canceled transactions, delays in dispense, administration or waste—to identify clinicians whose behavior indicates higher risk for diversion.

## FY 2020



BD Veritor™  
COVID-19  
POC  
Antigen Test



BD MAX™  
COVID-19  
Assays



BD EleVation™  
Breast Biopsy  
Device



BD Intevia™  
1 mL  
Handheld  
Autoinjector

### Enable the transition from research to clinical practice

The ability for healthcare providers to advance their understanding of disease states and then quickly and accurately diagnose and treat patients is critical to reducing overall system costs and improving patient outcomes. Since 2015, BD introduced the following products to aid researchers and clinicians:

## FY 2015



BD  
FACSCelesta™  
Flow  
Cytometer

## FY 2016



BD  
FACSCelesta™  
System



BD Horizon  
Brilliant™  
Reagent



BD  
FACSMelody™  
Cell Sorter



BD FACSLytic™  
Cell Analyzer



BD CLiC™ LP  
System



BD  
FACSymphony™  
Cell Analyzer



## FY 2017



BD  
Rhapsody™  
Single Cell  
Analysis  
Platform



BD FACSLyric™  
Flow  
Cytometer  
System



BD Precise™  
WTA  
Reagents

## FY 2018



BD AbSeq™  
Antibody-  
Oligonucleotide  
Conjugates



BD OptiBuild™  
Reagents

## FY 2019



### BD FACSDuet™ System

BD FACSDuet™ Sample Preparation System is the first fully automated sample-to-answer solution when integrated with the BD FACSLyric™ Flow Cytometer. The new integrated system enables clinical laboratories to fully automate the sample-to-answer process and improve their efficiency by reducing errors and limiting the manual user interactions required to run assays on the BD FACSLyric™ Flow Cytometer.

The BD FACSDuet™ Sample Preparation System builds new capabilities into the BD portfolio of clinical flow cytometry solutions offering a preanalytical system. When combined with the BD FACSLyric™ Flow Cytometer, the BD FACSDuet™ System is the first truly walkaway sample-to-answer solution for clinical labs.



BD FACSLyric™  
Clinical  
Flow Cytometer

## FY 2020



BD  
FACSymphony™  
S6 Sorter



BD  
FACSMelody™  
Cell Sorter

## Provide solutions that improve healthcare worker and patient safety

BD is dedicated to enhancing safety for patients and healthcare workers. Hospitals and clinics pose an inherently risky environment due, in part, to the high percentage of patients with communicable diseases. With the increase in antimicrobial resistance (AMR), the need for infection prevention and control in the healthcare environment is paramount, in addition to protecting healthcare workers from needlestick injuries and exposure to hazardous drugs. Key examples of this work over the past five years include:

### FY 2015



BD Cato®  
Medication  
Workflow

### FY 2016



#### BD Vacutainer® UltraTouch™ Push Button Blood Collection Set

BD Vacutainer® UltraTouch™ Push Button Blood Collection Set with Preattached Holder. The one-handed safety activation of the push button allows clinicians to activate the safety mechanism while still attending to the patient and venipuncture site. The preattached holder is designed to protect against accidental needlestick injury from the nonpatient (tube side) needle and to help ensure OSHA single-use holder compliance. The wing set with preassembled holder is provided as one sterile unit.



BD  
ChloraShield™  
IV Dressing

### FY 2017



BD Phoenix™  
CPO Detect  
Test

### FY 2018



BD® HD Check  
System



BD Nano™  
PRO 4mm Pen  
Needles



BD PhaSeal™  
Optima  
System



LifeStent™ 5F  
Vascular Stent  
System



AccuCath  
Ace™  
Intravascular  
Catheter



AllPoints™  
Port Access  
System

## FY 2019



OptiFix™ AT  
Absorbable  
Fixation  
System



Venovo™  
Venous Stent  
System



PureWick™  
Female  
External  
Catheter Kit



WavelinQ™ 4F  
EndoAVF  
System

## FY 2020



Lutonix® AV  
Low Profile



BD Provena™  
Midline  
Catheter with  
Max Barrier+  
Kits



BD Insyte™  
Autoguard™  
BC Pro  
Shielded IV  
Catheter



BD  
PowerMidline™  
Catheter with  
Max Barrier+  
Kits



BD Provena™  
Solo Catheter



BD UltraSafe  
Plus™ 2.25 mL  
Passive  
Needle Guard



### BD PurPrep™ Patient Preoperative Skin Preparation

In FY 2020, BD launched the BD PurPrep™ Patient Preoperative Skin Preparation with sterile solution, the first and only fully sterile povidone-iodine plus isopropyl alcohol single-use antiseptic skin preparation (PVP-I; 0.83% available iodine and 72.5% isopropyl alcohol) commercially available in the U.S.

BD PurPrep™ Skin Preparation joins BD ChloraPrep™ Patient Preoperative Skin Preparation as the only fully sterile skin preparations available on the market that use a single-use applicator specifically designed to prevent cross-contamination and promote aseptic nontouch technique. The BD PurPrep™ Patient Preoperative Skin Preparation is an effective skin preparation alternative when the use of a chlorhexidine gluconate (CHG/IPA) is contraindicated, or the patient is sensitive to CHG.

*“Though progress has been made, healthcare-associated infections remain a problem,” said Donald E. Fry, MD, a nationally recognized expert in infection prevention. “Sterile, single-use products have been shown to reduce the risk of outbreaks linked to microbial contamination of antiseptic products. By developing fully sterile BD PurPrep™ and ChloraPrep™ Patient Preoperative Skin Preparations, BD is providing healthcare professionals with a more complete set of tools to reduce the risk of intrinsic contamination in antiseptic solutions.”*

## Looking forward—innovation beyond 2020

While our 2020 sustainability goals have concluded, BD will continue to provide innovative solutions across the care continuum. This innovation will not be focused solely on the products we deliver, but also on how we deliver them.

### Exponential technologies

While these products themselves enable this transition from research to clinical practice, BD has also been innovating on how we showcase our comprehensive BD solutions across three business segments (BD Medical, BD Interventional and BD Life Sciences). BD has begun to utilize cutting-edge visualization techniques to create experiences that better demonstrate product solutions, educate healthcare professionals in proper product use and engage with stakeholders—from potential and current associates to customers and patients.

The BD Computer-Aided Engineering (CAE) Exponential Technologies Group drives this work through immersive and interactive experiences. They utilize virtual reality (VR), augmented reality (AR) and virtual tours (VT) to better support the rollout of products—easing their transition from research to clinical practice. Our VR technology puts users in the driver seat to interact with BD products, enabling them to understand seamless workflows and helping drive better healthcare outcomes. AR allows users to engage with BD products and concepts in a new way by placing them within their own real-world environment, creating a next-level visualization experience.

One such solution, our virtual tour, leverages scans of real-world environments to create portable, web-based experiences (viewed on a phone, tablet or computer) to highlight our solutions and key messages for customers and talent recruitment. These experiences help users learn about the broad portfolio of BD products, follow a patient journey from diagnosis to cure, highlight new market opportunities through visualization and storytelling, and plan optimal layout solutions for customer environments and measure customer environments for optimal layout solutions.

Users can view two of the BD virtual tours from their own computer at **BD Innovation and Engagement Center** (based out of Eysins, Switzerland) and the **Shanghai Customer Experience Center**.







# Antimicrobial resistance (AMR)

Antimicrobial resistance, or AMR for short, is among the greatest threats to the health and well-being of the world's population. If present trends continue, by 2050 AMR will become a greater cause of mortality than heart disease or cancer.<sup>1</sup> As the bacteria that cause infections become increasingly drug resistant, even common medical procedures—such as surgery, childbirth and chemotherapy—will become increasingly life-threatening. This is not a theoretical future risk; it is already happening. In 2019, the CDC released updated estimates for the toll of drug-resistant infections in the United States, demonstrating that the risk is greater than previously believed, affecting over 2.8 million patients annually. And while the COVID-19 pandemic quickly became the focus of the world's attention, AMR continues to increase, threatening the lives of millions every year.

To mobilize action, in 2016 the United Nations identified AMR as a global health threat and called on countries to enact national programs to combat AMR and to reduce the risk of drug-resistant infections.

AMR is the ability of microorganisms (such as bacteria, fungi, viruses or protozoa) to nullify the effects of antimicrobial drugs, resulting in these drugs becoming ineffective.<sup>2,3</sup> AMR can affect anyone, of any age, in any country.



## Cost<sup>2</sup>

**1–3.4 trillion**  
U.S. dollars in estimated  
losses annually



## Impact<sup>1</sup>

**700,000** preventable  
deaths worldwide annually

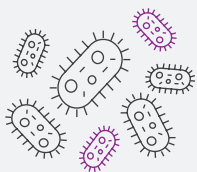


## Projections<sup>3</sup>

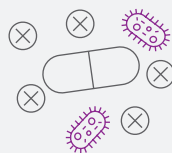
A continued rise in resistance  
by 2050 would lead to  
**10 million deaths**  
and a reduction of  
**2% to 3.5%** in GDP

## How does it happen?

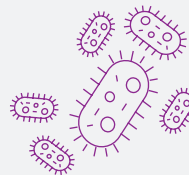
There is usually a small  
number of bacteria that  
are resistant to antibiotics.



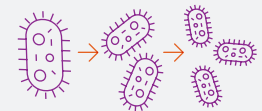
When taken, antibiotics kill bacteria  
causing the illness—but they also kill  
the good bacteria that protects the  
body from infection.



The drug-resistant bacteria  
survive and multiply.



Eventually, the drug-resistant  
bacteria becomes dominant  
and spreads.



### References

- 1 O'Neill J. Tackling drug-resistant infections globally: final report and recommendations. Review on Antimicrobial Resistance. May 2016. Accessed March 15, 2020. [https://amr-review.org/sites/default/files/160525\\_Final%20paper\\_with%20cover.pdf](https://amr-review.org/sites/default/files/160525_Final%20paper_with%20cover.pdf)
- 2 Antibiotic threats in the United States. Centers for Disease Control and Prevention. Accessed March 15, 2020. <https://www.cdc.gov/drugresistance/threat-report-2013/index.html>
- 3 O'Neill J. Antimicrobial resistance: tackling a crisis for the health and wealth of nations. December 2014. Accessed March 15, 2020. [https://amr-review.org/sites/default/files/AMR%20Review%20Paper%20-%20Tackling%20a%20crisis%20for%20the%20health%20and%20wealth%20of%20nations\\_1.pdf](https://amr-review.org/sites/default/files/AMR%20Review%20Paper%20-%20Tackling%20a%20crisis%20for%20the%20health%20and%20wealth%20of%20nations_1.pdf)

In response to this threat, in 2016 the United Nations called on countries to enact national programs to combat AMR, and focused on five key strategic focal areas identified by the Interagency Coordinating Group (IACG):

- Raising awareness of AMR among clinicians and the public at large
- Funding education, research and surveillance programs to understand the growing threat of AMR
- Reducing incidence of infection through hygiene and prevention efforts
- Optimizing the use of antibiotics, many of which are prescribed inappropriately
- Investing in R&D and innovation to develop novel drugs, vaccines and diagnostics

BD is leveraging its extensive global capabilities to meaningfully engage around each of the five key strategies outlined in the WHO's Global Action Plan on AMR. BD possesses important capabilities that are instrumental in containing AMR. We offer a wide range of medical products utilized to prevent the spread of infection in healthcare facilities. In addition, we also offer diagnostic systems to screen, test and diagnose infection, including drug-resistant strains, and state-of-the-art surveillance and reporting capabilities to monitor, track and predict AMR outbreaks.



### Support infection control guidelines

Comprehensive product and service offerings from BD to help clinicians improve patient outcomes through the standardization of care and adherence to best practices.



### Expand diagnostic testing

Diagnostic tests classify infections and guide therapies, enabling clinicians to implement effective antimicrobial stewardship interventions.



### Advance medication management

A connected medication management system comprised of technologies, analytics and surveillance tools can help ensure that medications are available and utilized appropriately.

## Strategy 1: Improve awareness, education and training

### Improving awareness and education remain a critical component to combating AMR

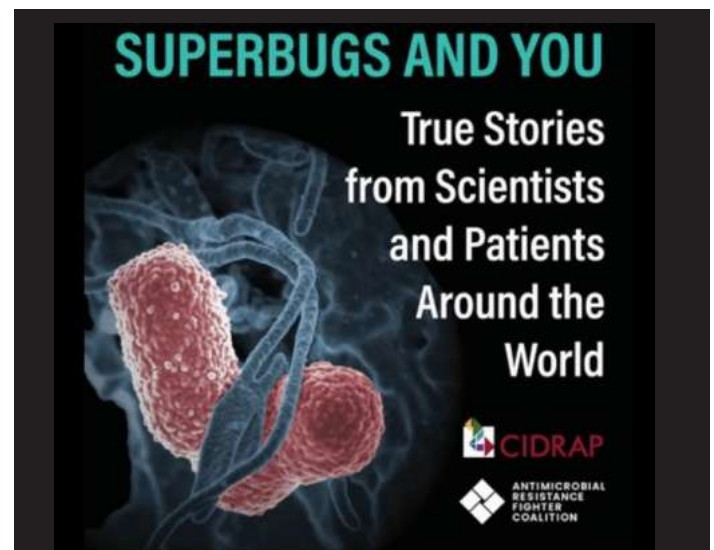
The **Antimicrobial Resistance Fighter Coalition** (ARFC), mobilized by BD in 2017, aims to raise awareness and emphasize the need for a broad array of stakeholders to take personal responsibility in combating AMR. The ARFC is comprised of a broad stakeholder group of global organizations, patient advocacy groups and individuals from over 50 countries, including health agency officials, professional societies,

clinicians, patients who recovered from resistant infections and family members of patients who died from AMR-related causes.

The ARFC utilizes digital and social media to advance awareness and mobilization around AMR, including a dedicated **website**, social media channels, and more recently, a webinar and podcast series featuring many of the world's leading authorities on AMR.



**AMR in the Light of COVID-19** is a recent series of four webinars mobilized by the ARFC that aired live from September to November 2020. In these webinars, global AMR experts discussed how the COVID-19 pandemic could reshape strategies for combating drug-resistant infections around the world. This webinar series had 20,467 registrants from 167 countries.



**Superbugs and You: True Stories from Scientists and Patients Around the World** is a podcast series co-created by the ARFC and CIDRAP (Center for Infectious Disease Research and Policy). In each podcast, a patient, a clinician and a researcher tell their stories about how they each have suffered, treated and researched (respectively) drug-resistant infections ("superbugs"). They also describe ways that listeners can change their behaviors to improve the use of antibiotics.



### Drug-resistant infections can happen when least expected

Tatiana Vargas,<sup>1</sup> was a healthy, recently married newlywed living in California. After returning home from her honeymoon, she began to feel unwell. After a doctor visit and a misdiagnosis, the infection moved to her lungs and Tatiana landed in the ICU. She was then diagnosed with a methicillin-resistant *Staphylococcus aureus* (MRSA) infection for which the initial antibiotic no longer worked. After quarantine and many weeks of treatment, she was released. Today, Tatiana lives with a chronic cough and the reality that the infection might return.

#### Reference

<sup>1</sup> Tatiana Vargas, Antimicrobial Resistance Fighter Coalition message. <https://antimicrobialresistancefighters.org/stories/story-tatiana-chiprez-vargas>

## Strategy 2: Strengthen evidence via surveillance

Strengthening surveillance and reporting are necessary to better understand the scale of the challenge and develop an appropriate response. Lessons from COVID highlight the need for improved surveillance of drug-resistant infections. BD has contributed data to global organizations, such as the CDC; the Institute for Health Metrics and Evaluation (IHME); and the Center for Disease Dynamics, Economics and Policy (CDDEP) to evaluate and report the burden of AMR. In 2019, BD provided extensive data and analytics to the CDC utilizing insights from our proprietary hospital surveillance and analytics platforms. These data were integrated into the CDC's *Antibiotic Resistance Threats Report*<sup>1</sup> highlighting the prevalence and impact of

antibiotic-resistant bacteria and fungi on patients in the United States.

Healthcare systems and governments often do not understand the economic impact that AMR can have—today and in the future. The BD Health and Economic Outcomes Research (HEOR) team developed an AMR Burden of Disease Tool that illustrates current and anticipated future clinical and economic impact of AMR across various system levels. BD has facilitated the use of this new tool with health systems and facilities in Canada, Southeast Asia and China. The tool is automated and available **online** for public use.

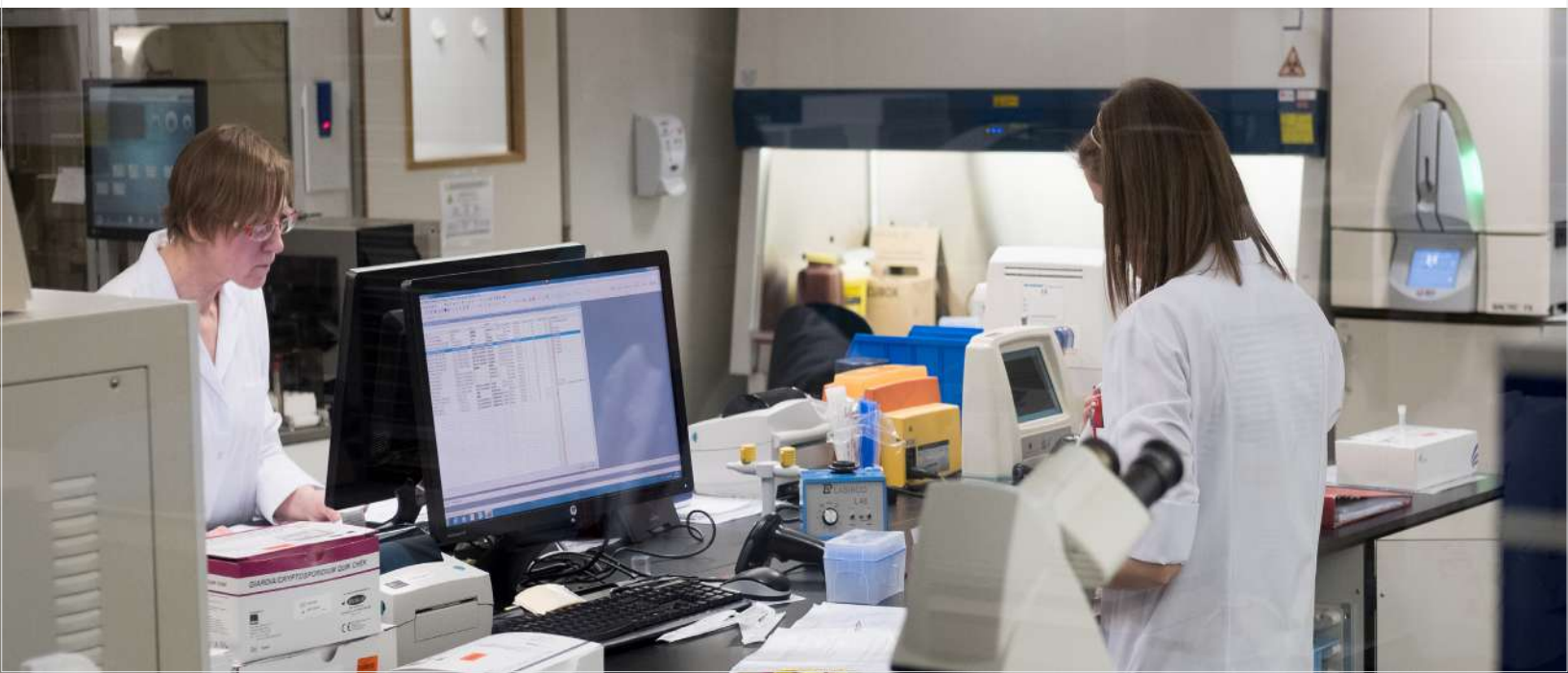
## Strategy 3: Reduce incidence of infection

Reducing risk of infection is an essential component of the global effort to combat AMR. When selecting, placing and maintaining medical devices, proper hand hygiene, aseptic technique and compliance to guidelines are necessary to reduce HAI risk to patients. And since resistant infections spread easily among patients in healthcare facilities, patient screening and universal precautions may reduce transmission of infections. BD is leveraging its expertise in diagnostics, vascular access, surgical preparation and critical care to support hospitals' infection prevention and control programs.

