

# 2011 Sustainability Report



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On the cover: Windmill image courtesy of Vestas Wind Turbines; pediatrician with young girl courtesy of Direct Relief International; woman in hat courtesy of AmeriCares.

# About BD

BD is a leading global medical technology company that develops, manufactures and sells medical devices, instrument systems and reagents. The Company is dedicated to improving people's health throughout the world. BD is focused on improving drug delivery, enhancing the quality and speed of diagnosis for infectious diseases and cancers, and advancing research, discovery and production of new drugs and vaccines. Our capabilities are instrumental in combating many of the world's most challenging diseases. Founded in 1897 and headquartered in Franklin Lakes, New Jersey, BD employs approximately 29,000 associates in more than 50 countries. The Company serves healthcare institutions, life sciences researchers, clinical laboratories, the pharmaceutical industry and the general public. For more information, please visit <a href="https://www.bd.com">www.bd.com</a>.

# **BUSINESS SEGMENTS (FY2011 REVENUES)**



### **BD MEDICAL**

Revenue: \$4.007 billion

BD Medical is among the world's leading suppliers of medical devices and a leading innovator in injection- and infusion-based drug delivery since 1906, when the Company built the first-ever facility in the U.S. to manufacture needles and syringes. The BD Medical segment is focused on providing innovative solutions to reduce the spread of infection, enhance diabetes treatment and advance drug delivery.



### **BD DIAGNOSTICS**

Revenue: \$2.480 billion

BD Diagnostics is a leading provider of products for the safe collection and transport of diagnostics specimens, as well as instruments and reagent systems to accurately detect a broad range of infectious diseases, healthcare-associated infections (HAIs) and cancers. The BD Diagnostics segment focuses on improving health outcomes for patients by providing laboratories with solutions that improve quality, enhance laboratory system productivity and inform medical decisions.



# **BD BIOSCIENCES**

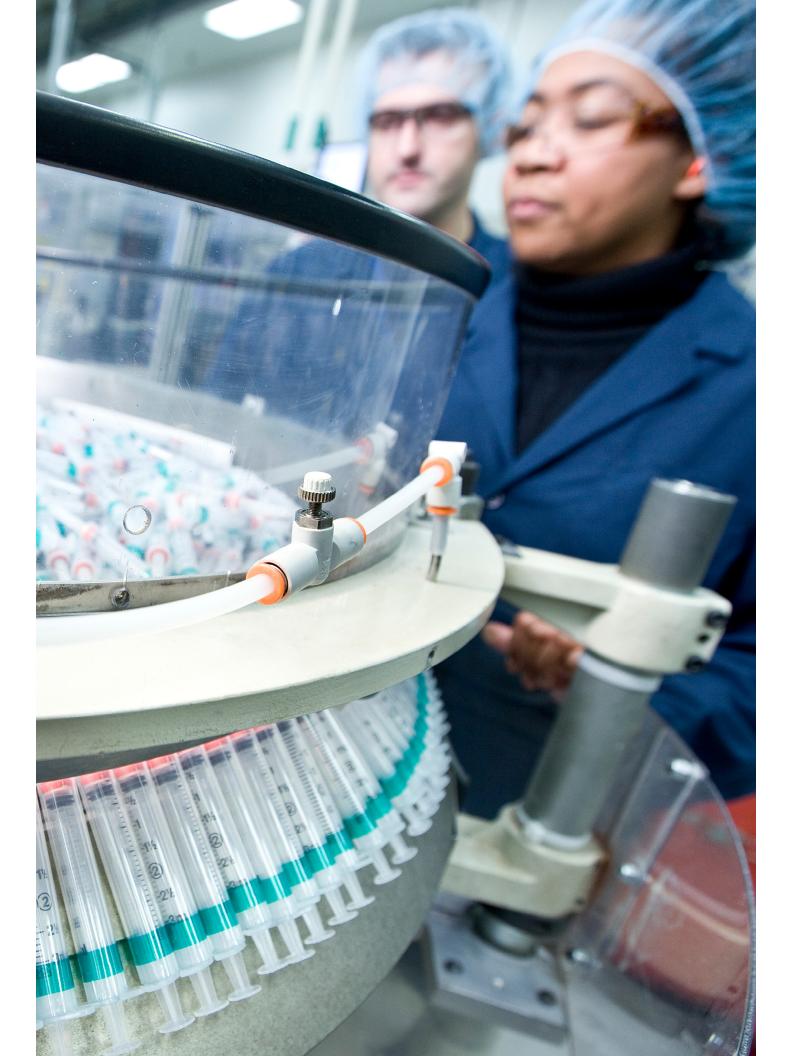
Revenue: \$1.341 billion

BD Biosciences is a world leader in bringing innovative diagnostic and research tools to life scientists, clinical researchers, laboratory professionals and clinicians who are involved in basic research, drug discovery and development, biopharmaceutical production and disease management. The BD Biosciences segment is focused on continually advancing the science and applications associated with cellular analysis and products that help grow living cells and tissue.