In addition to deploying these programs at an individual health facility level, BD has worked in collaboration with national governments in multiple countries, including the U.S., China, Kenya, Cambodia and India, via public-private partnerships to improve infection prevention and control capabilities in hospitals.

In 2020, The Society for Healthcare Epidemiology of America (SHEA) launched a new best practices training course in infection prevention and control for hospital clinicians with direct patient care responsibilities. The online program, Prevention Course in HAI Knowledge and Control (Prevention CHKC), was supported by an educational grant from BD and is available for free throughout the COVID-19 pandemic to support infection prevention awareness and education.

*"With many healthcare facilities stretched to or beyond their limits and others preparing to be, this course provides critical information and skills to keep frontline providers, their families and patients safe in this crisis,"* said Hilary Babcock, MD, MPH, Chair of the SHEA Education and Research Foundation. *"These prevention processes are not necessarily intuitive, and the need for refreshing these skills among healthcare workers is high in normal times and critical during this global pandemic."*





## Strategy 4: Optimize the use of antimicrobials

Diagnostic tests classify infections and guide therapies, enabling clinicians to implement effective antimicrobial stewardship interventions. Our focus in this area has been in three areas: delivering updated and new diagnostic tools to laboratories globally, deploying software to move data from the lab to the patient, and co-developing training tools for optimal use of the technologies.

BD announced a collaboration with the Fleming Fund in 2019 to equip labs in developing and emerging countries. More on this partnership can be found in the [Access](#) section of this report. In 2020, a successful rollout of equipment, reagents and training has improved lab capabilities across several countries.

In the U.K., BD partnered with a community pharmacy chain to demonstrate the effective use of point-of-care tests to diagnose patients with viral infections, resulting in a reduction in the number of unnecessary antibiotic prescriptions. Patients and pharmacists surveyed expressed satisfaction with the survey and even a willingness to pay if the service was not reimbursed by the NHS.

In the U.S. and other industrialized countries, BD introduced the BD HealthSight™ Clinical Advisor Platform to identify when an inappropriate and potentially ineffective antibiotic has been prescribed. Actionable alerts are delivered to clinicians involved in the medication management process to assist with selection of antibiotics to help avoid waste of resources associated with compounding unnecessary medications.



### Antibiotics can cause harm and should be used judiciously

The Peggy Lillis Foundation shares the story of Peggy Lillis,<sup>1</sup> a healthy, vibrant, 56-year-old kindergarten teacher and mother from New York who was prescribed a strong antibiotic for prophylaxis. She developed diarrhea and was diagnosed with a *Clostridioides difficile* infection. *C. difficile* infections can occur when antibiotics disrupt the microflora of “good” bacteria in your gut, resulting in overgrowth and infection by the *C. difficile* bacteria. Despite the best efforts of the medical team using the strongest antibiotics they had, 36 hours later Peggy died from the infection.

To support the understanding of the role of diagnostics in the appropriate use of antimicrobials, BD partnered to create and launch new training and assessment tools. Read more about the massive online open course on AMR diagnostics and AMR scorecard in the [Access](#) section of this report.



### Resistance can spread through the air; one-third of AMR deaths are due to drug-resistant tuberculosis

Saurabh Rane<sup>2</sup> is an XDR-TB (extensively drug-resistant tuberculosis) survivor. This means most TB drugs did not work to cure his infection. He was initially misdiagnosed with susceptible TB, and when he was correctly diagnosed, he had to take over 20 pills a day for over 2.5 years, including 6 months of daily injections. These medications have terrible side effects, as they are very toxic. Today, he is an advocate for fighting drug-resistant TB and fighting to mandate drug susceptibility testing.

#### References

<sup>1</sup> Christian and Liam Lillis, Antimicrobial Resistance Fighter Coalition message. <https://antimicrobialresistancefighters.org/stories/story-christian-and-liam-lillis>

<sup>2</sup> Saurabh Rane, Antimicrobial Resistance Fighter Coalition message. <https://antimicrobialresistancefighters.org/stories/story-saurabh-rane>

## Strategy 5: Innovations to help combat AMR

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

### Support infection control guidelines



Launched in 2016, BD ChloraShield™ IV Dressing is a thin, transparent vascular dressing featuring BeneHold™ Adhesive Technology formulated with CHG (chlorhexidine gluconate) that provides sustained antimicrobial activity against skin flora for up to even days. Designed to enhance patient care, the dressing stays in place, secures the vascular access device and is easy to remove.

### Expand diagnostic testing



In 2016, BD expanded its efforts to combat antimicrobial resistance by introducing its next generation diagnostic instrument for the rapid identification of bacteria and detection of antimicrobial resistance. The new BD Phoenix™ M50 ID/AST System helps deliver the same rapid, accurate and cost-effectiveness within a smaller footprint.

### Support infection control guidelines



Starting in 2016, the PureWick® Female External Catheter has allowed for simple, noninvasive urine output management in female patients in over 2,000 hospitals and rehabilitation facilities.

### Expand diagnostic testing



In 2017, BD launched the first automated phenotypic test to detect and classify CPOs. Available as part of the BD Phoenix™ Automated Microbiology System in Europe, the new BD Phoenix™ CPO Detect Test will help hospitals identify and contain infections caused by CPO, while potentially combating an increase in AMR.

### Expand diagnostic testing



In 2018, BD introduced the BD MAX™ MDR-TB Panel, an in vitro diagnostic with CE-mark available in Europe and other regions. The single, PCR-based molecular diagnostic test is an integrated diagnostic test that can simultaneously detect bacteria that cause TB. It determines if the bacteria contains mutations associated with resistance to the two important first-line drugs, INH and RIF, enhancing the information for clinicians to direct the optimal treatment for their patients.

### Support infection control guidelines



In 2019, BD announced it received FDA approval for BD ChloraPrep™ Skin Preparation with sterile solution, the only fully sterile chlorhexidine gluconate (CHG) antiseptic skin preparation commercially available in the U.S.

### Advance medication management



In 2019, BD announced the latest advancement in combating antimicrobial resistance with new analytics integrated into the company's connected medication management platform. It identifies when an inappropriate and potentially ineffective antibiotic has been prescribed, based on a patient's specific infection diagnosis. BD HealthSight™ Clinical Advisor is a new functionality within the BD HealthSight™ Connected Medication Management Platform that aggregates disparate patient data to provide clinicians with the ability to receive near real-time medication stewardship alerts within the pharmacy workflow.

### Expand diagnostic testing



In 2020, BD announced availability in Europe (CE marked) of the new BD Kiestra™ Inoqula System powered by BD Synapsys™ Informatics Solution. The BD Kiestra™ Inoqula System allows the user to prioritize urgent samples immediately for on-demand processing, minimizing workflow interruption. In addition, it also reduces the need for subculture, which may shorten the time for microbial identification and antibiotic susceptibility testing, allowing earlier result reporting.

In response to the global threat of antimicrobial resistance and under the guidance of the UN AMR Interagency Coordination Group, most countries throughout the world have established AMR national action plans. BD is engaging with ministries of health, international agencies and other partners to integrate our AMR capabilities and initiatives within these country-level plans. We are doing so in a manner that appropriately aligns our actions to the stage of development of the countries and the hospitals we are working in. These actions and activities reflect

our company's strong commitment to combating the global risk of AMR.

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



# Access

## Healthcare in resource-limited populations

BD believes in the vision of a world free of disease and needless suffering. We think access to high quality healthcare is so fundamental that it can create more productive, educated and equitable societies.

BD's global public health efforts seek to expand access and drive capacity building through partnerships with leading organizations and governments. We engage in advocacy with governments, funders and health agencies to advance innovations to address the world's leading public health needs, which are highly aligned with the UN SDGs.

The business model for emerging markets encourages our country's leaders to understand the health system priorities in their country and engage with key opinion leaders responsible for health policies and practices. This enables BD to engage at earlier stages in the healthcare decision-making process and adapt our strategic plans for product array, manufacturing and talent accordingly.

### 2020 goal

#### **Develop** low-cost innovations to address leading causes of mortality and morbidity

In July 2020, BD was granted Emergency Use Authorization (EUA) from the FDA for a rapid, point-of-care SARS-CoV-2 diagnostic test for use with our broadly available BD Veritor™ Plus System. The launch of this new assay that delivers results in 15 minutes on an easy-to-use, highly portable instrument was critical for improving access to COVID-19 diagnostics because it enabled real-time results and decision-making while the patient was still on site.



The BD Veritor™ System, which is slightly larger than a cell phone, is currently in use in hospitals, clinician offices, urgent care centers and retail pharmacies. Its one-button functionality, workflow flexibility and ease of use make it an ideal solution for settings without laboratory personnel. It also offers customers real-time reporting capabilities through the BD Synapsys™ Informatics Solution, which provides them with the ability to easily report data for disease monitoring and surveillance purposes.

*"This will be a game changer for frontline healthcare workers and their patients to be able to access a quick diagnostic test for COVID-19, offering results in real time at convenient locations like retail pharmacies, urgent care centers and doctors' offices,"* said Dave Hickey, President of Integrated Diagnostic Solutions for BD at the time of launch. *"Such tests will also help communities be more informed and better prepared to help prevent new spikes and additional waves of COVID-19 by enabling public health workers to quickly identify infectious individuals and trace their contacts. The highly portable, easy-to-use, point-of-care format of this test, large quantity of test kits available and existing, expansive footprint of BD Veritor™ Plus Instruments will help bring widespread access to COVID-19 testing in the United States and around the world as additional country-specific regulatory requirements are met."*

## BD, PEPFAR and CDC public-private partnerships

BD has established a series of partnerships with PEPFAR (U.S. President's Emergency Plan for AIDS Relief) and the U.S. CDC. These partnerships help us strengthen laboratory systems and upgrade clinical practices in phlebotomy, infusion and injection.

### Labs for Life

PEPFAR, CDC and BD have a long-standing public-private partnership ("Labs for Life") focused on laboratory systems strengthening toward achieving the UNAIDS 95:95:95 targets.

Launched in 2007, Labs for Life provides frontline training for laboratory staff in six countries heavily burdened with HIV. In 2016, *The Journal of Infectious Diseases* highlighted the successes of the partnership, such as reduced turnaround times for test results, improved laboratory quality results and standardization of safe specimen transport practices and networks.

Renewed in 2012, phase 2 expanded to 41 laboratories across five countries in sub-Saharan Africa and India. Several labs were successfully accredited in phase 2. Based on the success of the first two phases, the partnership was renewed in 2018 for another three years.

As part of this partnership, the U.S. Department of State brings strategic guidance, HIV/AIDS technical expertise and in-kind resources. CDC provides oversight and technical guidance and serves as the primary implementing agency through CDC country offices and local partners. BD contributes personnel time through trainers, mentors, and subject matter experts and has deployed more than 300 BD Global Health Fellows to short-term, in-country assignments. In the current phase, which launched in 2018, the partnership is working in 39 laboratories across six countries where, to date, BD fellows have conducted 28 mentorships, resulting in improved laboratory quality assessment scores. Through the program, lab assessment scores across participating labs increased by at least 46% and as high as 196%.

*"I could have never imagined that I would be a BD Global Health Fellow in Kenya, but BD made my wildest dream come true! We helped a laboratory operate more efficiently by improving good documentation practices, building a reliable inventory system and emphasizing the importance of audits and identifying nonconformities. BD, CDC and PEPFAR's collaboration is exceptional and makes the world better one lab at a time. It was the greatest experience."*

Gábor Oláh  
(Quality Control Operations Supervisor, Kornye,  
BD Hungary) Kenya, 2020

In one country in Africa, the partnership established a Center of Excellence (COE) in phlebotomy and equipment maintenance (EM) in a region with high prevalence of HIV.

In India, the Labs for Life partnership also established a COE in phlebotomy and EM at Government Medical College (GMC) Aurangabad. By FY 2020 about 220 lab personnel and medical officers were trained on phlebotomy.

Additionally, online educational content has been developed, which has over 500,000 views from 91 countries.

BD has partnered with the William Davidson Institute (WDI) of the University of Michigan to conduct our monitoring and evaluation (M&E) of the program.





## Laboratory leadership training in low- and middle-income countries

At a time when clinical laboratories are under increased pressure due to the COVID-19 pandemic, having strong leadership within labs has become even more essential. In 2020, as part of the Labs for Life partnership, BD and the Association of Public Health Laboratories (APHL), together with WDI, collaborated to develop and offer an online laboratory leadership and

management essentials training based on a curriculum developed by APHL. This virtual eight-week course will be offered via the ExtendEd platform in Q1 FY 2021 and aims to strengthen laboratory managers' skills and knowledge to manage and lead clinical laboratories.

## Infection prevention in Kenya

Needlestick injuries put both patients and healthcare workers worldwide at increased risk of bloodborne pathogen exposure. In Kenya, more than 20% of needlestick injuries occur from starting IVs or connecting a syringe into an IV line. To address this safety issue, BD in collaboration with PEPFAR, CDC and the Kenya Ministry of Health (MOH) signed a memorandum of understanding (MOU) in 2018 for an infection prevention partnership. The objective of the Kenya Infection Prevention Global Collaboration for Advancement (KINGA) partnership is to improve the safety of both patients and healthcare workers during injections, infusion and blood collection procedures.



Program activities commenced in 2019 with observational assessments at nine hospitals to understand injection and infusion practices. BD Global Health trained 29 BD associates from around the world to serve as BD Global Health Fellows to perform key in-country activities, including the assessments. Fellows and local KINGA staff followed hundreds of patients to complete over 2,500 observations of injections, peripheral IV insertions and starts, medication administration, as well as care and maintenance of the peripheral IV lines. Following the observations, BD and partners developed a training curriculum that addresses the gaps identified and emphasizes best practices. In 2021, Kenyan healthcare workers at the target facilities will receive an adapted training that incorporates both virtual and in-person content to account for the COVID-19 pandemic.

BD Global Health Fellows based in their home countries will support the train-the-trainer training sessions virtually, and local KINGA and BD associates will lead the hands-on skills practice in Kenya. This train-the-trainer session will be followed by in-facility sessions and mentoring support to educate more healthcare workers, thus expanding the program's reach throughout the nine facilities in Kenya. In addition, the quality improvement project of the KINGA partnership will introduce safety-engineered BD Venflon™ Pro Safety IV Catheter at all the target hospitals.

Recognizing the risks that healthcare workers face as a result of needlestick injuries and exposure to blood, the partnership has further supported the testing and vaccination of 3,000 healthcare workers against hepatitis B in the selected facilities.



## Healthcare worker and patient safety in western China

Over the last four years, BD and Project HOPE, an international nonprofit for global health and disaster recovery, have collaborated to reduce infusion-related infections among healthcare workers and patients in four provinces in western China. A total of 16 hospitals are included in the partnership that targets outpatient, ICU, obstetrics, surgery, oncology, pediatrics and endocrinology units. At the start of the program, over 2,000 observations of peripheral IV catheter insertions and practices of care and maintenance were conducted to assess practices at baseline. Based on the insights made during the observations, a training curriculum was developed to address gaps in peripheral IV practice and maintenance while reinforcing best practices. Over 2,200 nurses and 30 nursing students were trained through the partnership's train-the-trainer model in the first two years of the program.

Year three of the partnership commenced in 2020 at the start of the COVID-19 pandemic. To assure continuity of program activities during the pandemic, trainings transitioned to an online platform. BD and Project HOPE invited local faculty to record nine online videos that mirrored the curriculum for the

in-person training workshops. Each facility managed the rollout of the training. The nurses watched the online courses, and then the local faculty led the practice session on site afterwards. The new online structure expanded the reach of the program, resulting in an additional 1,827 nurses trained. To date, over 4,000 nurses have been trained since the program's inception. Additional nurses will be trained as the partnership concludes in 2021.



**Devex Content Series**—BD and Devex, a global development media platform, have collaborated on two dedicated digital platforms that draw awareness to important global health issues. The first called “Safety First” explores the challenges at the heart of needlestick and sharps safety and highlights promising efforts to ensure patient and healthcare worker safety in hospitals and clinics around the world.



**Advanced HIV Disease: Know Your Count** is the second digital platform by BD and Devex. The partnership explores the reasons why mortality from advanced HIV disease (AHD) persists when diagnostic services and treatments are available. It calls on leaders in the HIV/AIDS field, like policymakers, practitioners and people living with AHD, to share insights on how to address AHD. Early diagnosis, treatment and access to services are just some of the ways.

## Making STRIDES against drug-resistant TB in high-burden countries

Lack of access to reliable drug-susceptibility testing (DST) is a critical public health challenge posed by drug-resistant forms of tuberculosis. On average, it is estimated that 50% of those in need of second-line drug-susceptibility testing in high-burden countries do not receive it.

To better understand the barriers that stand in the way of patient access to this life-saving test, BD and the U.S. Agency for International Development (USAID) formed a partnership in 2018, called STRIDES (Strengthening TB Resistance Testing and Diagnostic Systems). As part of the partnership, BD and USAID are working in India in collaboration with the National TB Elimination Program (NTEP) to improve access to and increase capacity for liquid culture and drug-susceptibility testing (LC/DST) across 55 public sector labs. Key highlights of this partnership achieved by end of FY 2020 include:

**Assessment of liquid culture (LC) and drug susceptibility testing (DST) labs:** Ten key public sector labs across different cities have been assessed by BD experts on various aspects of lab and quality management, including processes followed (i.e., testing, sample management), documentation practices and availability of adequate infrastructure. BD developed a

standardized checklist, which was approved by NTEP, WHO and national experts for use during lab assessments. Results from these assessments were shared with all labs in debriefing meetings. Based on the discussions, BD developed specific action plans for each lab containing short-, medium- and long-term action items.

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



Dr. Richard Pfelz, BD-Baltimore, undertaking the assessment.

**Strengthening Specimen Referral System:** BD conducted field assessments to identify gaps in TB diagnostics management and observed suboptimal visibility in specimen movement as one of the key gaps impacting patient outcomes. BD worked to develop a solution framework for addressing this gap. Currently, in

collaboration with NTEP, BD is supporting development of an integrated module in the Nikshay application (used by NTEP for end-to-end management of patients) to track the movement of a sample and help reduce turnaround time from sample collection to diagnosis and treatment.

BD and USAID also partnered with an award-winning documentary filmmaker in India to launch “**TB Talk Unmasked,**” a platform through which policymakers, TB survivors and treating physicians can share their unique stories and perspectives.



At the 50th Union World Conference on Lung Health in Hyderabad, USAID honored BD for its commitment to strengthening the national TB program in India.

In FY 2019, BD signed a memorandum of understanding with USAID to expand the STRIDES program to Indonesia with the goal of working across four national labs and 15 labs that are part of the country's TB diagnostics network.

*“Under BD-USAID partnership STRIDES, we have been able to conduct lab assessments and laboratory staff’s trainings at our public sector Liquid Culture and Drug Susceptibility Testing laboratories, which is critical to the National Tuberculosis Elimination Program. STRIDES team brings niche skills and technical expertise to the table. We look forward to continuing the collaboration with STRIDES team to achieve the goal of eliminating TB from India by 2025.”*

Dr. Nishant  
Central TB Division  
Ministry of Health, India



# AMR

## Innovative partnerships to strengthen lab systems and combat AMR

BD has formed several innovative partnerships with leading health agencies and NGOs, each of which aims to raise awareness of this growing global threat; better understand the scale and scope of the challenge; help reduce the risk of infection and drive optimal antimicrobial use—particularly in low- and middle-income countries.

### Educating and advocating for AMR

Global experts have identified several challenges that low- and middle-income countries face when addressing AMR. There are too few trained microbiologists, few health facilities that routinely undertake bacterial culture and still fewer facilities that meet the requirements for accreditation.

To respond to these challenges, BD and The London School of Hygiene & Tropical Medicine, together with a global advisory group of experts, partnered to create the Massive Open Online Course (MOOC) that educates participants about how diagnostics can be leveraged to reduce the inappropriate use of antibiotics, screen patients with resistant bacteria in healthcare settings, and monitor AMR trends and the effectiveness of antibiotic stewardship strategies.

The course was publicly available and offered in collaboration with leading regional organizations to assure learning is widely scaled. These organizations include: the Indian Council of Medical Research (ICMR), ALADDiV (Latin American Alliance for the Development of In Vitro Diagnostics); the Philippine Society of Microbiology and Infectious Diseases (PSMID); the Interregional Association for Clinical Microbiology and Antimicrobial Chemotherapy (IACMAC) of the Russian Federation; and the Chinese Academy of Laboratory Medicine Education (CALME).

This course, which launched in 2019 and is available in six languages, has since reached 13,000 participants in over 100 countries.

### Expanding capacity for AMR diagnostics in low- and middle-income countries.

The Fleming Fund, a U.K. aid program, provides grants to improve the surveillance of AMR and generates relevant data that is shared nationally and globally. In 2019, The Fleming Fund awarded grants to diagnostic sector companies for strengthening laboratory systems in 24 countries in sub-Saharan Africa and Asia. BD was awarded grants to expand its automated blood culture and identification and antimicrobial susceptibility testing (ID/AST) technologies to help strengthen laboratory systems for combating AMR in 19 of the 24 countries. Since the award, our AMR solutions continue to be placed in countries with limited or no prior experience of using diagnostics to address AMR. In 2020, instruments were rolled out in nine countries in sub-Saharan Africa and Asia. The additional countries will be rolled out in 2021.

### Strengthening laboratory systems for performing AMR-related laboratory tests.

To further strengthen capacities to combat AMR at both an individual laboratory level and across national laboratory systems, in FY 2019 BD partnered with the Foundation for Innovative New Diagnostics (FIND), a Geneva-based NGO, to develop the new AMR scorecard for lab quality improvement. BD piloted this new AMR tool in collaboration with FIND in five countries—Vietnam, Cameroon, Kenya, Ethiopia and Uganda. The final version will be launched in FY 2021 in collaboration with the African Society for Laboratory Medicine (ASLM) and Africa CDC. An awareness and education campaign will begin in FY 2021 in collaboration with all partners to include training assessors on how to best utilize the scorecard.

In India, BD has been in discussions with government stakeholders and relevant partners for rollout of the scorecard at several public sector facilities, but experienced delays in FY 2020 due to COVID-19 pandemic-related issues.

Sepsis Management Program, Kerala

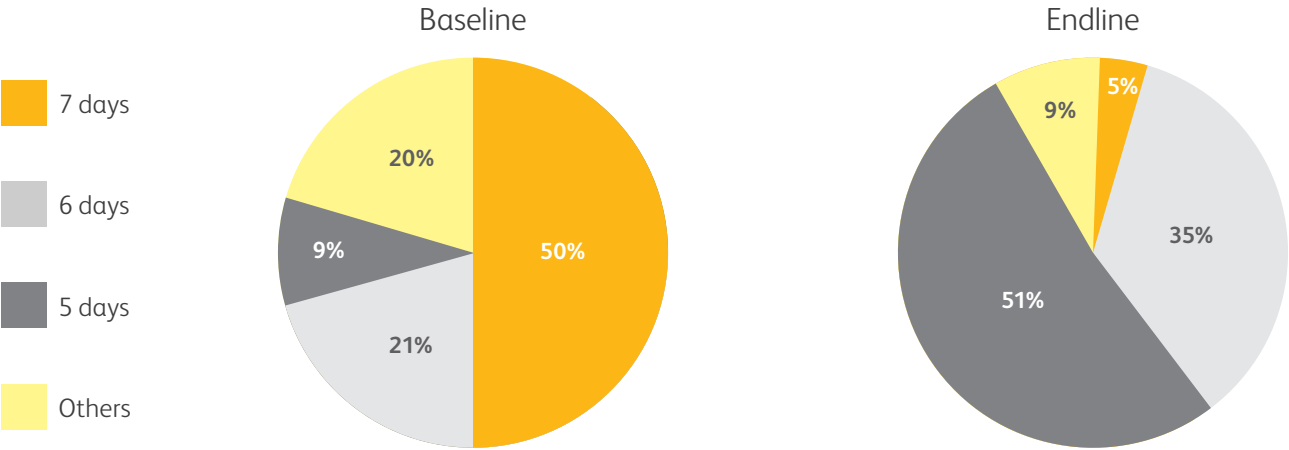
In India, BD partnered with the Ministry of Health (MOH) in Kerala to increase access to automated blood culture and identification and antibiotic susceptibility technologies (ID/AST) at a secondary public sector hospital—Government Hospital (GH), Ernakulum. Bacterial sepsis is the leading cause of neonatal deaths. With 3.8% incidence of neonatal sepsis and neonatal mortality rate of 28/1,000 lives births, India accounts for 30% of the neonatal deaths globally. The objective of the project was to: 1) enable early diagnosis of sepsis to reduce sepsis-related morbidity and mortality, while 2) providing rational antimicrobial therapy to reduce AMR.



The results showed that rational use of antibiotics increased significantly after the project implementation. Use of ampicillin and amikacin as first-line antibiotic increased from 80% to 91% and use of cefotaxime as first-line decreased from 18% to 7%. At the same time, average length of stay in the hospital for the patients decreased from 7.2 to 5.4 days after implementation of the project. Number of days for which antibiotics were given to neonates were also reduced significantly.<sup>1</sup>

Based on the success of this initiative, the MOH decided to expand access to these technologies to 13 surrounding primary and secondary hospitals through an innovative Hub and Spoke model wherein samples are moved to GH Ernakulum for testing.

Project impact on number of days antibiotics were given



Reference  
<sup>1</sup> Sreemathy BB, Menon SPS, Kumari ARPV, et al. Impact of sepsis management project on rational use of antibiotics in presumed and probable neonatal sepsis - a retrospective comparative study. *J Evid Based Med Healthc.* 2020;7(36):1970-1975.

## Emerging market revenue growth

In the period of FY 2015 to FY 2020, BD saw emerging market revenue growth of over \$600 million. Throughout this time, we continued to pursue growth opportunities in emerging markets, which includes certain countries in Eastern Europe, the Middle East, Africa, Latin America and Asia Pacific.

### Emerging market revenues (in billions)

2015	2016	2017	2018	2019	2020
\$1.8	\$1.9	\$1.95	\$2.53	\$2.71	\$2.42

Foreign currency translation unfavorably impacted emerging market revenues in 2020 and 2019 by an estimated \$100 million and \$155 million, respectively. Revenues in emerging markets in 2020 were unfavorably impacted by a decline in healthcare utilization as a result of the COVID-19 pandemic. Revenues in our BD Medical–Medication Delivery Solutions unit were also unfavorably impacted by a new volume-based procurement process which has been adopted by several of China's provinces. To date, the impact of these procurement initiatives to our revenues in China has been limited to our BD Medical–Medication Delivery Solutions unit. Emerging market revenue growth in 2019 was favorably impacted by the inclusion of revenues associated with Bard products in our results for the first quarter of FY 2019, as noted above. Underlying growth in 2019 was particularly driven by sales in China and EMA.

Emerging market revenues in 2016 related to divested businesses, primarily the Respiratory Solutions business, were approximately \$105 million. Unfavorable foreign currency translation impacted emerging market revenues in 2017 and 2016 by an estimated \$29 million and \$156 million, respectively. Emerging market revenue growth in 2017 was driven by sales in Greater Asia, including China, and Latin America. Emerging market revenue growth in 2016 reflected the inclusion of CareFusion's sales for the full fiscal year, as well as growth in China and Latin America, partially offset by declines in the Middle East and Africa.

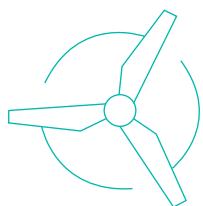
## Expansion in emerging manufacturing employment and facilities\*†

As part of this effort in emerging markets, BD increased the number of facilities (new facilities, a move to larger facilities or product line expansions) and in employment in some key locations, detailed in the map below.



\* Associate numbers are rounded to the nearest ten.

† Increased employment is defined as adding over 75 associates to the total headcount in these countries from FY 2015 to FY 2020.



# Efficiency

## Environmentally sound products and resilient operations

We understand that the health of the planet is linked to the health of people, and reducing our impact on the environment supports our Purpose of *advancing the world of health™*. With continuing pressure on natural resources and the predicted impacts of climate change, it is imperative that we continue to increase the resilience of our operations and explore opportunities for environmental improvements across our value chain. By partnering more closely with suppliers, customers and peers, we can address some of the world's most pressing environmental issues more broadly than we could on our own.

### Status of performance against 2020 goals

Since the launch of our 2020 goals in FY 2015, our business has grown significantly through acquisition. While these acquisitions have impacted absolute emissions, we have continued to make

progress in reducing our environmental footprint on a per unit basis, through investments and continuous improvement. Over the period from FY 2015 to FY 2020:

**13** acquisitions incorporated into environmental disclosures, including major acquisitions of CareFusion and Bard



**8** solar installations

Bawal, India  
Four Oaks, NC  
Suzhou, China  
Canaan, CT (Phase I)

Cayey, Puerto Rico  
Eysins, Switzerland  
Franklin Lakes, NJ  
Canaan, CT (Phase II)



**4** combined heat and power (CHP) facilities

Fraga, Spain  
Heidelberg, Germany

Cuautitlán, Mexico  
Drogheda, Ireland



**1** fuel cell energy storage upgrade

San Jose, CA



**Over 650** projects related to energy, water and waste efficiency improvements saving **\$25.6 million**



**\$47.5 million** invested from a dedicated capital fund for energy, water and waste reduction projects



We have achieved the following against our 2020 targets:\*

## Emissions



Reduce Scope 1 and 2 GHG emissions **by 50%.**

**Current status FY 2020**

Reduced **by 58%**

**TARGET ACHIEVED.**

Reduce volatile organic compound (VOC) and hazardous air pollution (HAP) emissions **by 65%.**

**Current status FY 2020**

Increased **by 38%**

Reduce ozone-depleting substance emissions by **95%.**

**Current status FY 2020**

Reduced **by 95%**

**TARGET ACHIEVED.**

## Energy



Increase use of renewable energy **to 50% of total energy.**

**Current status FY 2020**

Increased **by 21%**



Reduce energy consumption **by 40%.**

**Current status FY 2020**

Reduced **by 30%**

## Waste



Reduce total waste **by 50%.**

**Current status FY 2020**

Reduced **by 14%**

Increase diversion rate **to over 85%.**

**Current status FY 2020**

Increased **by 79%**

Reduce hazardous waste **by more than 60%.**

**Current status FY 2020**

Reduced **by 42%**

## Recycling



Increase recycling rate **to over 70%.**

**Current status FY 2020**

Increased **by 63%**

## Water consumption



Reduce water consumption **by 40%.**

**Current status FY 2020**

Reduced **by 53%**

**TARGET ACHIEVED.**

Our strategy has directly contributed to more efficient operations and reduced energy consumption. Diversification of energy supply through the installation of CHP and sourcing of renewable energy has enabled us to protect against volatility in the energy market that could result in increased operational costs. A heavy focus on material efficiencies (such as packaging optimization, product density optimization for shipping, greater

recycled content and material optimization/reduction) has been another strategy to help maintain cost competitiveness. Our work to communicate GHG emissions avoidance to key customers has also enabled a new dialog with these stakeholders. In some cases, this has led to opportunities to collaborate to make further environmental improvements.

\*From baseline year of FY 2008

## Data collection and governance

Environmental data from our global locations are collected via a third-party data collection and analysis platform. Our environmental inventory management plan (IMP) documents key governance and measurement processes for energy, greenhouse gas emissions, water and waste. It also defines roles, responsibilities and processes, including triggers for recalculation and restatement (for example, merger, acquisition or divestiture that results in a significant structural change to the data).

Improvements in our operational practices and improved visibility to environmental performance metrics have encouraged emissions reduction. Operations leaders review progress against our targets on a regular frequency. At the company level, progress on overall sustainability performance is reviewed with the Executive Leadership Team.

The IMP ensures confidence of information to support decision making, and consistent and transparent reporting.

## Funding

We previously established a dedicated carbon capital fund for projects that may fall outside of traditional funding models but have a sustainability benefit. The fund has been used for projects that include HVAC replacements, chiller upgrades, compressed air upgrades and LED installations—each of which has improved the resilience and efficiency of our operations. In addition, the fund was able to match our traditional capital

funding for a co-generation facility at our Fraga, Spain facility. Other projects included upgrades to our fuel cell energy storage in San Jose, California, and various major solar installation projects. Capital funding will continue to be identified and allocated for projects that support achievement of our 2030+ Sustainability goals.

## Best practice sharing

The ATLAS initiative was implemented in 2008 to drive environmental improvement projects within the BD Medical segment, by reviewing performance and sharing best practices. The initiative is now being expanded across BD with monthly calls held by region.

In FY 2020, the Sustainability Council was established, consisting of representatives from each business unit and sponsored by the VP EHS&S. Covering manufacturing locations, distribution centers and large campuses, the group is responsible for developing and deploying site level targets resulting from our

new 2030 sustainability strategy; developing a multiyear project pipeline and leveraging the BD network (such as the ATLAS initiative) to standardize sharing best practices.

We utilize a number of programs to identify opportunities at our locations, ranging from associate suggestions to more formal on-site audits. As part of the integration of the legacy Bard manufacturing facilities, we have continued a program of on-site audits to identify opportunities for emissions reductions.

All data relating to our performance can be found in the **Efficiency data tables section**.

## 2020 goal

## Reduce GHG emissions and increase climate resilience throughout operations and value chain

## GHG emissions



Our absolute Scope 1 and 2 GHG emissions continued to decline, despite an increase in revenues; this is largely due a reduction in our Scope 2 emissions. In previous years we have purchased additional unbundled Renewable Energy Credits (RECs) to offset carbon emissions at our US facilities. However due to the significant increase in the market price for RECs, we are evaluating alternative strategies, including the purchase of carbon offsets. After normalization, we have reduced emissions by 58% from our baseline year of FY 2008. Facilities continue to identify carbon reduction opportunities as we continue working toward newly announced 2030 climate targets for scope 1 and 2 emissions.

We also continued our commitment to increasing our use of on-site generation and renewable energy sources, where feasible.

We provided limited reporting of Scope 3 emissions in previous years, and in FY 2019 we continued to work with external partners to establish baseline Scope 3 emissions across all relevant categories. Our largest sources of Scope 3 emissions are estimated to be from purchased goods, distribution and the use and disposal of products. Therefore, these sources represent the largest areas for opportunity and will be the subject of focus in our future sustainability strategy.

Further information about our climate change strategy and programs to reduce GHG emissions can be found in our **Climate Change Management Report**, as well as in our responses to the **CDP** (formerly the Carbon Disclosure Project). BD has reported to the CDP since its inception in 2003.

GRI disclosure: 201-02

## 2020 goal

## Minimize our environmental footprint and conserve natural resources

In FY 2020, we completed 109 projects that contributed to lowering our environmental footprint and to conserve natural resources.

## Energy



For FY 2020, we continued to invest in on-site power generation and assessing opportunities to reduce our environmental footprint across all sites.

Our energy consumption continued to decrease in absolute terms and normalized terms in FY 2020.

A number of opportunities were identified including:

- Replacement of HVAC units and other upgrades to more energy efficient equipment

- Process optimization resulting in the reduction of compressed air usage
- LED lighting upgrades

Going forward, we are continuing to build a robust pipeline of energy reduction projects that will reduce energy consumption in addition to GHG emissions.

Click here to view the **Energy data tables**.

## EPA Green Power Partnership

As an EPA Green Power Partner since 2008, we report our use of renewable energy in the U.S. on an annual basis. Details of the

Green Power Partnership and our current ranking can be found at [epa.gov/greenpower](https://epa.gov/greenpower).

## Solar

The latest on-site solar installation was completed for our headquarters in Franklin Lakes, NJ. The project saves roughly 7% of the annual power consumption, which equates to roughly 1,000,000 kilowatt hours annually. That is enough to power 50 U.S. homes for a year. It also reduces 700 metric tonnes of carbon dioxide, the equivalent to removing 140 cars from the

road. The 1,500 solar panel project is one of our largest solar projects to date.

We continue to identify and implement solar opportunities. The next solar installation to come online will be at our San Diego, CA facility.





# Water



## Water management

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

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

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

Operating in accordance with local regulations that protect people and the environment, approximately 96% of water used at our facilities comes from, and is discharged to, third-party sources (such as local municipal water sources). We collect water-related data for total withdrawals from our sites worldwide through an online system. This data is monitored and reviewed on an ongoing basis.

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

Water risk is considered part of business continuity planning. Water-related risks within operations are identified, assessed and addressed through the general enterprise risk management

(ERM) process. We use established water risk tools to evaluate the basin risk and operational risk at the corporate level. Efficiency audits are conducted at the site level to identify opportunities for reduction of water usage and consumption. These local site efficiency audits also include energy, waste and emissions to provide prioritization for conservation projects. These are projects that may reduce energy consumption along with having a significant water reduction associated with it.

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

Further information about our water management strategy and programs can be found in our responses to the CDP (formerly the Carbon Disclosure Project). BD has reported to the CDP since its inception in 2003.

**GRI disclosure: 303-01**

Clean water plays a role in global health. Damaged ecosystems affect the quantity and quality of water available for human consumption. Extreme weather events are impacting water availability and quality.

While water covers a significant amount of the planet, only 3% is freshwater and two-thirds is locked in glaciers or otherwise inaccessible for use. This results in 1.1 billion people lacking access to water, with 2.7 billion experiencing water scarcity for at least one month of the year. In addition, 2.4 billion people experience inadequate sanitation, exposing them to disease and water-borne illnesses.<sup>1</sup>

BD has partnered with **Charity: Water** and **Planet Water** in previous years to provide clean drinking water to communities around the world. You can read more about our work with Planet Water in 2020 in the Empowerment section of this report.