For more detailed information on financial statements and the economic impacts of the Company, please see our <u>2011 Annual Report</u> and <u>2011 Form 10-K</u>.

3 Introduction

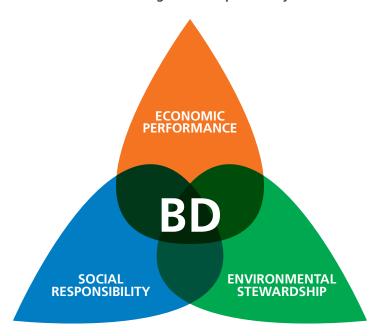


# Our Purpose is

# "Helping all people live healthy lives"

As we pursue this purpose, we strongly believe in balancing the "triple bottom line":

- Achieving strong economic performance
- Promoting environmental stewardship
  - · Advancing social responsibility



At its core, our purpose is to create shared value, both for our business and for society at large, by addressing societal needs and challenges. Driven by a socially conscious company culture that dates back to our founding in 1897, we believe in improving access to affordable healthcare. Societal needs, as well as economic needs, define markets, and our patients and customers require value beyond our products. This is why we make expert clinical knowledge and support available throughout our operations.

By collaborating with leading health and nongovernmental organizations and focusing on social responsibility and environmental stewardship, we are broadening our approach to products, markets, services, productivity and associate engagement. This approach helps to strengthen the health of communities and our business, resulting in higher shared value.

5 Introduction

# A Letter to Our Stakeholders

It is my pleasure to communicate with you, our stakeholders, about BD's progress in meeting our sustainability goals and how we are addressing the many challenges we face in the global business environment. When I became CEO in October 2011, after 30 years with the Company, I inherited a rich history of value sharing among BD and our communities. I am personally committed to continue building upon the solid foundation BD has established and to ongoing progress toward our sustainable business objectives: achieving strong financial performance, promoting environmental stewardship and advancing social responsibility.

Since our founding in 1897, BD has focused on helping address unmet healthcare needs. In the healthcare arena, global disease challenges — such as HIV/AIDS, diabetes, healthcare-associated infections and cancer, among others — present opportunities for us to make a difference. The foresight of my predecessors places BD in the excellent position of having well-established collaborative relations that provide continuing opportunities to develop global healthcare solutions supported by Core Values that reflect our commitment to ethics and a culture of transparency.

BD is well positioned to make a significant difference in helping address some of these challenges, and we believe that communities and companies will only find solutions by innovating, collaborating, and sharing knowledge and expertise. This thinking is embodied in the concept of "shared value" identifying and expanding the connections between societal and economic progress. At BD, shared value is inherent in our purpose of "Helping all people live healthy lives" and demonstrated by the way we do business. By re-conceiving some of our products and markets, and redefining productivity in our value chain, we can:

- Create stronger, safer and healthier customers and communities
- Reduce waste and material consumption
- Reduce our environmental impact
- Develop healthier, more engaged and productive associates
- Realize lower costs and higher profits, and higher shareholder value

This report shows how we create value for our shareholders and how we share value with others. Before sharing some examples of the progress we are making, I note that we also have much opportunity for improvement. For example, we need a more vigorous diversity strategy, and we need to accelerate the steps we're taking to develop products that use fewer materials and are easier to

recycle. Furthermore, despite our ongoing safety efforts, for the first time in 10 years, one of our associates died this year in an accident at work. We have fully investigated the circumstances that led to this tragic accident and have made changes designed to prevent it from happening again.

BD's leaders and 29,000 associates around the world are placing shared value creation at the heart of our corporate purpose. We are broadening and redefining our approach to products, markets, services, productivity, even associate engagement, to drive higher shared value as well as higher shareholder value. Since last year's report, we have many economic, social and environmental accomplishments to communicate.