## Water use

Water consumption decreased in FY 2020 as a result of continued water conservation efforts, exceeding our target of 40% reduction of water use (normalized by COPS). Production decreases at certain plants due to the pandemic allowed us to carry out maintenance and upgrades to equipment, such as

pumps, also contributed to reduction in water consumption. We will continue to identify and implement viable water reduction projects.

Click here to view the **Water data table**.

### Reference

<sup>1</sup> Water scarcity. World Wildlife Fund. Accessed March 9, 2021. <https://www.worldwildlife.org/threats/water-scarcity>.

## Waste



### Waste management

Effective waste prevention and management practices are critical for protecting human health and the environment. BD acknowledges the

importance of responsible end disposal management for the various types of waste generated from our operations.

Recognizing the current and future potential liabilities associated with waste disposal is necessary to safeguard our company, communities and planet.

We are committed to reducing nonhazard and hazardous waste generated. We are examining ways to move beyond the traditional hierarchy of waste management by focusing on opportunities to prevent waste from occurring and proactively planning how to extend the life of materials that would otherwise become waste. Through management of change processes, our manufacturing locations are required to review and assess what waste would be generated by process changes and design transfers.

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

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

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

### Waste performance

While we continue to assess and implement waste reduction projects, we have more work to do to improve total waste reduction from our operations. Disposal methods have remained largely static, and we continue to face challenges with recycling waste streams. However, hazardous waste generation saw a decrease due to operational improvements.

There were a few unique factors in FY 2020 that contributed to our waste performance.

- Cleaning protocols introduced in response to the pandemic contributed to increases in the hazardous and regulated waste streams
- Increased production at manufacturing facilities used for the testing and treatment of, and vaccination against, COVID-19
- One-time waste generation associated with development and start-up of new production lines
- One-time disposal of expired products and product recalls

Click here to view the [Waste data tables](#).

## Air emissions



While our facilities continued to make absolute reductions in HAP emissions, VOC emissions have risen. Data demonstrates areas for opportunity remain and we will continue to reduce emissions through process improvement projects and installation of emissions control equipment.

We continue to make progress on the reduction of ozone-depleting substances, which are used at several of our BD Medical facilities. Conversion plans to eliminate the use of HCFC141b remain in progress and are expected to be completed as scheduled.

Click here to view the [Air emissions data tables](#).

# Environment, Health and Safety (EHS) management

We set expectations of environmental, health and safety management via three key documents:

- Our EHS policy
- Our Code of Conduct
- Our Expectation for Suppliers

At the corporate level, BD has an EHS team, led by the VP of Environment, Health & Safety and Sustainability (EHS&S); the VP EHS&S reports to the company's Executive VP Integrated Supply Chain (EVP ISC). Reporting to the VP EHS&S are the following individuals with responsibility for EHS activities.

- Senior Director, EHS Governance & Compliance. This individual is responsible for governance and compliance activities, including our company's internal EHS audit program, EHS standards and training programs and communicating EHS matters to relevant stakeholders throughout the organization. This individual also oversees the Global EHS Advisory Council (see the Empowerment section for further information).
- Director, Sustainability. In addition to stakeholder engagement and development of our sustainability strategy, this individual is responsible for the development of our water stewardship and waste management programs; and management of our EHS information management systems.

The VP EHS&S engages directly with the Executive Leadership Team and provides a report on EHS activities to the Board on an annual basis. The Corporate Governance and Nominating Committee oversees matters that involve the company's image, reputation and our standing as a responsible corporate citizen; this includes EHS matters.

## Training

At a corporate level, we provide various training to our associates, including new hire orientation to EHS professionals; training on new or revised corporate EHS standards, and ongoing training for our EHS management of information systems. We use a variety of training mediums, including classroom training, webinars and on-demand compliance training via our company's online training system.

Individual sites are responsible for identifying site-specific EHS training needs and implementing training programs on a variety of EHS topics, taking into consideration the risks that are present and any local regulatory requirements.

## EHS management information systems

We use global EHS management of information systems that are provided by third-party vendors to collect and manage EHS data, such as:

- EHS incident reporting (including near misses) and corrective action tracking
- EHS performance metric reporting and tracking
- Safety data sheet management

In FY 2020, we identified and selected a new platform to manage EHS incidence reporting and corrective action tracking. This new system will eliminate multiple instances in the existing platform, simplifying reporting and improving governance. The new platform will go live in FY 2021.

## Internal audits

We have a global internal audit program covering all BD locations. Audits are typically carried out by a third party and a representative from the corporate EHS&S team who leads and monitors audit performance and outcomes. In FY 2020, the BD EHS team implemented a new risk-based audit model which gauges facilities on three main components: inherit risk, changes and performance. This enabled a more deliberate focus for selection of sites to be audited during the year. Executive summaries from each initial and follow-up audit are provided to site management, operational leaders, EHS Business unit leaders, EVP ISC and the CEO. All corrective actions are tracked to closure with a follow-up audit carried out approximately six and 12 months later to verify completion.

## EHS management systems

To ensure continuous improvement of environmental performance at a facility level, BD is implementing ISO 14001-certified environmental management systems at our manufacturing sites around the world. Currently, 46 BD sites have ISO 14001-certified environmental management systems; most of these sites are manufacturing locations, but also includes HQ offices and some sales offices in Europe.

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

Our plan is to continue ISO 14001 certification of remaining BD manufacturing plants over the coming years.

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

All BD manufacturing locations have a strong focus on occupational health and safety (OHS) management for injury reduction and prevention. Significant OHS risks associated with our activities are identified and reviewed for elimination and/or control to minimize their potential effects on our employees.

The most accepted OHS management system in the past has been the OHSAS-18001 standard, and two BD sites in Spain and China are certified in this standard. The OHSAS-18001 standard is currently being replaced by ISO-45001 and both of our sites have converted to this new standard. Although our other sites are currently not formally certified in any OHS standard, their site safety programs follow many of the elements included in the OHSAS-18001/ISO-45001 standards.

For additional details on work carried out in FY 2020 related to associate safety, please see our goals around achieving best-in-class associate safety performance in the **Empowerment** section of this report.

GRI disclosures: 403-1, 403-5





**Establish supplier responsibility evaluation methodology**

Supplier risk management is a major focus area for BD. The overarching strategy of the risk program is to enable processes and procedures that reduce or eliminate the likelihood of a supplier event affecting our continuity of supply. We have developed a robust assessment process to identify our “critical to healthcare” products. This has allowed us to prioritize risk management best practices for not only our strategic products but also those critical to the healthcare market. With a top-down directive on risk management, we have implemented an enhanced risk model with a consistent framework across all our business units to assess, identify, prioritize, mitigate and monitor top risks.

## Human rights due diligence in our supply chain

BD is committed to partnering with suppliers to actively work towards eliminating human rights abuses across our supply chain. Our Expectations for Suppliers (EFS) document details the minimum standards that all our suppliers must meet with regards to human rights. More information on this document is provided in the following section.

On an ongoing basis, BD suppliers are analyzed annually, via a third party, against two focus areas: industry-specific risk and geographic or location risk.\* BD recognizes that our highest risk suppliers are likely to be found in countries cited for having the highest prevalence of modern slavery and human trafficking rights violations. Suppliers with the highest risk profiles are prioritized for further evaluation.

Those suppliers identified as high priority and/or providing “critical to healthcare” materials will be asked to complete an in-depth desktop audit led by a third party, the results of which may trigger site inspections and/or in-person audits or guide corrective actions if deemed necessary.

BD also maintains several policies, mechanisms and trainings that support our work in this area. These include;

- The BD Global Human Rights Policy which prohibits the use of forced, prison, indentured, bonded or involuntary labor in all of BD operations, among other human rights issues;
- The BD Code of Conduct that reaffirms the human rights commitments outlined in the above policy;
- The BD Global Speaking Up Policy, which encourages and expects all associates and agents to speak up about any actual or suspected violations of laws, regulations, the BD Code of Conduct, BD policies or relevant industry codes, except as prohibited by law. Those that speak up in good faith are protected against any form of retaliation or discipline;
- The BD Ethics Helpline which allows for anonymous (where permitted by law) and/or confidential reporting of all matters of ethics concerns, including known or suspected human rights abuses, both within BD and in our wider supply chain.

\* Risk, in this case, is specific to human rights risk.

The program takes a quantifiable approach to assess multiple risk factors, including direct supplier-driven risks, such as operational and financial risk, as well as indirect or market-driven risks, such as natural disasters and geopolitical risks. We continue to build our capabilities to include the identification and monitoring of our tier-n supply chain by leveraging supplier surveys and AI discovery services. Additionally, we have formed a cross-business, cross-functional and cross-regional crisis management team to proactively monitor and respond to events around the world that may impact our supply chain. The program will continue to evolve as we leverage sophisticated technologies to aid us in our journey to resiliency.

It is available online or via telephone in a number of languages; and

- Forced labor and human trafficking training developed by a third party and administered annually to BD associates online. This course explains that forced labor, also known as modern slavery, still exists in the world and prompts the learner to consider ways of identifying, preventing and stopping it in the supply chain. It also trains BD associates on how to report known or suspected human rights abuses via our Ethics Helpline. This course is delivered to BD associates that interact directly and indirectly in sourcing, managing, advising on, or are otherwise involved with our suppliers, including but not limited to our leaders and our associates in the following departments: Environment, Health and Safety, Procurement, Supply Chain, Quality, R&D, Operations, Human Resources, and our Law Group.

More details on our human rights due diligence efforts in our supply chain are provided in our compliance documents, which can be found on the Sustainability page of [bd.com](https://www.bd.com).

### BD Expectations for Suppliers

As mentioned above, the BD Expectations for Suppliers (EFS) document details the minimum standards that suppliers must meet—these cover human rights standards, as well as environmental and governance standards and ethical practices. BD includes language that requires its suppliers represent, warrant, and/or certify to comply with the EFS and all relevant laws in our contracts, purchase orders and supplier terms and conditions, among others, where failure to comply could be a breach of contract and result in contract termination, payment of damages and other consequences and/or remedies depending on the terms of the agreement. Our desktop audit program is designed, in part, to verify compliance with the expectations laid out in this document.

**The BD Expectations for Suppliers document is available online** in a number of languages and is updated periodically to reflect the high standards by which BD operates.

## Supplier diversity

Supplier diversity encompasses more than simply tracking spending or “doing the right thing”—it supports our business values and objectives. Being committed to supplier diversity entails developing and implementing strategies that ensure our supply base aligns with the diverse customers, communities and patients we serve, as well as the diverse markets we seek. Having a successful supplier diversity program not only supports sustainable procurement efforts, but it is integral in how we support the economic empowerment of underutilized and underserved communities.

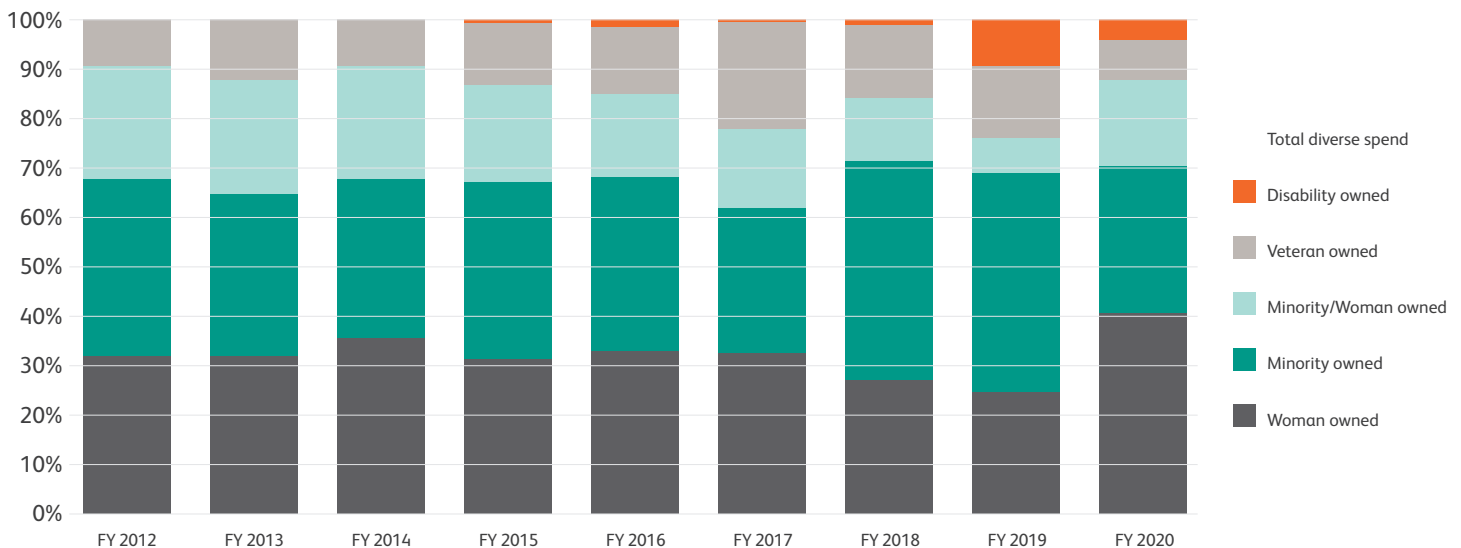
Further details on our Supplier Diversity Program can be found on our [website](#).

We remain committed to increasing the number of small and diverse-owned businesses in our supply chain. After our supplier diversity performance was negatively impacted in FY 2019 due to a number of merger-related data alignment factors, we have made concerted efforts to resolve these challenges.

Through focused revision of our data tracking and management systems, we have improved the way we capture, track and report spend with small and diverse-owned businesses who are tier 1 and tier 2 suppliers. With respect to the challenges small and diverse-owned businesses face during the COVID-19 pandemic, we have made concerted efforts to extend net terms considerations to small business suppliers, both diverse and non-diverse owned. Both efforts have resulted in identifying small and diverse-owned suppliers more accurately and in higher quantity, thus helping to provide a more accurate picture of our accomplishments and remaining opportunities.

Further information on how our program supports our communities will be provided in our FY 2021 report with the addition of our newly established annual economic impact study.

**Supplier Diversity Program: Percent of spend by designation**



## Reduce priority materials of concern in specified product categories

Details of how we manage materials of concern (MOC) can be found in the **Product Safety** section of this report.

### Chemical Footprint Project

BD actively engages in dialog with our customers and advocacy groups to understand their position on the use of safer chemicals for consideration in our work to reduce priority MOC.

This engagement includes our continued response to the **Chemical Footprint Project** (CFP). The mission of the CFP is to transform global chemical use by measuring and disclosing data

on business progress to safer chemicals. It provides a tool for benchmarking companies as they select safer alternatives and reduce their use of chemicals of high concern. As in previous years, we have chosen to make our response public and, as such, have been recognized as a CFP 2020 Disclosure Leader.

### Devices

PVC is used in medical devices for a number of reasons, including its ease of processing and the ability to tailor its properties to a range of applications. It has allowed for the development of single-use devices, reducing the risk of infection due to multiuse devices. PVC comes in two forms; un-plasticized PVC which is rigid, and plasticized PVC, where additives are introduced to change the properties of the material.

Plasticized PVC has a number of favorable properties, such as flexibility (allowing for ease of use for healthcare professionals and comfort to the patient); kink resistance, providing confidence that fluids and gases will flow unhindered and stay resilient against potential damage.

There are a number of challenges to replacing PVC in existing product lines. It requires conversion to non-like materials, which can impact performance (such as the favorable properties noted above), manufacturability and the ability to meet functional requirements.

DEHP is a common plasticizer, used most often in PVC to make it flexible. DEHP is one of several phthalates that are heavily regulated and, in some cases, restricted for use in certain medical devices due to known health impacts for certain classes of patients. In Europe, the Medical Device Regulation<sup>1</sup> SCHEER Guidelines<sup>2</sup> require phthalates to undergo more complex benefit/risk/alternative assessments than other MOCs.

In addition to the increasing regulatory restrictions and health impacts of DEHP, we recognized the environmental concerns that our stakeholders—particularly customers—have about PVC. This prompted our efforts to reduce the use of PVC and DEHP in our products as part of our 2020 sustainability strategy.

Using knowledge gained from the development of the BD Nexiva™ Closed IV Catheter System, a PVC-free product which uses thermoplastic urethane tubing,\* further products were

developed and launched, including peripheral IV catheters, IV extension sets and catheter extension sets, such as:

- BD™ Gravity IV Sets, launched in FY 2017 in the CSA, Europe and Japan regions. These advanced gravity IV sets contain features such as anti-run dry technology, autoprime caps, needle-free injection ports and non-DEHP materials. These products have non-PVC material options made from thermoplastic elastomers (TPE).

### Performance

**BD is working to reduce priority MOC\* in each of the following product categories:**

#### Devices:

PVC and phthalates

#### Instruments:

Phthalates, brominated flame retardants (BFRs) and heavy metals

#### Packaging:

PVC and expanded polystyrene

\*Intentionally added

- BD Pegasus Plus™, a closed IV catheter with features for preventing needlestick injuries. It was launched in the Chinese market in February 2016. The product contains extension tubing made from polyurethane, replacing DEHP-plasticized PVC that was used in the previous version of the product.
- BD Intima II PLUS™ was launched for the Chinese market in 2015. It meets basic requirements for infusion and meets additional requirements for pediatric, gynecology, oncology, CT and specialty infusion processes. The new product is made from polyurethane, replacing DEHP-plasticized PVC that was used in the previous version of the product.

\* Launched in the USA in FY 2005

#### References

<sup>1</sup> Regulation (EU) 2017/745 of the European Parliament and of the Council of 5 April 2017 on medical devices, amending Directive 2001/83/EC, Regulation (EC) No 178/2002 and Regulation (EC) No 1223/2009 and repealing Council Directives 90/385/EEC and 93/42/EEC <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R0745>

<sup>2</sup> Guidelines on the benefit-risk assessment of the presence of phthalates in certain medical devices covering phthalates which are carcinogenic, mutagenic, toxic to reproduction (CMR) or have endocrine-disrupting (ED) properties

We are accelerating the pace of qualifying alternatives to DEHP and, in some instances, assessing substitute materials to replace plasticized PVC or designing out components that contain plasticized PVC. While removal of DEHP and/or PVC is not always possible, strategies have included development of products without DEHP and/or PVC in certain product categories, providing an alternative choice for our customers.

With a large portfolio of products, conversion away from DEHP and plasticized PVC—where feasible—will take time. In addition, we face regulatory complexities in certain regions of the world which still prefer DEHP and don't yet allow alternatives due to potential safety concerns.

## Instruments

In 2017, we completed product changes that eliminate certain heavy metals and flame retardants and brought impacted monitoring and control instruments into compliance with the E.U. RoHS Directive.<sup>1</sup> Subsequent inclusion of certain phthalates in the directive<sup>2</sup> impacted only a small number of products. Products have been redesigned to remove the restricted substances.

## Packaging

We continue to utilize PVC and expanded polystyrene (EPS) in certain packaging systems, such as trays. While alternative materials are being assessed, they do not always offer the same functional properties. For example, EPS packaging is required to withstand significant weights. Its light weight is also an important factor when considering the significant impact transportation and distribution can have over the life cycle of our products. Taking a life cycle assessment approach to assessing current materials used in packaging applications will allow us to identify hotspots and areas for opportunity. In addition to assessing alternative materials, areas for opportunity may include light-weighting, or extending the useful life of packaging materials through reuse or recycling.