I'd like to focus on the many great things that BD is doing to be a better steward of the environment. In 2011, BD became a WindMade™ Pioneer, which puts us among the first companies pursuing certification for sourcing at least 25% of our power from wind energy. We're also working hard to help BD's customers reduce their environmental impact

through new programs and products. And we've continued to make good progress against our 2015 Sustainability Targets — for example, in our efforts to use more renewable energy. However, we are struggling to meet our non-hazardous waste reduction target, and it seems unlikely that we will get there by our 2015 deadline.

Thank you for your interest in our sustainability efforts. We will continue to communicate our progress to you, and we invite your feedback about our efforts.

I look forward to working with my colleagues and our many stakeholders around the world to continue "Helping all people live healthy lives."

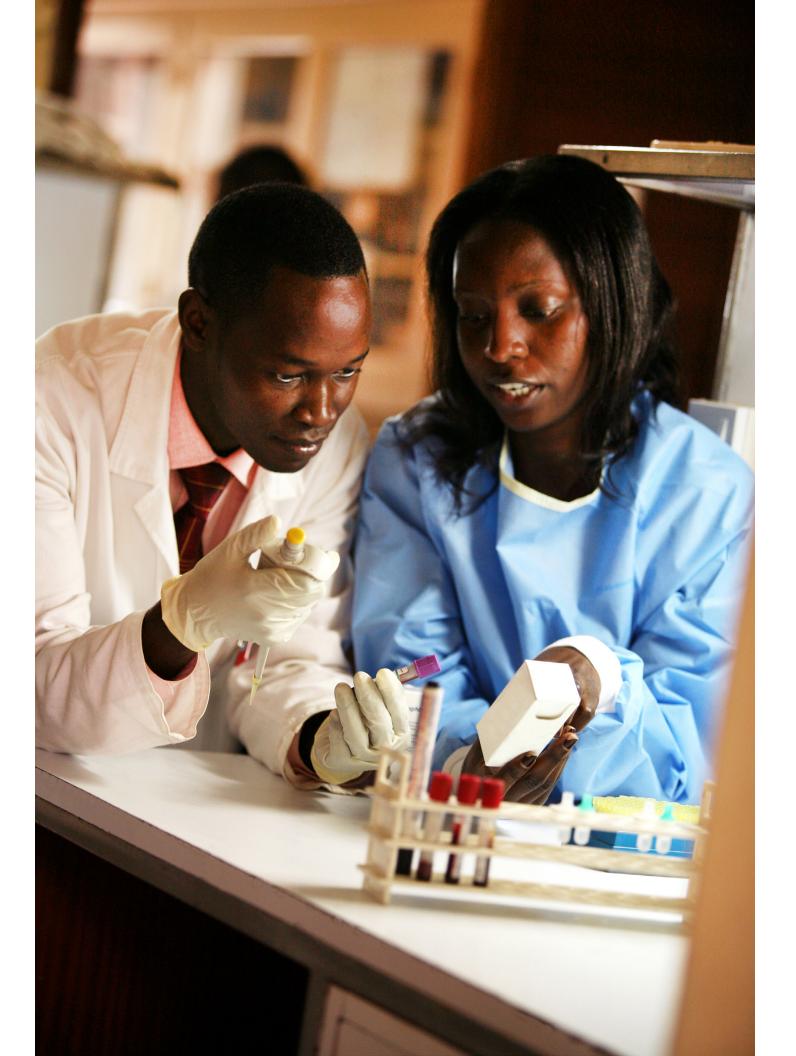


Vincent A. Forlenza

Vincent A. Forlenza Chief Executive Officer and President May 2012



6 Introduction



# Sustainability at BD

OUR APPROACH to sustainability is one of *shared value*. We realize that only by understanding the relationship among strong economic performance, social responsibility and respect for the environment can we achieve our purpose of

# "Helping all people live healthy lives."

We know that there is an indisputable connection between healthy people and a healthy environment. Our commitment to both guides our conduct wherever we operate, especially when we tackle emerging and underappreciated health problems. We believe that good health is essential to equality throughout the world.

Of course, if we are to achieve such goals, we must start with ourselves. That is why we work tirelessly to create safe workplaces for our associates, shrink our environmental footprint, promote diversity among our associates, and act at all times with the utmost integrity.

We value the many long-standing relationships we have with organizations working to improve the health of people around the world. With these organizations — that do so much for the benefit of others — we share our knowledge, expertise, products and time. We are determined to operate a profitable business that is environmentally, socially and financially sustainable.