### References

<sup>1</sup> Directive 2011/65/E.U. of the European Parliament and of the Council of 8 June 2011 on the restriction of the use of certain hazardous substances in electrical and electronic equipment.

<sup>2</sup> Commission Delegated Directive (EU) 2015/863 of 31 March 2015 amending Annex II to Directive 2011/65/EU of the European Parliament and of the Council as regards the list of restricted substances.



## Improve life cycle impacts of current and future products

BD continues to focus efforts on improving the life cycle impacts of our products.

### Logistics

Transportation and distribution activities are a significant contributor to our Scope 3 emissions and, in some cases, a significant contributor to the individual footprint of products.

#### Utilizing electric vehicles for deliveries in Brazil

In FY 2020, our Supply Chain team in Brazil began using two electric vehicles (EVs) to deliver products to key accounts inside the metropolitan area of Sao Paulo. BD is the first company in the healthcare segment to use EVs to make deliveries in Brazil.

Many hospitals and labs do not carry inventory, therefore reliable deliveries are critical. Use of EVs helps to ensure business continuity, for example when availability of gasoline and diesel is limited (as experienced during the strikes in 2018). Additionally, EVs are exempt from rules in place in Sao Paulo aimed at reducing emissions from vehicles.

Routing procedures were adapted to consider the size of the vehicle and maximum distance of travel between charges. The EVs are able to make deliveries in two cycles each day, charging in between. In the first 6 months of use, it is estimated that nearly 1,800 deliveries were made, covering 34,800 km, preventing around 8,400 kg CO<sub>2</sub>-e of emissions.

Due to the success of this program, we are looking to expand to other countries in Latin America, specifically large metro cities which have vehicle restrictions in place aimed at reducing CO<sub>2</sub> emissions.



#### SmartWay

BD has been a U.S. EPA Transport SmartWay® partner since 2010. The **SmartWay** transport partnership provides a framework to assess the environmental and energy efficiency of goods movement supply chains.

### Supporting reduction of end-of-life impacts

In 2020, we continued our engagement with the Healthcare Plastics Recycling Council (HPRC) both in the United States and the European Union, and the Sustainable Healthcare Coalition (SHC) in Europe. The activities we undertake as part of our engagement with these entities support, among other projects, our efforts to limit and minimize waste produced during the life cycle of our products.

#### Reducing end-of-life impacts of syringes used for vaccinations

As noted in the COVID-19 section of this report, BD is supplying a significant number of syringes to support vaccination programs around the world. Due to the presence of sharps and patient contact, end-of-life disposal options for syringes are limited due to technical and regulatory challenges. However, there are

certain components, such as needle shields and packaging that may be recycled where facilities exist. Information to enable end users to properly dispose of or recycle products and packaging components, consistent with applicable regulatory requirements, is available on [bd.com](https://www.bd.com).

#### Product takeback

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

For details regarding product donations, please refer to the **Empowerment** section of this report.

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

In FY 2020, 18,746 units were processed through our facility, representing 3,529 metric tonnes of materials that were either refurbished, reused or recycled. No materials were disposed of via landfill.

While there have been challenges due to recycled commodity pricing, we will continue to explore opportunities to improve the end-of-life disposal options for products through programs such as this. Where product take-back is not appropriate or viable, we will look to alternatives, such as cross-industry partnerships found in HPRC. These programs will be just one element of our 2030 sustainability strategy to improve the product impacts.

GRI disclosure: 301-3  
SASB disclosure: HC-MS-410a.2





# FY 2020 efficiency targets— performance data tables

## Notes on data

### Restatement of data

In FY 2020, we reviewed our reporting boundary and excluded 20 sites that were divested between 2010 and 2018. Therefore, data from these divested sites were removed back to the baseline year 2008. We have included data for 11 new sites, two of which were acquisitions in FY 2019. Energy usage for the two acquired sites have been back casted to the baseline year 2008. The overall impact from the boundary update has led to a general decrease in utility and emissions from all historical years, including the baseline FY 2008, compared to what was reported last year.

### Bard

For most performance indicators, we have included data for Bard back to our baseline year of FY 2008; however, in a few instances, no historical data was available. This is noted where applicable.

To allow for year-on-year comparability and transparency, we are reporting performance data separately for both legacy BD and Bard organizations across all performance indicators, in addition to combined performance data.

In previous years, we used COPs to normalize data for legacy Bard. As Bard is now fully integrated into BD, we have used GAAP COPs for BD Interventional as a proxy to normalize FY 2020 data from legacy Bard locations.



Solar panels installed at Canaan, CT site. A total of 2.9 mega-watts are generated from solar panels at this site.

## 2020 goal

**Reduce** GHG emissions and increase climate resilience throughout operations and value chain

## GHG emissions—Scope 1 and 2

Legacy BD

Legacy Bard

BD + Bard combined

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Total GHG emissions</b>													
Scope 1 absolute (metric tonnes CO2-e), legacy Bard	11,093	11,093	11,093	11,067	14,680	16,618	20,506	17,297	16,247	23,702	36,621	16,291	15,434
Scope 1 normalized (metric tonnes CO2-e per \$M COPS), legacy Bard	12	12	11	10	13	14	16	13	12	16	36	12	11
Scope 1 absolute (metric tonnes CO2-e), legacy BD	85,240	86,078	84,441	78,232	78,059	75,532	72,654	72,097	72,361	87,092	97,994	101,421	101,284
Scope 1 normalized (metric tonnes CO2-e per \$M COPS), legacy BD	18	18	17	15	14	13	12	13	11	14	13	13	12
Scope 1 absolute (metric tonnes CO2-e), combined	96,333	97,171	95,534	89,299	92,739	92,150	93,160	89,394	88,607	110,794	134,615	117,712	116,718
Scope 1 normalized (metric tonnes CO2-e per \$M COPS), combined	17	17	16	14	14	14	13	13	11	15	15	13	12
Scope 2 absolute (metric tonnes CO2-e), legacy Bard	62,328	59,127	60,943	59,513	59,742	58,656	60,257	68,769	67,226	73,472	65,467	69,990	69,191
Scope 2 normalized (metric tonnes CO2-e per \$M COPS), legacy Bard	67	62	60	55	53	50	48	53	50	51	64	51	51
Scope 2 absolute (metric tonnes CO2-e), legacy BD	452,473	403,250	341,460	314,034	264,553	223,997	230,363	195,246	145,879	126,597	135,199	170,103	247,542
Scope 2 normalized (metric tonnes CO2-e per \$M COPS), legacy BD	95	85	67	59	48	40	38	35	22	21	18	22	30
Scope 2 absolute (metric tonnes CO2-e), combined	514,801	462,377	402,403	373,547	324,295	282,654	290,620	264,015	213,105	200,069	200,666	240,093	316,733
Scope 2 normalized (metric tonnes CO2-e per \$M COPS), combined	91	81	66	58	49	41	40	38	27	26	23	27	33
Total absolute (metric tonnes CO2-e), legacy Bard	73,421	70,220	72,036	70,580	74,422	75,274	80,763	86,065	83,472	97,174	102,087	86,281	84,625
Total normalized (metric tonnes CO2-e per \$M COPS), legacy Bard	79	74	71	65	66	64	65	66	62	67	100	62	62
% reduction from baseline													21%
Total absolute (metric tonnes CO2-e), legacy BD	537,714	489,329	425,901	392,266	342,612	299,530	303,016	267,343	218,240	213,689	233,193	271,524	348,826
Total normalized (metric tonnes CO2-e per \$M COPS), legacy BD	113	103	83	74	62	53	50	48	34	35	30	36	43
% reduction from baseline													62%
Total absolute (metric tonnes CO2-e), combined	611,134	559,549	497,937	462,846	417,034	374,804	383,780	353,409	301,712	310,863	335,281	357,805	433,451
Total normalized (metric tonnes CO2-e per \$M COPS), combined	108	98	81	72	63	55	52	51	39	41	38	40	45
% reduction from baseline													58%

2020 goal: **Reduce Scope 1 and 2 GHG emissions by 50% (normalized to COPS)**. Current status: **Reduced by 58% TARGET ACHIEVED**

Data represents Scope 1 (direct) and Scope 2 (indirect from electricity) energy sources. BD uses 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. In general, historical emission factors remain consistent with the publication that was most recent at the time of original reporting.



## GHG emissions—Scope 3

Measurement and UOM	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>GHG (absolute) (metric tonnes Co2-e)</b>									
Purchased goods and services					966,282	1,069,505	1,065,132	1,147,552 <sup>1</sup>	1,147,262 <sup>1</sup>
Capital goods					42,728	37,691	39,602	21,516 <sup>2</sup>	21,263 <sup>1</sup>
Fuel-and-energy-related activities (not included in Scope 1 or 2) <sup>3</sup>	106,340	103,995	106,451	106,360	101,856	105,617	111,946	101,392	91,633
Upstream transportation and distribution					72,640	125,904	280,636	286,051 <sup>1</sup>	258,876 <sup>1</sup>
Waste generated in operations <sup>1</sup>	15,266	15,302	13,789	13,071	15,465	15,380	19,239	19,359	19,678
Business travel <sup>4</sup>	35,273	38,230	41,171	68,259	107,049	95,612	117,116	147,795	88,737
Employee commuting	1,743	9,157	13,061	4,888	102,232	73,195	83,829	138,010 <sup>1</sup>	52,286 <sup>1</sup>
Upstream leased assets					27,094	47,011	32,299	1,359 <sup>5</sup>	1,273 <sup>5</sup>
Downstream transportation and distribution					Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	Not relevant <sup>6</sup>
Processing of sold products					Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	Not relevant <sup>6</sup>
Use of sold products					263,924	298,638	326,682	415,882 <sup>1</sup>	435,675 <sup>1</sup>
End-of-life treatment of sold products					87,558	97,082	191,821	192,440 <sup>7</sup>	132,961 <sup>7</sup>
Downstream leased assets					Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	1,524 <sup>5</sup>	1,546 <sup>5</sup>
Franchises					Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	Not relevant <sup>6</sup>
Investments					Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	Not relevant <sup>6</sup>	Not relevant <sup>6</sup>

2020 goal: Establish Scope 3 GHG emission baselines for categories applicable to BD. Current status: We provided limited reporting of Scope 3 emissions in previous years, and in FY 2020 we continued to work with external partners to establish baseline Scope 3 emissions across all categories. This information is being used to inform future strategy and to establish targets for reduction.

2020 goal: Initiate climate resilience planning for BD facilities. Current status: As the devastating hurricanes across the U.S. in 2017 demonstrated, resilience planning for extreme weather events is essential to ensure operations are restored as quickly as possible. Work continues to be carried to deepen our understanding of potential risks to our supply chain and operations, to ensure potential impacts are mitigated or reduced. Further information can be found in our Climate Change Management Report.

<sup>1</sup> Includes Bard.

<sup>2</sup> Includes Bard. Reduction is driven by change in sector classification, which have lower capital goods emission intensities.

<sup>3</sup> Data for all years reported has been recalculated to include Bard. Data for all years also now includes emissions related to transmission and distribution losses and well to tank emissions from all energy sources, not just electric power. (In prior years we disclosed emissions related to transmission and distribution losses from electric power only.)

<sup>4</sup> FY 2019 and FY 2020 includes Bard. FY 2016 and FY 2017 have been restated due to error in earlier calculations.

<sup>5</sup> Includes Bard. Significant decrease due to more accurate data used in calculations.

<sup>6</sup> Relevance based on 1% threshold relative to total Scope 3 emissions inventory. Determined this category to be not relevant to the company's business activities and did not estimate the associated GHG emissions.

<sup>7</sup> Emissions are for a subset of our company's portfolio only.

GRI disclosure: 305-3

## 2020 goal

Minimize our environmental footprint and conserve natural resources

## Energy

 Legacy BD
 Legacy Bard
 BD + Bard combined

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Total energy consumption</b>													
Scope 1 absolute (GJ), legacy Bard	215,241	215,241	215,241	215,241	266,085	297,752	376,921	329,117	312,945	410,851	617,098	309,637	289,694
Scope 1 normalized (GJ per \$M COPS), legacy Bard	231	227	213	200	238	254	302	253	233	285	607	224	212
Scope 1 absolute (GJ), legacy BD	1,595,001	1,614,825	1,584,194	1,473,342	1,452,446	1,351,514	1,365,597	1,356,050	1,361,896	1,663,909	1,875,420	1,945,456	1,951,194
Scope 1 normalized (GJ per \$M COPS), legacy BD	336	341	310	277	263	240	225	243	210	272	244	255	239
Scope 1 absolute (GJ), combined	1,810,242	1,830,066	1,799,435	1,688,583	1,718,531	1,649,265	1,742,518	1,685,167	1,674,841	2,074,759	2,492,518	2,255,092	2,240,888
Scope 1 normalized (GJ per \$M COPS), combined	318	322	294	264	259	242	238	245	214	274	286	251	235
Scope 2 absolute (GJ), legacy Bard	428,405	429,481	429,578	429,578	443,139	454,612	475,974	541,190	556,285	604,081	595,166	579,184	565,168
Scope 2 normalized (GJ per \$M COPS), legacy Bard	460	454	425	398	396	388	381	416	414	419	586	418	414
Scope 2 absolute (GJ), legacy BD	3,284,961	3,239,706	3,335,681	3,353,830	3,332,961	3,429,182	3,507,524	3,456,404	3,498,860	3,552,016	3,637,374	3,709,835	3,683,210
Scope 2 normalized (GJ per \$M COPS), legacy BD	691	683	653	629	603	608	577	619	539	580	473	487	451
Scope 2 absolute (GJ), combined	3,713,366	3,669,188	3,765,258	3,783,408	3,776,100	3,883,794	3,983,498	3,997,594	4,055,145	4,156,097	4,232,540	4,289,019	4,248,378
Scope 2 normalized (GJ per \$M COPS), combined	653	645	615	591	568	570	544	580	518	549	486	476	445
Total absolute (GJ), legacy Bard	643,646	644,722	644,818	644,818	709,224	752,363	852,895	870,307	869,231	1,014,932	1,212,264	888,821	854,863
Total normalized (GJ per \$M COPS), legacy Bard	690	681	637	598	633	642	682	669	647	703	1,193	642	626
% reduction from baseline													9%
Total absolute (GJ), legacy BD	4,879,962	4,854,532	4,919,875	4,827,173	4,785,408	4,780,696	4,873,121	4,812,455	4,860,756	5,215,924	5,512,793	5,655,290	5,634,403
Total normalized (GJ per \$M COPS), legacy BD	1,027	1,024	962	906	866	847	802	861	749	851	716	742	689
% reduction from baseline													33%
Total absolute (GJ), combined	5,523,608	5,499,254	5,564,693	5,471,991	5,494,632	5,533,059	5,726,017	5,682,762	5,729,986	6,230,856	6,725,057	6,544,112	6,489,266
Total normalized (GJ per \$M COPS), combined	972	967	909	854	827	812	781	825	731	823	772	727	680
% reduction from baseline													30%

2020 goal: **Reduce energy consumption by 40% (normalized by COPS).** Current stat: **Reduced by 30%**

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

## Energy

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Renewable energy (RECs, green power)—combined</b>													
Electric power (GJ)	3,713,366	3,669,188	3,765,258	3,783,408	3,776,100	3,883,794	3,983,498	3,997,594	4,055,145	4,156,097	4,232,540	4,289,019	4,237,049
Green energy (GJ)	104,745	161,475	181,361	264,315	202,821	170,913	99,492	97,626	246,777	448,020	345,797	580,285	608,138
Renewable energy credit (REC) purchased (GJ)	18,547	133,415	570,815	670,714	1,012,696	1,318,215	1,326,356	1,492,190	1,817,926	2,020,847	1,896,194	1,476,279	678,272
Renewable energy offsite—direct (physical) PPA (GJ)													50,345
Renewable power - on site (GJ)						1,218	1,203	1,344	2,667	1,099	1,229	1,131	1,217
Total green power	123,293	294,890	752,176	935,030	1,215,517	1,490,347	1,427,051	1,591,160	2,067,370	2,469,966	2,243,220	2,057,695	1,337,971
<b>As part of electric power consumption:</b>													
% from REC purchases	0.5%	4%	15%	18%	27%	34%	33%	37%	45%	49%	45%	34%	16%
% from green energy	3%	4%	5%	7%	5%	4%	2%	2%	6%	11%	8%	14%	14%
% from direct PPA	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
% from on-site generation	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
% of all green power	3%	8%	20%	25%	32%	38%	36%	40%	51%	59%	53%	48%	32%
<b>As part of total energy:</b>													
% from RECs	0.3%	2%	10%	12%	18%	24%	23%	26%	32%	32%	28%	23%	10%
% of all renewable energy sourced and generated	2%	5%	14%	17%	22%	27%	25%	28%	36%	40%	33%	31%	21%
2020 goal: <b>Increase renewable energy consumption by 50% of total energy (absolute)</b> . Current status: <b>Increased to 21%</b>													

GRI disclosure: 302-1

## Water

Legacy BD

Legacy Bard

BD + Bard combined

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Water consumption</b>													
Water (cubic meters), legacy Bard	919,476	927,676	927,676	927,676	935,769	903,390	904,646	909,787	918,124	895,182	938,842	686,256	505,890
Water - Groundwater (cubic meters), legacy Bard	0	0	0	0	0	0	0	0	0	0	275,757	266,040	285,776
Water - Rainwater (cubic meters), legacy Bard	0	0	0	0	0	0	0	0	0	0	0	0	0
Water - Recycled (cubic meters), legacy Bard	0	0	0	0	0	0	0	0	0	0	0	0	0
Water - Surface water (cubic meters), legacy Bard	0	0	0	0	0	0	0	0	0	0	1,239	0	0
Absolute (cubic meters), legacy Bard	919,476	927,676	927,676	927,676	935,769	903,390	904,646	909,787	918,124	895,182	1,215,838	952,296	791,667
Normalized (cubic meters per \$M COPS), legacy Bard	986	980	917	860	836	771	724	699	683	620	1,197	688	580
% reduction from baseline, legacy Bard													41%
Water (cubic meters), legacy BD	4,583,955	4,220,395	3,809,810	3,834,116	3,889,155	4,020,578	4,221,694	4,450,833	4,399,485	3,902,538	3,835,244	3,696,898	3,465,012
Water - Groundwater (cubic meters), legacy BD	71,878	76,400	73,188	81,361	72,860	64,179	53,377	33,988	40,747	34,398	11,369	18,979	20,133
Water - Rainwater (cubic meters), legacy BD	0	0	45	60	60	60	1,297	1,851	1,660	1,340	1,285	1,629	777
Water - Recycled (cubic meters), legacy BD	42,885	27,052	56,220	47,851	31,167	24,043	25,349	6,522	11,954	3,582	3,061	3,174	3,850
Water - Surface water (cubic meters), legacy BD	0	0	33,869	61,955	74,218	56,445	80,132	86,135	84,446	85,700	103,870	129,714	154,073
Absolute (cubic meters), legacy BD	4,698,717	4,323,846	3,973,133	4,025,344	4,067,460	4,165,305	4,381,849	4,579,329	4,538,292	4,027,558	3,954,830	3,850,394	3,643,846
Normalized (cubic meters per \$M COPS), legacy BD	989	912	777	756	736	738	721	820	699	657	514	505	446
% reduction from baseline, legacy BD													55%
Absolute (cubic meters), combined	5,618,193	5,251,522	4,900,808	4,953,020	5,003,229	5,068,694	5,286,495	5,489,116	5,456,416	4,922,740	5,170,668	4,802,690	4,435,512
Normalized (cubic meters per \$M COPS), combined	988	924	800	773	753	744	721	797	696	650	593	534	465
% reduction from baseline, combined													53%

2020 goal: **Reduce water consumption by 40% (normalized by COPS).** Current status: **Reduced by 53%. TARGET ACHIEVED**

GRI disclosure: 303-3



Water

Legacy BD

Legacy Bard

BD + Bard combined

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Waste water discharge													
Absolute (cubic meters), legacy Bard	0	0	0	0	0	185,028	242,905	242,536	248,418	350,708	787,000	837,735	806,686
Normalized (cubic meters per \$M COPS), legacy Bard	0	0	0	0	0	158	194	186	185	243	775	605	591
% discharge, legacy Bard	0%	0%	0%	0%	0%	20%	27%	27%	27%	39%	65%	88%	102%
Absolute (cubic meters), legacy BD	3,399,366	3,220,323	2,671,884	2,757,745	3,000,525	2,996,344	3,232,445	3,165,895	3,156,006	2,926,977	3,151,365	3,412,453	3,069,327
Normalized (cubic meters per \$M COPS), legacy BD	715	679	523	518	543	531	532	567	486	478	409	448	375
% discharge, legacy BD	72%	74%	67%	69%	74%	72%	74%	69%	70%	73%	80%	89%	84%
Absolute (cubic meters), combined	3,399,366	3,220,323	2,671,884	2,757,745	3,000,525	3,181,372	3,475,350	3,408,431	3,404,423	3,277,684	3,938,365	4,250,188	3,876,012
Normalized (cubic meters per \$M COPS), combined <sup>1</sup>	598	566	436	430	452	467	474	495	434	433	452	472	406
% discharge, combined	61%	61%	55%	56%	60%	63%	66%	62%	62%	67%	76%	88%	87%
<sup>1</sup> Combined COPS were used to calculate normalized performance back to FY 2008 baseline.													

GRI disclosure: 303-4

## Waste—nonhazardous

Legacy BD

Legacy Bard

BD + Bard combined

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Total nonhazardous waste generated</b>													
Absolute (metric tonnes), legacy Bard	4,673	4,673	4,673	4,673	4,673	5,145	5,737	7,156	7,581	8,692	12,327	9,379	11,207
Normalized (metric tonnes per \$M COPS), including regulated waste, legacy Bard	5.01	4.94	4.62	4.33	4.17	4.39	4.59	5.50	5.64	6.02	12.13	6.78	8.20
% reduction from baseline, legacy Bard													-64%
Absolute (metric tonnes), legacy BD	43,232	42,161	43,804	42,742	42,884	43,578	42,114	40,842	45,211	46,189	54,690	58,085	57,953
Normalized (metric tonnes per \$M COPS), including regulated waste, legacy BD	9.10	8.89	8.57	8.02	7.76	7.72	6.93	7.31	6.96	7.54	7.10	7.62	7.09
% reduction from baseline, legacy BD													22%
Absolute (metric tonnes), combined	47,904	46,834	48,477	47,414	47,557	48,724	47,851	47,998	52,792	54,881	67,018	67,464	69,160
Normalized (metric tonnes per \$M COPS), including regulated waste, combined	8.43	8.24	7.92	7.40	7.16	7.15	6.53	6.97	6.74	7.25	7.69	7.49	7.25
% reduction from baseline, combined													14%
2020 goal: <b>Reduce total waste by 50% (normalized by COPS)</b> . Current status: <b>Reduced by 14%</b>													

GRI disclosure: 306-3

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Nonhazardous waste landfilled</b>													
Absolute (metric tonnes), legacy Bard	1,647	1,647	1,647	1,647	1,647	1,905	2,329	2,612	2,668	2,935	3,489	3,524	2,791
Normalized (metric tonnes per \$M COPS), legacy Bard	1.77	1.74	1.63	1.53	1.47	1.63	1.86	2.01	1.99	2.03	3.43	2.55	2.04
% landfilled, legacy Bard	35%	35%	35%	35%	35%	37%	41%	36%	35%	34%	28%	38%	25%
% diversion, legacy Bard	65%	65%	65%	65%	65%	63%	59%	64%	65%	66%	72%	62%	75%
Absolute (metric tonnes), legacy BD	23,347	22,191	18,777	14,046	12,342	11,726	8,897	7,855	9,405	9,341	11,963	12,248	11,730
Normalized (metric tonnes per \$M COPS), legacy BD	4.91	4.68	3.67	2.64	2.23	2.08	1.46	1.41	1.45	1.52	1.55	1.61	1.44
% landfilled, legacy BD	54%	53%	43%	33%	29%	27%	21%	19%	21%	20%	22%	21%	20%
% diversion, legacy BD	46%	47%	57%	67%	71%	73%	79%	81%	79%	80%	78%	79%	80%
Absolute (metric tonnes), combined	24,994	23,838	20,424	15,693	13,989	13,631	11,226	10,467	12,074	12,276	15,452	15,772	14,522
Normalized (metric tonnes per \$M COPS), combined	4.40	4.19	3.34	2.45	2.10	2.00	1.53	1.52	1.54	1.62	1.77	1.75	1.52
% landfilled, combined	52%	51%	42%	33%	29%	28%	23%	22%	23%	22%	23%	23%	21%
% diversion, combined	48%	49%	58%	67%	71%	72%	77%	78%	77%	78%	77%	77%	79%
2020 goal: <b>Increase diversion rate by over 85% (absolute as % of total nonhazardous waste)</b> . Current status: <b>Increased to 79%</b>													

GRI disclosure: 306-5

## Waste—nonhazardous

Legacy BD

Legacy Bard

BD + Bard combined

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Nonhazardous waste incinerated</b>													
Absolute (metric tonnes), legacy Bard	0	0	0	0	0	0	0	0	0	22	212	203	248
Normalized (Metric tonnes per \$M COPS), legacy Bard	0	0	0	0	0	0	0	0	0	0.02	0.21	0.15	0.18
% incinerated, legacy Bard	0	0	0	0	0	0	0	0	0	0%	2%	2%	2%
Absolute (metric tonnes), legacy BD	2,770	2,667	2,759	2,275	2,778	4,073	4,123	3,485	5,928	6,232	8,156	9,712	10,887
Normalized (metric tonnes per \$M COPS), legacy BD	0.58	0.56	0.54	0.43	0.50	0.72	0.68	0.62	0.91	1.02	1.06	1.27	1.33
% incinerated, legacy BD	6%	6%	6%	5%	6%	9%	10%	9%	13%	13%	15%	17%	19%
Absolute (metric tonnes), combined	2,770	2,667	2,759	2,275	2,778	4,073	4,123	3,485	5,928	6,254	8,368	9,915	11,135
Normalized (metric tonnes per \$M COPS), combined <sup>1</sup>	0.49	0.47	0.45	0.36	0.42	0.60	0.56	0.51	0.76	0.83	0.96	1.10	1.17
% incinerated, combined	6%	6%	6%	5%	6%	8%	9%	7%	11%	11%	12%	15%	16%
1 Combined COPS were used to calculate normalized performance back to FY 2008 baseline.													

GRI disclosures: 306-5

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Nonhazardous waste recycled</b>													
Absolute (metric tonnes), legacy Bard	3,026	3,026	3,026	3,026	3,026	3,240	3,408	4,545	4,913	5,735	8,626	5,652	8,168
Normalized (metric tonnes per \$M COPS), legacy Bard	3.25	3.20	2.99	2.80	2.70	2.77	2.73	3.49	3.66	3.97	8.49	4.08	5.98
% recycled, legacy Bard	65%	65%	65%	65%	65%	63%	59%	64%	65%	66%	70%	60%	73%
Absolute (metric tonnes), legacy BD	17,114	17,303	22,268	26,421	27,764	27,779	29,094	29,501	29,878	30,617	34,572	36,125	35,336
Normalized (metric tonnes per \$M COPS), legacy BD	3.60	3.65	4.36	4.96	5.02	4.92	4.79	5.28	4.60	5.00	4.49	4.74	4.32
% recycled, legacy BD	40%	41%	51%	62%	65%	64%	69%	72%	66%	66%	63%	62%	61%
Absolute (metric tonnes), combined	20,140	20,329	25,294	29,446	30,790	31,019	32,503	34,046	34,791	36,351	43,198	41,777	43,504
Normalized (metric tonnes per \$M COPS), combined	3.54	3.57	4.13	4.60	4.63	4.55	4.44	4.94	4.44	4.80	4.96	4.64	4.56
% recycled, combined	42%	43%	52%	62%	65%	64%	68%	71%	66%	66%	64%	62%	63%

2020 goal: [Increase recycling rate by over 70% \(absolute as % of total nonhazardous waste\)](#). Current status: [Increased to 63%](#)

GRI disclosures: 306-4

## Waste—regulated

Legacy BD

Legacy Bard

BD + Bard combined

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Regulated waste (biohazardous and controlled waste)</b>													
Absolute (metric tonnes), legacy Bard	0	0	0	0	0	0	0	0	0	5	187	276	356
Normalized (metric tonnes per \$M COPS), legacy Bard	0	0	0	0	0	0	0	0	0	0	0.18	0.20	0.26
Absolute (metric tonnes), legacy BD	196	181	693	923	840	680	995	1,206	1,079	1,094	934	1,052	1,190
Normalized (metric tonnes per \$M COPS), legacy BD	0.04	0.04	0.14	0.17	0.15	0.12	0.16	0.22	0.17	0.18	0.12	0.14	0.15
Absolute (metric tonnes), combined	196	181	693	923	840	680	995	1,206	1,079	1,099	1,121	1,329	1,546
Normalized (metric tonnes per \$M COPS), combined <sup>1</sup>	0.03	0.03	0.11	0.14	0.13	0.10	0.14	0.18	0.14	0.15	0.13	0.15	0.16
<sup>1</sup> Combined COPS were used to calculate normalized performance back to FY 2,008 baseline.													

GRI disclosure: 306-3

## Waste—hazardous

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Hazardous waste generation</b>													
Absolute (metric tonnes), legacy Bard	324	324	324	324	333	439	1,057	1,142	1,053	1,182	1,153	903	903
Normalized (metric tonnes per \$M COPS), legacy Bard	0.35	0.34	0.32	0.30	0.30	0.37	0.85	0.88	0.78	0.82	1.14	0.65	0.66
% reduction, legacy Bard													-90%
Absolute (metric tonnes), legacy BD	2,718	2,103	2,523	2,043	1,854	1,826	1,646	1,739	1,866	1,753	2,088	1,786	2,065
Normalized (metric tonnes per \$M COPS), legacy BD	0.57	0.44	0.49	0.38	0.34	0.32	0.27	0.31	0.29	0.29	0.27	0.23	0.25
% reduction, legacy BD													56%
Absolute (metric tonnes), combined	3,041	2,427	2,846	2,367	2,187	2,264	2,704	2,881	2,919	2,935	3,241	2,688	2,968
Normalized (metric tonnes per \$M COPS), combined	0.54	0.43	0.46	0.37	0.33	0.33	0.37	0.42	0.37	0.39	0.37	0.30	0.31
% reduction, combined													42%

2020 goal: Reduce hazardous waste by more than 60% (normalized by COPS). Current status: Reduced by 42%

GRI disclosure: 306-3



## VOC emissions

Legacy BD

Legacy Bard

BD + Bard combined

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>VOC emissions</b>													
Absolute (metric tonnes), legacy Bard	0	0	0	0	0	0	0	0	0	0	182	155	137
Normalized (metric tonnes per \$M COPS), legacy Bard	0	0	0	0	0	0	0	0	0	0	0.18	0.11	0.10
Absolute (metric tonnes), legacy BD <sup>1</sup>	189	136	106	104	132	123	139	138	148	183	212	200	261
Normalized (metric tonnes per \$M COPS), legacy BD	0.04	0.03	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.03	0.03	0.03	0.03
Absolute (metric tonnes), combined	189	136	106	104	132	123	139	138	148	183	394	355	397
Normalized (metric tonnes per \$M COPS), combined <sup>2</sup>	0.03	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.05	0.04	0.04
<sup>1</sup> Absolute legacy BD restated back to FY 2008 baseline, due to removal of duplicate VOC data. <sup>2</sup> Combined COPS were used to calculate normalized performance back to FY 2008 baseline.													

## HAPs emissions

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>HAPs emissions</b>													
Absolute (metric tonnes), legacy Bard	0	0	0	0	0	0	0	0	0	0	82	79	58
Normalized (metric tonnes per \$M COPS), legacy Bard	0	0	0	0	0	0	0	0	0	0	0.08	0.06	0.04
Absolute (metric tonnes), legacy BD	15	13	23	23	18	17	14	12	16	23	26	21	18
Normalized (metric tonnes per \$M COPS), legacy BD	0.003	0.003	0.004	0.004	0.003	0.003	0.002	0.002	0.002	0.004	0.003	0.003	0.002
Absolute (metric tonnes), combined	15	13	23	23	18	17	14	12	16	23	107	100	76
Normalized (metric tonnes per \$M COPS), combined <sup>1</sup>	0.003	0.002	0.004	0.004	0.003	0.003	0.002	0.002	0.002	0.003	0.012	0.011	0.008
<sup>1</sup> Combined COPS were used to calculate normalized performance back to FY 2008 baseline.													

## VOC + HAPs emissions

Legacy BD

Legacy Bard

BD + Bard combined

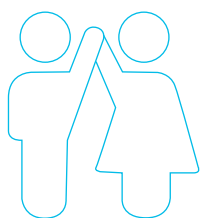
Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>VOC + HAPs emissions</b>													
Absolute (metric tonnes), legacy Bard	0	0	0	0	0	0	0	0	0	0	264	235	195
Normalized (metric tonnes per \$M COPS), legacy Bard	0	0	0	0	0	0	0	0	0	0	0.26	0.17	0.14
% reduction, legacy Bard													45%
Absolute (metric tonnes), legacy BD <sup>1</sup>	204	149	128	127	150	141	153	150	164	207	237	220	278
Normalized (metric tonnes per \$M COPS), legacy BD	0.04	0.03	0.03	0.02	0.03	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.03
% reduction, legacy BD													21%
Absolute (metric tonnes), combined	204	149	128	127	150	141	153	150	164	207	501	455	473
Normalized (metric tonnes per \$M COPS), combined <sup>2</sup>	0.04	0.03	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.03	0.06	0.05	0.05
% reduction, combined													-38%
2020 goal: <b>Reduce VOC and HAPs emissions by 65% (normalized by COPS).</b> Current status: <b>Increased by 38%</b>													
<sup>1</sup> Absolute legacy BD restated back to FY 2008 baseline, due to removal of duplicate VOC data.													
<sup>2</sup> Combined COPS were used to calculate normalized performance back to FY 2008 baseline.													

## Ozone-depleting substances emissions

GRI disclosures: 305-7

Measurement and UOM	FY 2008 baseline	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Ozone-depleting substances emissions</b>													
Absolute (metric tonnes), legacy Bard	0	0	0	0	0	0	0	0	0	0	0	0 <sup>1</sup>	0
Normalized (metric tonnes per \$M COPS), legacy Bard	0	0	0	0	0	0	0	0	0	0	0	0	0
Absolute (metric tonnes), legacy BD	323	274	249	254	235	236	228	218	192	185	172	103	26
Normalized (metric tonnes per \$M COPS), legacy BD	0.07	0.06	0.05	0.05	0.04	0.04	0.04	0.04	0.03	0.03	0.02	0.01	0.00
Absolute (metric tonnes), combined	323	274	249	254	235	236	228	218	192	185	172	103	26
Normalized (metric tonnes per \$M COPS), combined <sup>2</sup>	0.06	0.05	0.04	0.04	0.04	0.03	0.03	0.03	0.02	0.02	0.02	0.01	0.00
% reduction, combined													95%
2020 goal: <b>Reduce ozone-depleting substance emissions by 95% (normalized by COPS).</b> Current status: <b>Reduced by 95% TARGET ACHIEVED</b>													
2020 goal: <b>100% elimination of use of HCFC141b in manufacturing.</b> Current status: <b>While a number of our facilities have completed conversion plans and eliminated the use of hydrochlorofluorocarbon (HCFC), we continue to make progress implementing conversion plans at remaining facilities and expect to complete all conversions as scheduled.</b>													
<sup>1</sup> Absolute legacy Bard data for FY 2019 restated due to data error.													
<sup>2</sup> Combined COPS were used to calculate normalized performance back to FY 2008 baseline.													

GRI disclosures: 305-6



# Empowerment

## Positive workforce and community impacts

### Introduction

We profoundly respect that what we do is for the good of people. That's why BD associates work with humanity and kindness across cultures, regions and relationships. It is the behavior that is necessary to be responsible global citizens. It is what it means to care.

## Letter from our Inclusion Diversity and Equity office

Our Purpose is a promise. Those words truly capture the culture that is BD. With our Purpose of *advancing the world of health™* driving everything we do, the role of inclusion and diversity at BD is clear.

Following the acquisitions of CareFusion and Bard within a three-year span, we had a very unique opportunity to create a culture that was authentic to the new organization and position inclusion and diversity as a top priority. We lead with "inclusion" intentionally because we recognized the need to bring three distinct cultures together, and we could only do that successfully if we developed a new, inclusive culture. We took the "best of the best" of the three to ensure each organization truly felt a part of the new whole.

As the new BD, we recognized that to best serve our diverse patients and customers, and in order to attract and retain the best talent, we must be committed to building and engaging inclusive and diverse teams. In addition, appreciating individuals, and leveraging their unique ideas, backgrounds and experiences would deliver better outcomes for our global marketplace and our customers.

We've realized this vision by actively developing systems, processes and tools, and we're very proud of the progress we've made. The steps we are taking ensure we are fair and that our associates, no matter where they come from or where they are, feel valued and comfortable being themselves at work, and have an opportunity to contribute, succeed and realize their potential.

Our commitment to inclusion and diversity has never been more important and valuable than during the challenges we were all presented in 2020. With broad feelings of uncertainty, a need to feel connected to the organization and each other, and racial injustice, it was necessary that we did not shy away

from the difficult conversations and demonstrate ours is a culture where we can address the tough topics head on to provide associates the outlet they needed.

While we're proud of the foundation we've built and the progress we've made to support associates and our communities, we still have much more work to do. FY 2021 marks the beginning of a three-year strategy that will further advance inclusion and diversity within BD, our communities and industry, and bring about a more equitable and just world.

At BD, our Purpose is a promise and is central to our culture, The BD WAY. We live our values and improve every day our individual and collective sense of belonging, our commitment to helping each other be great, and the firm belief that inclusion and diversity make us a stronger team as we work together *advancing the world of health™*.



Johnel Evans  
Vice President, Global Inclusion Diversity & Equity

## Key programs and achievements

Inclusion, diversity and equity are a prominent and lived piece of our culture as we firmly believe that inclusion and diversity makes us a stronger team while enabling us to better deliver on our Purpose of *advancing the world of health™*.

Over the past five years, we've established and continually invested in teams, processes, policies and programs to embed inclusion and diversity in everything that we do, and we're committed to making sure that all BD associates, regardless of where they come from, have a chance to succeed and realize their full potential. We're building an inclusive environment where people feel valued, have no fears speaking up and are empowered to give their best.

Our associates come from all backgrounds, perspectives and experiences. The diversity of the teams working at BD

across the globe allows us to successfully meet the needs of the ever-expanding global marketplace.