# About this Report

Unless otherwise stated, this report covers our global social and environmental performance during our fiscal year 2011 (October 1, 2010 to September 30, 2011). It supplements information in our 2011 Annual Report. The report highlights the progress and goals of BD and our subsidiaries, unless otherwise stated, as they relate to sustainability. Reporting and performance data includes information on BD's owned and operated facilities. We produce a Sustainability Report annually — our last report was published in May 2011. This year, our reporting aligns more closely with version 3.1 of the Global Reporting Initiative (GRI) guidelines. We have self-assessed the report at application level B. A GRI content index is available here.

# Stakeholder Engagement

Engaging with stakeholders is essential to our business success. Listening to their views helps us to understand their needs and our markets, and sharing our point of view helps them understand how we approach our purpose of "Helping all people live healthy lives."



Manoj Gopalakrishna (right) of BD - India with Dr. Giridhar J. Gyani, Secretary General and CEO of the National Accreditation Board for Hospitals and Healthcare Providers, to which BD pledged to help improve standards and practices at medical facilities in India.

Because of our global reach and the nature of our work, we engage with a wide range of stakeholders. We do this through many different channels, including surveys, focus groups, town hall meetings, site visits, our customer service department, and active participation in many industry, nonprofit or customer-led groups. We also engage with shareholders around socially and environmentally responsible practices. Often, we work collaboratively toward shared objectives.

We sought specific feedback on our 2010 Sustainability Report from two groups of stakeholders: external sustainability influencers, including non-governmental organizations (NGOs), academics, industry peers and socially responsible investment firms; and internal stakeholders, represented by a group of newly hired BD employees. Feedback from these two groups has been included in this report, and we will continue to conduct these sessions to improve future reporting.

# Examples of Engagement

# STRATEGIC COLLABORATORS

Our Social Investing department regularly engages with our strategic partners, including NGOs, international agencies and relief organizations, to explore ways we can strengthen our relationships. Through regular site visits, conference calls and update reports, we determine how best to collaborate to serve those in need. By acting on feedback from our partners and applying our respective resources, we continually strive to improve the impact of our programs.

# **OFFICE OF GLOBAL SUSTAINABILITY**

The BD Office of Global Sustainability engages with a number of stakeholders to communicate progress on environmental issues and solicit feedback to help shape our sustainability efforts. Examples of engagement include customer meetings, joint projects, collaboration with nonprofit groups advocating sustainability in healthcare and interviews with both traditional investors and those with a social responsibility focus.

BD is a member of <u>Practice Greenhealth</u>, a U.S.-based nonprofit that promotes sustainability in healthcare. We

are a co-sponsor of its Greening the Operating Room<sup>TM</sup>
Initiative which seeks to develop practices that reduce
environmental impact, save costs and improve efficiencies
in hospital operating rooms. In 2011, BD also became a
member of the Environmentally Preferred Purchasing (EPP)
Business Leadership Coalition. This group of companies
is working with Practice Greenhealth, Group Purchasing
Organizations and hospitals in the U.S. to encourage more
sustainable products and services in healthcare as part of the
Practice Greenhealth Greening the Supply Chain<sup>TM</sup> initiative.

# **ASSOCIATES**

Our ability to meet the needs of our customers depends on our associates and their level of engagement with the Company.

In 2011, we conducted 10 Leadership Conversation Workshops with more than 200 managers at our global headquarters in Franklin Lakes, New Jersey. Based on the success of these pilot engagement meetings, we have expanded the program to BD sites around the world. Meetings will take place throughout 2012 to gather ideas and feedback on our company objectives and strategy.



### **BUSINESS SEGMENTS**

Each of our three business segments (BD Medical, BD Diagnostics and BD Biosciences) works closely with customers to understand their needs and expectations of BD products.

We frequently follow up with customers through surveys and by other means, including:

- Focus groups with customers representing various market segments to understand their needs and preferences and to test new product concepts
- Frequent visits to hospitals, clinics, laboratories and doctors' offices where BD products are used, to understand care providers' needs, clinical procedures and clinical techniques
- Training and education for customers so that they know how to use BD products properly and safely
- Collaboration with key customers to identify product and packaging improvements and understand their healthcare and patient safety needs and environmental challenges

# **PUBLIC POLICY WORK**

We seek to understand the views of a broad spectrum of stakeholders, including patients, healthcare professionals, trade organizations, non-governmental organizations and policy makers.