Additionally, our work and commitment to inclusion, diversity and equity extends beyond the walls of our organization to make an impact in the healthcare industry and communities where we work and live. We also influence and advocate for more inclusive and equitable practices through global public policy changes.

Because we foster inclusion and diversity within our company, industry and communities, we've made significant progress towards fulfilling our Purpose of *advancing the world of health™* —for all.

## Associate impact

We foster an inclusive environment where every associate has a chance to succeed and realize their full potential, and we seek out diverse perspectives because it drives innovation and is core to our purpose and strategy.

- Nine associate resource groups (ARGs) provide professional development opportunities.
- ARG-led global mentorship program was recognized by the Healthcare Businesswomen's Association as a 2020 winner of its ACE Award.
- Our learning and development program, BD University, provides career development resources, including accelerator programs and career mapping guides.
- We facilitate ongoing dialog sessions to foster a speak-up culture and provide educational resources. Past discussions have focused on timely topics, including racial injustice and toxic masculinity.
- Leadership engagement through the Global Inclusion Council, local inclusion and diversity champions and ambassadors, and ARG sponsorships.
- We drive accountability and monitor progress through corporate-level goals, executive inclusion plans and Voice of Associate surveys, among other methods.
- To bring the best talent and diverse perspectives to BD, we initiate diversity recruiting efforts through the National Black MBA Association, Society of Women Engineers, National Sales Network, MVPvets, Skillbridge internships and Hiring Our Heroes fellowships.



## Community and industry impact

We advance inclusion and diversity within our marketplace, industry and global communities to create opportunities for all.

- Membership in the AdvaMed Board's Inclusion and Diversity Committee and subcommittee
- Collaborate with the Healthcare Businesswoman's Association and Society of Women Engineers to advocate for women in the business of healthcare and in engineering and technology

- Implemented a supplier diversity program that ensures our supply base aligns with the diverse customers and communities we serve, as well as the diverse markets we seek
- Annual participation in PRIDE events around the world

## Societal impact

We strive to be catalysts for change to bring about a more equitable and just world.

- Members of Chief Executive for Corporate Purpose and The New Jersey CEO Council
- Advocate for LGBTQ+ inclusion through membership in the Human Rights Campaign's Business Coalition for the Equality Act and OPEN for Business, and we endorsed the UN Standards of Conduct to support LGBTQ+ individuals
- Celebrated the landmark Supreme Court Title VII ruling that protects LGBT workers in the U.S. from workplace discrimination

- Philanthropic contributions to nonprofits that:
  - Broaden healthcare access among vulnerable populations, including the **BD Helping Build Healthy Communities™ Initiative**
  - Expand access to food, shelter, healthcare services, job and skills training among diverse populations that are being disproportionately impacted by COVID-19



# Our commitment to racial justice, inclusion and diversity

BD condemns the acts of racism and violence that have occurred in the communities we call home. The racial inequality and injustice that's taken place across the U.S. are inexplicable as they are unacceptable.

Our commitment to our values—and our fundamental belief that inclusion and diversity are essential to our purpose and our strategy—compel us to speak up against racism, divisiveness and hate, and to stand up as one BD in support of justice and equity for all.

The BD Purpose—*advancing the world of health™*—reflects our commitment to help everyone, everywhere in their pursuit for better health and a better life. We are proud that BD associates come from all backgrounds and experiences, and firmly believe BD is better because of this.

The summer of 2020 was a turning point for long overdue change, and it was an opportunity for BD to learn, grow and to come together. This spotlight details a selection of our initiatives in FY 2020 and through February 2021.

## Standing united as one BD

### Fostering dialog: AABD fireside chat

Following the senseless deaths of George Floyd and Breonna Taylor, our Executive Leadership Team encouraged associates not to shy away from conversations about what we all saw happening. Instead, associates were encouraged to ask questions about diversity, belonging, inclusion and equity so we can grow and learn from each other.

We began with a virtual discussion with Black senior leaders, who spoke openly and candidly about their personal feelings, emotions and experiences. The event was a catalyst for a series

of open dialog sessions on racial equity and justice to further build our learning and growth together, and to drive better awareness internally on these critical issues.

Subsequent discussions focused on topics such as combating COVID-19-related racial bias against the Asian community, exploring disparities and health impacts of COVID-19 in Black and brown communities, and moving from intent to action through allyship and advocacy, among others.

### Encouraging learning: 21-day challenge

In 2021, our African Americans at BD (AABD) ARG and Social Investing team partnered to create an innovative and educational way to raise awareness and understanding of social and racial justice issues and continue advancing our culture of inclusion.

Beginning on January 18, in celebration of Dr. Martin Luther King Jr's birthday, and running until February 15, in honor of Black History Month, our associates could opt into a 21-day Racial Equity and Social Justice Challenge. Each day participants would receive an email with articles, videos and interactive content about racial inequities in areas including criminal justice reform, education, healthcare and civic engagement. The idea

behind the challenge is that it takes 21 days to make a real change in habits, and we saw it as an opportunity for associates to begin what we hope will be a lifetime of learning.

We also hosted an online exchange featuring videos and posts from associates as they participated in the challenge and captured some of the pivotal moments of their awareness building. Associates could also share their personal stories and learnings with the broader BD community. This stimulated conversations across BD and increased our collective understanding of the challenges and barriers faced by many of our colleagues and that we must all work together to eliminate them.

## Virtual event series

BD has also hosted a number of virtual events and sessions for associates. During the U.S. election season, we hosted a free screening of the documentary *John Lewis: Good Trouble* focusing on the life of John Lewis and his lifelong work advocating for voting rights for underserved and underrepresented communities.

Guest speakers at our events included:

- Dr. Gershon Williams, professor emeritus of African American and United States history at Mesa Community College
- Rep. E. G. Butterfield (D-NC), House of Representatives member representing eastern North Carolina and long-time champion of the underprivileged

- Dr. T. Anthony Spearman, president of North Carolina NAACP
- DeRay McKesson, acclaimed civil rights activist, podcaster, and author of the critically acclaimed memoir, *On the Other Side of Freedom: The Case for Hope*. He is the co-founder of Campaign Zero and host of the award-winning weekly podcast *Pod Save the People*
- Reverend Kenneth Clayton, president of the Paterson, New Jersey chapter of NAACP
- Helen Archontou, CEO of the YWCA Northern New Jersey

## Enacting change in our communities

Because we expect unity, respect, fairness and inclusiveness in our own organization, we also aspire to these same values in all the countries and communities we operate in throughout the world. Recent efforts and charitable contributions include:

- Donating \$10 for each participating associate in our 21-day Racial Equity and Social Justice Challenge to nonprofit organizations selected in partnership with the AABD ARG. With the support of the nearly 6,000 associates around the world who participated, BD donated a total of \$60,000 to **Americares, the National Association for the Advancement of Colored People (NAACP)**, the **Equal Justice Initiative** and the **UNCF**;
- Participating in the “Stop Hate for Profit” campaign, pausing advertising spend in July 2020;
- Contributing more than \$450,000 to nonprofit organizations focused on inclusion, diversity, equity and justice, including a \$100,000 donation to the **Equal Justice Initiative**;
- Committing \$22.6 million through the year 2022 as part of the **BD Helping Build Healthy Communities™ Initiative**. The contributions support **Direct Relief** and the **National Association of Community Health Centers** in expanding the innovative practices of U.S. community health centers,

which collectively serve more than 30 million U.S. patients, the majority of which are uninsured or underinsured. This program targets its support on patients with hypertension and diabetes, two health conditions that disproportionately impact the Black community, based on the social determinants of health;

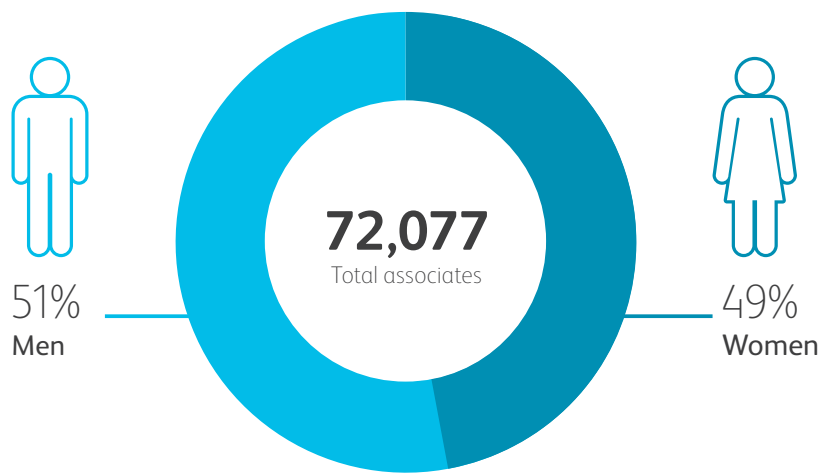
- Partnering with the **UNCF** to sponsor three scholarships for the 2020–2021 academic year;
- Supporting the expansion of evidence-based racial bias training programs that educate parents, business owners and community owners throughout New Jersey about key issues that can help eliminate racism through a two-year donation to the **YWCA of Northern New Jersey**; and
- Participating in the **Chief Executives for Corporate Purpose’s Diversity, Equity, and Inclusion (DEI) Accelerate Community**, which hosts conversations about philanthropic giving with an equity lens, and how to recruit and retain diverse talent.

Demographic data

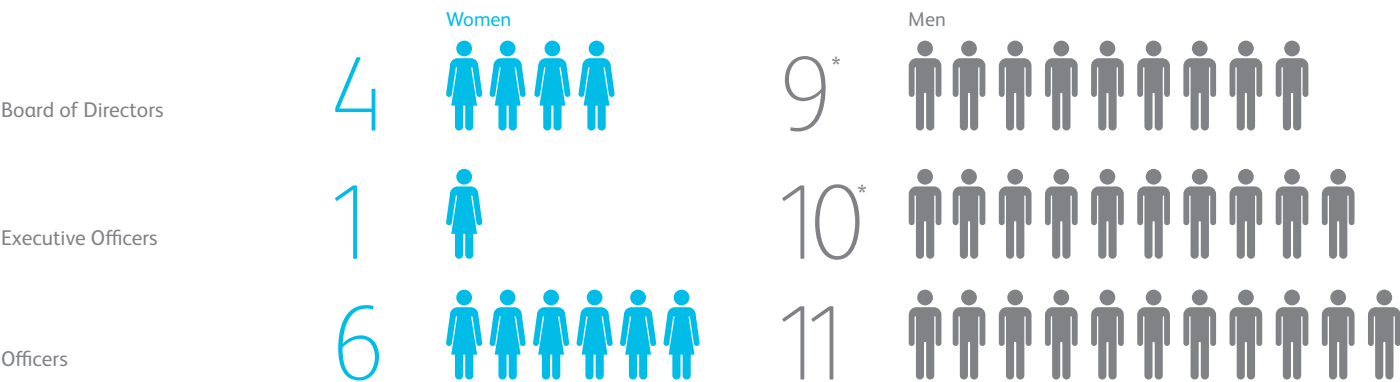
In this section of the report, the total number of associates being reported for FY 2020 is 72,077, which includes Bard associates. As part of the integration activities following the acquisition of Bard, BD worked to incorporate Bard associates into our single HR IT system. FY 2019 is the first reporting year to reflect this change in data. All reporting data for years before FY 2019 does not include Bard associates.

In the chart below, “Other” is defined as people who do not identify as those ethnicities listed below, or who identify as more than one ethnicity, and “Unknown” indicates that the associate chose not to answer.

FY 2020 worldwide associates by gender



Gender breakdown of the Board of Directors and executive officers



FY 2020 Board of Directors—ethnicity	
Asian/Indian	0
Black or African American	1
Hispanic/Latino	0
Other	0
White	12
Unknown	0

\*Includes Vincent A. Forlenza, Chairman of the Board and former CEO.

# Executive and management positions

For the following tables, the total number of associates for each disclosure in executive and management positions is noted in the corresponding table. Bard associates are included in FY 2019 and FY 2020 data.

Data in previous years has been restated due to improvements in data collection systems.

BD defines executives as those in VP, SVP or EVP roles. Management positions are defined as those in manager, director or equivalent roles.

## Executives and management positions by gender (worldwide)

### Executive

	FY 2016	FY 2017	FY 2018	FY 2019 BD + Bard	FY 2020 BD + Bard
Female	22%	21%	23%	25%	27%
Male	78%	79%	77%	75%	73%
Total	303	280	283	354	364

### Management

	FY 2016	FY 2017	FY 2018	FY 2019 BD + Bard	FY 2020 BD + Bard
Female	37%	38%	39%	39%	39%
Male	63%	62%	61%	61%	61%
Total	7,271	7,364	7,736	10,086	10,390

## Executive and management positions by age (worldwide)

### Executive

	FY 2016	FY 2017	FY 2018	FY 2019 BD + Bard	FY 2020 BD + Bard
Under 35	0%	1%	0%	0%	0%
35–54	72%	70%	68%	72%	70%
55 and older	28%	29%	32%	28%	30%
Total	303	280	283	354	364

### Management

	FY 2016	FY 2017	FY 2018	FY 2019 BD + Bard	FY 2020 BD + Bard
Under 35	11%	11%	11%	11%	11%
35–54	72%	72%	72%	72%	72%
55 and older	17%	17%	17%	17%	17%
Total	7,271	7,364	7,736	10,086	10,390



## Executive and management positions by ethnicity (U.S. only)

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

### Executive

	FY 2016	FY 2017	FY 2018	FY 2019 BD + Bard	FY 2020 BD + Bard
Asian/Indian	9%	11%	10%	10%	11%
Black or African American	2%	3%	2%	3%	4%
Hispanic/Latino	2%	3%	4%	4%	5%
Not disclosed	5%	2%	3%	3%	5%
Other	0%	1%	1%	1%	1%
White	82%	81%	80%	78%	75%
Total	243	225	225	291	293

### Management

	FY 2016	FY 2017	FY 2018	FY 2019 BD + Bard	FY 2020 BD + Bard
Asian/Indian	14%	15%	15%	14%	14%
Black or African American	3%	4%	4%	3%	4%
Hispanic/Latino	5%	7%	7%	8%	8%
Not disclosed	4%	2%	4%	4%	5%
Other	3%	2%	2%	2%	2%
White	71%	71%	69%	69%	67%
Total	4,578	4,558	4,704	6,028	6,172

GRI disclosure: 405-1

# Associate positions

For the following tables, the total number of associates for each disclosure is noted in the corresponding table. Bard associates are included in FY 2019 and FY 2020 data.

Data in previous years has been restated due to improvements in data collection systems.

Workforce includes all associates, both management and non-management.

## Associates by age (worldwide)

	FY 2016*	FY 2017	FY 2018	FY 2019 BD + Bard	FY 2020 BD + Bard
<b>Under 35</b>	33%	34%	35%	38%	37%
<b>35–54</b>	48%	52%	52%	50%	50%
<b>55 and older</b>	12%	13%	13%	12%	13%
<b>Total</b>	50,920	46,641	48,473	70,200	72,077

\*In FY 2016, age was not disclosed for 7% of the dataset.

## Associates by ethnicity (U.S. only)

	FY 2016	FY 2017	FY 2018	FY 2019 BD + Bard	FY 2020 BD + Bard
<b>Asian/Indian</b>	13%	13%	13%	11%	11%
<b>Black or African American</b>	7%	8%	8%	9%	9%
<b>Hispanic/Latino</b>	13%	16%	16%	16%	16%
<b>Not disclosed</b>	4%	3%	7%	8%	9%
<b>Other</b>	3%	2%	2%	2%	2%
<b>White</b>	59%	58%	55%	55%	53%
<b>Total</b>	18,392	22,944	23,790	24,220	24,624

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

## New hire rate by age (worldwide)

	FY 2016	FY 2017	FY 2018	FY 2019 BD + Bard	FY 2020 BD + Bard
<b>Under 35</b>	49%	26%	24%	48%	50%
<b>35–54</b>	13%	8%	7%	12%	13%
<b>55 and older</b>	6%	3%	3%	5%	6%

The way BD reports this metric has changed. The new metric calculates the rate at which employee start working for the organization as a percentage of average headcount, during the period (e.g. Under 35 new hire rate = Under 35 new hire count/Avg headcount of Under 35 employees). In the past, this metric was reported as count of new hires (by category)/total headcount. As a result, all data has been restated to reflect this new metric.

## New hire rate by gender (worldwide)

	FY 2016	FY 2017	FY 2018	FY 2019 BD + Bard	FY 2020 BD + Bard
<b>Female</b>	36%	14%	13%	26%	27%
<b>Male</b>	23%	13%	12%	23%	26%

The way BD reports this metric has changed. The new metric calculates the rate at which employee start working for the organization as a percentage of average headcount, during the period (e.g. Female new hire rate = Female new hire count/Avg headcount of female employees). In the past, this metric was reported as count of new hires (by category)/total headcount. As a result, all data has been restated to reflect this new metric.

GRI disclosures: 401-1, 405-1

## Turnover rate by age (worldwide)

	FY 2016	FY 2017	FY 2018	FY 2019 BD + Bard	FY 2020 BD + Bard
<b>Under 35</b>	36%	28%	19%	32%	43%
<b>35–54</b>	14%	14%	8%	11%	13%
<b>55 and older</b>	16%	19%	11%	11%	13%

By turnover we mean the percentage of employees who exited voluntarily or involuntarily during the period. The way BD reports this metric has changed. This new metric is calculated using the number of employees who exited divided by the Average Headcount for the analysis period (e.g. Under 35 Turnover rate = count of Under 35 who exited/average headcount). As a result, all data has been restated to reflect this new metric.

## Turnover rate by gender (worldwide)

	FY 2016	FY 2017	FY 2018	FY 2019 BD + Bard	FY 2020 BD + Bard
<b>Female</b>	33%	32%	15%	21%	26%
<b>Male</b>	21%	21%	11%	17%	23%

By turnover we mean the percentage of employees who exited voluntarily or involuntarily during the period. The way BD reports this metric has changed. This new metric is calculated using the number of employees who exited divided by the Average Headcount for the analysis period (e.g. Female Turnover rate = count of Females who exited / average headcount). As a result, all data has been restated to reflect this new metric.

GRI disclosure: 401-1

**Achieve best-in-class safety performance**

At BD, we continuously drive the implementation and execution of programs that will keep our associates safe.

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

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

Although maintaining the safety of our associates during the pandemic has been our priority, our planned improvements also moved forward, strengthening our organization and assisting in keeping our workforce safe. In FY 2020, we continued to solidify and streamline our standards and practices across 80+ facilities with focus on sites gained through recent acquisitions. The continued establishment of governance platforms drove this work. The Global EHS Advisory Council, with representation from all BD businesses, provided a unified direction in

establishing global objectives and strong collaboration efforts across the organization to streamline efforts and work as one team.

Furthermore, in FY 2020, the BD EHS team implemented its new risk-based audit model, which gauges facilities on three main components: inherit risk, changes and performance. This enabled a more deliberate focus for selection of sites to be audited during the year. This new model was launched during the pandemic, which added a layer of complexity by shifting the audit model to a virtual one. With a shift to virtual audits and a transformation of methodologies to address this new platform, we were able to continue to audit facilities to ensure an effective level of governance oversight and address these new challenges during these unprecedented times.

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

For further details about our EHS management programs, please see EHS management in the **Efficiency** section of this report.

In FY 2020, there were no fatalities.

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
LTIFR* per 200,000 hours worked	0.29	0.32	0.26	0.24	0.169
OIFR† per 200,000 hours worked	0.004	0.03	0.00	0.00	0.00
Occupational IIR‡ rate per 200,000 hours worked	0.7	0.7	0.6	0.51	0.416

Data provided reflects manufacturing sites only.

FY 2008 to FY 2017, excludes Bard.

\*Lost time injury frequency rate (LTIFR)

†Occupational illness frequency rate (OIFR)

‡Injury and illness rate (IIR)

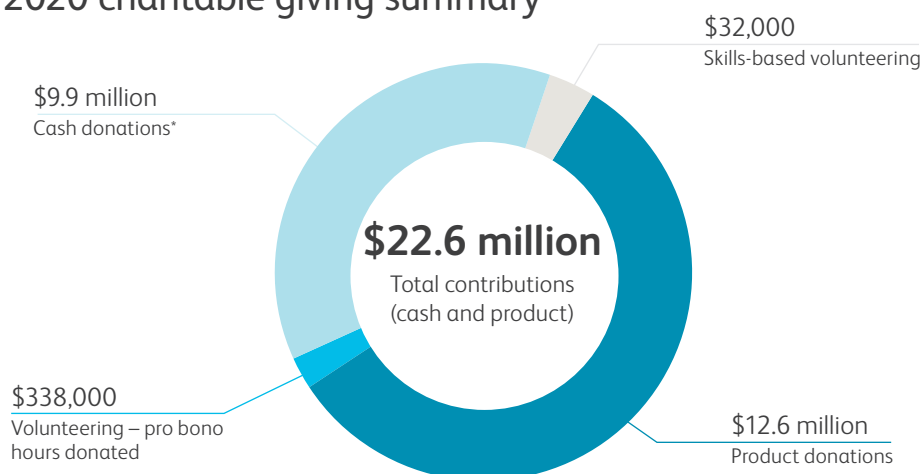
There have been no fatalities since FY 2014.

# Social Investing

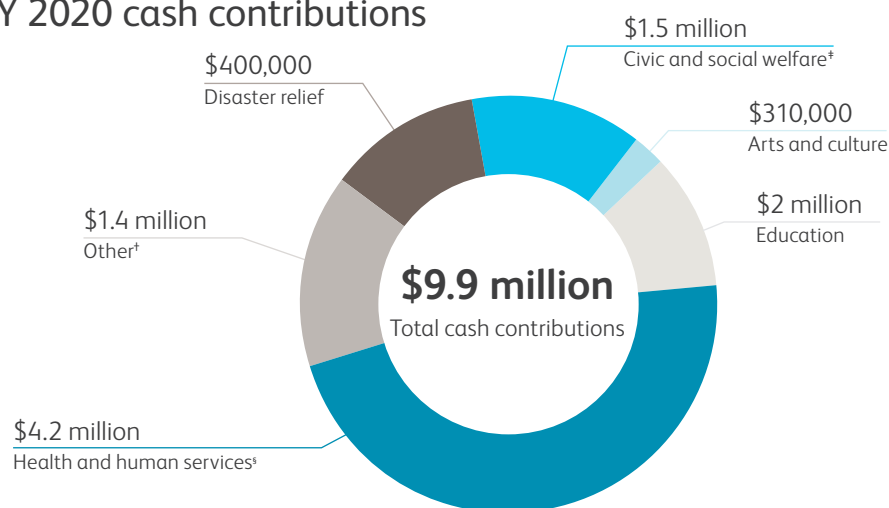
## Charitable giving summary, by the numbers: FY 2020

Total cash donations	<b>\$9.9 million</b>
Total product donations	<b>\$12.6 million</b>
Value of company match to associate donations	<b>\$1.8 million</b>
Number of grants issued, worldwide	<b>440</b>
Number of nonprofit beneficiaries	<b>284</b>
Number of matching gifts distributed	<b>26,000</b>

### FY 2020 charitable giving summary



### FY 2020 cash contributions



#### First grants issued by BD Foundation

The BD Foundation was established in 2016 as a private 501(c)3 organization, with the goal of expanding and strengthening the consistency of our ability to make strategic, multiyear, global philanthropic investments in initiatives that expand healthcare access, advance human potential and support resilient communities. The BD Foundation issued its first grants in 2020 to Direct Relief in support of the BD Helping Build Healthy Communities™ Initiative and to multiple philanthropic partners in support of global COVID-19 relief efforts.

\*Includes matching gifts and contributions from individual BD locations.

†Includes \$540,000 for COVID-19 emergency relief.

\*Includes basic needs/hometown giving.

\*Includes care for the uninsured/underinsured, diabetes and prevention, global health, infection prevention, maternal and newborn health, vaccine preventable diseases, women's health, cancer and other health.



## Expanding healthcare access in the United States

### BD Helping Build Healthy Communities™ Initiative

Community health centers are on the front lines, every day, providing lifesaving care to more than 30 million people in vulnerable rural and urban communities across the United States.

Without these community-based “family doctors,” millions of uninsured and underinsured patients would go without healthcare.

Implemented in partnership with Direct Relief and the National Association of Community Health Centers, the BD Helping Build Healthy Communities™ Initiative awards grants to community

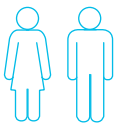
health centers, to support the implementation of innovative approaches to meeting the unique healthcare needs of local, underserved and vulnerable populations.

Since this program's inception in 2013, and through 2022, BD and the BD Foundation have together committed to invest \$22.6 million in this initiative, which clinical data predicts will have a meaningful impact on the grant winners' ability to expand access to quality patient care, particularly among patients experiencing diabetes, hypertension, depression and difficulty with medication compliance.

### BD Helping Build Healthy Communities™ Initiative, by the numbers



Product donations have reached **400,000 patients**.



Health outcomes of **65,000 patients** have been improved through our cash support.



**48 grants**, totaling **\$6.7 million**, have been issued to community health centers in **20 states**.

BD has provided Direct Relief with more than **38 million insulin syringes** and **743,000 pen needles**, valued at **\$11.2 million**.

These items have been distributed to **1,400** community health centers, free clinics and community clinics in **all 50 states and Puerto Rico**.



BD investment, 2013 to 2022

**\$22.6 million**

# Expanding healthcare access globally

## Expanding on program success

In response to the success of the BD Helping Build Healthy Communities™ Initiative, and to reach an even broader at-risk population, BD worked with the National Association of Free and Charitable Clinics (NAFC) to introduce three companion programs in 2017, which support free and charitable clinics.



**The BD Continuity of Care Mini-Grant Program**, implemented in partnership with **Direct Relief** and **NAFC**, provides member organizations with cash grants to support

critically needed healthcare programs for medically underserved patients. From FY 2018 to FY 2021, BD and Direct Relief committed \$515,000 in grants to 24 NAFC member organizations in 14 states.



**The BD Advancing Community Health: Driving Quality Outcomes—Patient-Centered Medical Home (PCMH) Program**, co-developed with **Americares**, provides grant funding to help free clinics achieve the National Committee for Quality

Assurance (NCQA) quality standard for a patient-centered medical home. Since 2017, BD has invested \$760,000 to support six free, charitable and hybrid clinics in five states in their efforts to work toward NCQA certification; and has donated \$5 million worth of diabetes care products to Americares for distribution to the U.S. free clinics.



**The Advancing Community Health—Point-of-Care (POC) Enhancing Clinical Effectiveness Award**, co-developed with **Heart to Heart International** and **NAFC**,

provides essential, diagnostic point-of-care testing equipment, supplies and quality controls to help free clinics effectively administer and share the results of diagnostic tests during a single medical visit. Since FY 2017, BD has committed \$1.8 million to this program and deployed 12 associate volunteers to provide free lab training to 15 free clinics.

## Eliminating maternal and neonatal tetanus worldwide



In recognition of our centennial anniversary in 1997, BD co-founded its first signature philanthropic program, supporting **UNICEF's Maternal and Neonatal Tetanus Elimination (MNTE) Initiative**

worldwide. The initiative seeks to reduce annual neonatal tetanus incidence through vaccinating pregnant women and women of reproductive age, promoting clean delivery practices, such as umbilical cord cutting, and utilizing surveillance to enhance health professionals' understanding of the circumstances under which cases can occur. Between 2000 and 2018, the World Health Organization estimates deaths from neonatal tetanus had dropped by 88%. BD has committed \$14.8 million in cash and products to this initiative, through 2025.

## Reducing maternal mortality and delivery complications in Zambia



Since 2014, BD has committed more than \$675,000 in cash to support **CMMB's Children and Mothers Partnership Program** in delivering high-impact interventions to address the high rates of maternal mortality, HIV infection and delivery complications in Zambia. This program has enabled CMMB to continue to deliver healthcare interventions, including safe motherhood, community-led total sanitation, integrated community case management, maternal, adolescent and young child nutrition, and community-based growth monitoring and promotion.

## Bringing free, safe surgery to those in need

Each year, 18.6 million people die due to lack of access to surgical care, 93% of whom are in Africa. As COVID-19 threatens the stability of already fragile healthcare systems globally, the need to provide basic lifesaving care is greater than ever, especially in low- to middle-income countries.



**Over the past 25 years, BD has donated more than \$1.5 million in cash and products to Mercy Ships** to support its mission of bringing free, safe surgical care to those in need. To celebrate our 25th anniversary of supporting Mercy Ships, BD committed \$1 million (\$750,000 in cash and \$250,000 in products) over three years (FY 2020 to FY 2022) to help Mercy Ships double its surgical and training capacity via the Global Mercy™, a new ship that will primarily serve patients in Africa.

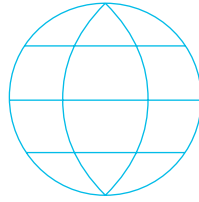


**BD committed \$500,000 in cash and products over two years to the RCI University of Medicine and Health Science, Ireland**, to support the launch of the KidSURG initiative, a pediatric surgical network that seeks to expand surgical access to 8 million children in Malawi.

## Disaster response and strategic product donation

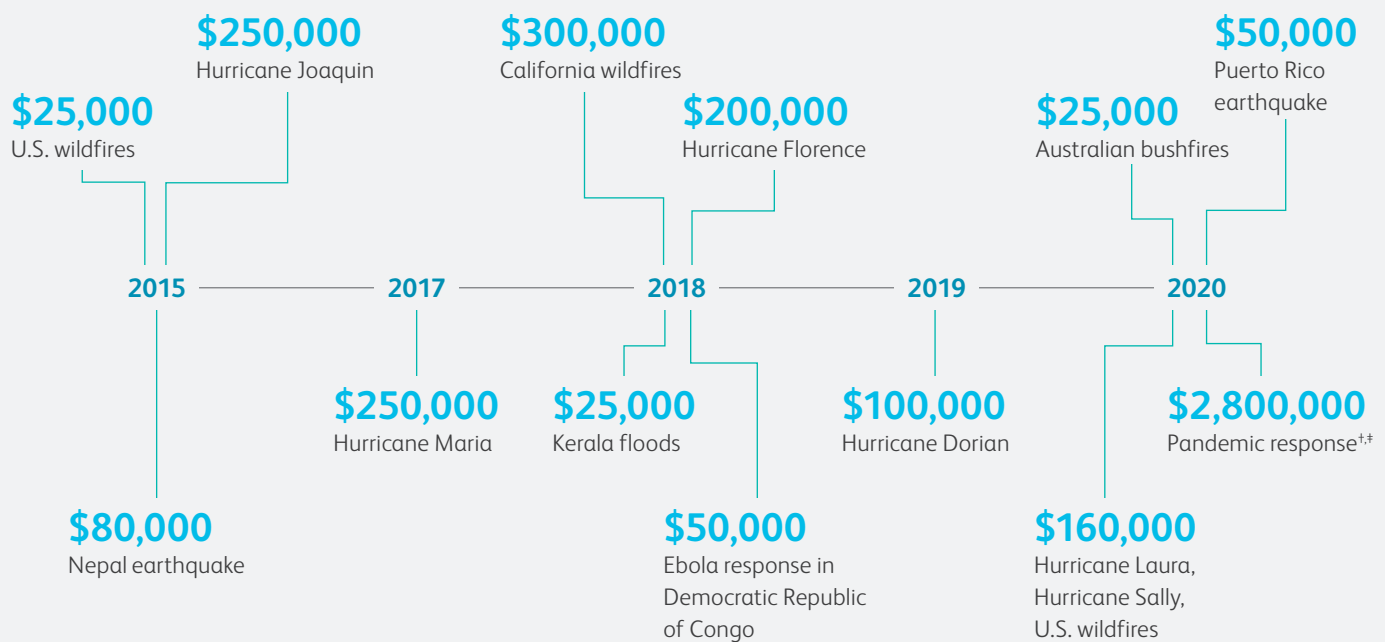
For more than a decade, BD has partnered with international relief agencies, including the American Red Cross, Direct Relief, AmeriCares, MAP International, CMMB, and Heart to Heart International to deploy product donations and cash support quickly and efficiently to the people and communities who need them most, both for the management of chronic disease and during times of disaster.

Our total FY 2020 product donations worldwide were valued at **\$12.6 million**



From FY 2016 to FY 2020, our product donations worldwide were valued at **\$53.5 million**

From 2015 to 2020, BD issued \$6.7 million\* in cash donations to support our nonprofit partners in building the resiliency of communities worldwide as they have worked to recover from some of the most significant disasters of the decade.



\* Includes \$540,000 for COVID-19 emergency relief.

<sup>†</sup> In response to the COVID-19 pandemic. Of that \$2.8 million, \$540,000 was donated by BD.

<sup>‡</sup> \$2.5 million reflects the combined COVID-19 philanthropic donations made by BD and the BD Foundation in FY 2020. Our philanthropic response to COVID-19 (\$540,000) is reported in the category "Other" in the BD Cash Contributions chart on page 107. More detail regarding BD and the BD Foundation's philanthropic response to the COVID-19 pandemic is included on page 20 of this report.

## Increasing the strategic nature of product donation

From 2015–2020, BD significantly evolved its approach to medical product donation. First, by aligning with our sustainability commitment to reduce waste and by making a concerted effort to ensure that an increasing percentage of product overruns and other non-saleable products were targeted for donation to communities in need. And second, by strategically partnering with nonprofit organizations to direct more of our product donations to programs that help combat humanitarian challenges and help patients better manage chronic conditions. Key examples of our strategic product donations over the past six years include:

### Helping eradicate polio...



In 2018, BD donated 20 million auto-disable syringes, valued at \$1 million, to Rotary International, a nonprofit organization dedicated to tackling the world's most pressing humanitarian

challenges, in support of the Global Polio Eradication Initiative. More than six decades prior, in 1954, BD donated 1 million of the first sterile disposable syringes for the Salk polio vaccine field trials in the U.S., which inoculated nearly 1 million school children known as “Polio Pioneers.”

### Helping children learn to manage type 1 diabetes...



Since 2011, BD has donated nearly \$2.4 million worth of syringes to 10,000 children with type 1 diabetes in 20 under-resourced countries through Direct Relief and the Life for a Child program.



Since 2015, BD has donated \$3.5 million in insulin syringes, pen needles, swabs and lancets to 200+ summer camps for children with type 1 diabetes via Direct Relief.

### 2020 goal

**Drive social impact and associate engagement through volunteer programs**

### 2020 performance highlights

BD encourages associates from around the world to join together to serve their local communities through volunteerism—with the goal of bringing our values to life, while making a meaningful difference in the communities where we live and work.

### BD Volunteer Service Trip Program

Having celebrated its 15th year in 2020, the BD Volunteer Service Trip (VST) Program sends teams of BD associates to low-resource countries to help strengthen local health systems through training, education, laboratory services and construction projects. This program enables BD associates to share their knowledge and expertise, enabling them to live the company Purpose of *advancing the world of health™*. The onset of COVID-19 in 2020 made it impossible for BD volunteers to participate in inter-country travel. In response, BD developed new virtual skills-based volunteer opportunities to keep associates engaged to maintain our culture of service. During 2020, BD virtual volunteers:

- Delivered COVID-19 infection prevention training to healthcare workers in partnership with **Heart to Heart International**
- Helped community health centers expand access to healthcare via telehealth technology, together with the **National Association of Community Health Centers** and **Pyxera Global**.



BD plans to expand this approach to virtual volunteerism in 2021 and beyond. We are also creating new virtual volunteerism partnerships with Operation Smile and the National Association of Free Clinics.

## BD Volunteer Service Trips by the numbers



**15 years** of  
volunteer service trips



**262** BD volunteers



From **89** BD  
sites, globally



**33** country locations

## Henry P. Becton Volunteer Impact Awards

These global awards celebrate the outstanding and creative volunteer service of BD associates and retirees. In 2020, BD awarded grants totaling \$80,000 to 13 nonprofit organizations

around the world, recognizing the community service of 13 associates from six countries.

## Dr. Martin Luther King, Jr. Day of Service



Since 2013, in recognition of the Dr. Martin Luther King, Jr. Day of Service, BD associates from more than a dozen locations across the United States have joined together to pack shelf-stable meals for Rise Against Hunger, to be delivered to hungry and food-insecure people around the world. In 2020, BD volunteers reached their ambitious goal and packed their one millionth meal for Rise Against Hunger.



## World Water Day



In 2020, BD collaborated with the Planet Water Foundation to celebrate World Water Day for the third consecutive year. While COVID-19 kept BD from deploying BD volunteers to participate, BD funding enabled Planet Water to install two AquaTower systems, including 12 handwashing points that provided clean, safe drinking water to 3,600 children and community members in Aguascalientes, Mexico. Since 2018, BD funding has empowered 33 BD volunteers to bring clean water to up to 12,600 children and community members in five countries through the installation of seven AquaTower systems.



## BD Matching Gift Program

BD matches charitable donations to eligible nonprofit organizations, up to \$5,000 per associate, per year. In FY 2020, BD matched 26,000 donations to eligible 501(c)(3) organizations,

for a total investment of \$1.8 million. From FY 2015 to FY 2020, BD matched more than \$8.8 million in associate donations.



# Awards, recognitions and affiliations

## Corporate recognition

FTSE4 Good Index since 2003

*FORTUNE*'s 2020 World's Most Admired Companies List

*FORTUNE*'s 2020 Change the World list

*Newsweek*'s America's Most Responsible Companies List



## Innovation

Top 100 Global Innovator—Clarivate



## Efficiency

U.S. EPA Green Power Partner

U.S. EPA SmartWay® Transport Partner



## Empowerment

One of the best companies in Brazil (Brazil)

Best Companies to Work for in Brazil—Health Sector (Brazil)

Top Employer 2021 (Africa)

Top Employer 2021 (China)

2021 Goodness award (China)

PRC 70 Years Healthcare Special Contribution Enterprise Award (China)

2020 Outstanding Contribution Award to Anti-Epidemic (China)

Best Places to Work for LGBTQ Equality-The Human Rights Campaign Foundation

2021 Gender-Equality Index (GEI)—Bloomberg

Best Places to Work for Women in 2020—Great Place to Work (Argentina)



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)**

#### Cautionary Statement Regarding Forward-Looking Statements

This report contains certain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such statements. 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 and expenditures. 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. Many of these risks and uncertainties are beyond the company’s control, including without limitation, challenges relating to economic, competitive, governmental, and technological factors affecting our operations, markets, and products, and other factors listed in our 2020 Annual Report on Form 10-K and other filings with the 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.

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