Our approach is collaborative,

constructive and fact-based. We advocate for the implementation of best-practice solutions that improve public health, prevent disease and enhance the safety of patients and healthcare professionals. All of our associates are bound by the BD Code of Conduct and the Advanced Medical Technology Association (AdvaMed), Code of Ethics on Interactions with Health Care Professionals and/or the **Eucomed** Code of Ethical Business Practice, as applicable. AdvaMed is a U.S. medical device trade association whose members produce nearly 90% of healthcare technology purchased annually in the U.S. Eucomed is a European medical technology industry association representing approximately 22,500 designers, manufacturers and suppliers of medical technology. The Codes of each of these organizations require the highest standards of professional integrity.

We have formulated comprehensive public policy positions on:

- Preventing needlestick and other blood exposures
- Preventing and controlling healthcare-associated infections
- Preventing the reuse of single-use medical devices
- Preventing cervical cancer through early detection

Our Country General Managers work with policy makers and other external stakeholders in their countries with a goal of harnessing the Company's capabilities to help meet local healthcare needs. In 10 of our territories, BD employs public policy professionals to support the work of our Country General Managers.

# **POLITICAL CONTRIBUTIONS**

Our corporate policy prohibits the expenditure of company assets for political campaigns without the express authorization of the CEO or CFO, compliance with company policies and all applicable laws and clearance from BD's Law Group. Contributions outside the U.S. must also be approved by the relevant country leader and country CFO. In 2011, no corporate funds were used to support political campaigns.

In the United States, BD maintains a federal political action committee (PAC) that is funded by voluntary contributions from our associates. In 2011, our PAC donated \$57,500 to candidates for federal office. The Company does not operate any PACs at the U.S. state level.

The Company's general prohibition of the use of corporate funds for political campaigns extends to "super PACs." We have also advised the major industry associations in which the Company has membership that we do not authorize them to use any portion of our dues or other funds for "super PACs" or any other political campaign purpose.

# Our Key Stakeholders



# **CUSTOMERS**

- Healthcare providers
- Patients
- Nonprofit partners
- Blood banks
- Medical and scientific researchers
- Basic research laboratories
- Clinical research laboratories
- Pharmaceutical industry
- Academic institutions

### **SHAREHOLDERS**

- Institutions
- Individuals
- Socially responsible investment firms

# **BD ASSOCIATES**

- Current
- Retired
- Prospective

### **GOVERNMENT**

- Policy-making and regulatory agencies
- Public health agencies
- Public research institutions
- U.S. Legislative and Executive Branch officials

# **BUSINESS PARTNERS**

- Suppliers
- Joint ventures

# **NON-GOVERNMENTAL ORGANIZATIONS**

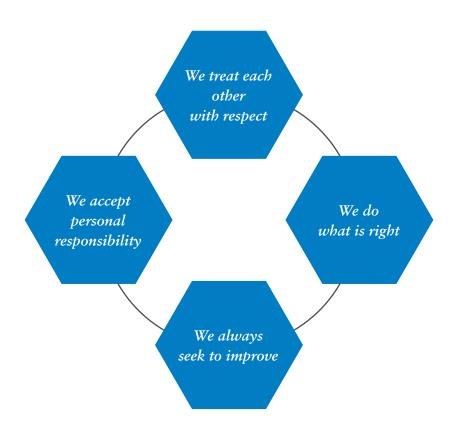
- Philanthropic organizations
- Service organizations
- International and world healthcare organizations
- Disaster and emergency relief providers
- Environmental protection organizations

# **COMMUNITIES WHERE BD HAS OPERATIONS**



# Governance and Ethics

BD WAS FOUNDED IN 1897 with a commitment to high-quality products and ethical business practices. Our four Core Values guide our actions everywhere:



Our <u>Corporate Governance Principles</u> outline how we hold ourselves accountable to our shareholders.

# **Ethics and Compliance**

BD remains committed to ethical operations and compliance with laws and regulations. Our formal ethics program was established in the mid-1990s, and we have had compliance initiatives in place since our founding in 1897. Today, our senior management sets the Tone from the Top through company-wide correspondence, town halls, staff meetings, behavior modeling and continuous reinforcement of our Core Values, which are cascaded through all levels of the organization and strengthen our culture of ethics and compliance.

# **CODE OF CONDUCT**

We expect every BD associate to behave in a legal and ethical manner. The BD Code of Conduct defines and clarifies our expectations, and provides information and guidance about situations that BD associates may encounter in their day-to-day business dealings. The Code is available in 14 languages.

In 2011, we updated the Code with simpler language and "What if?" scenarios to further guide our associates. We also added three sections to the Code on Additional Expectations for People Managers, Social Media and Human Rights.

See the full BD Code of Conduct online.

We launched the new Code with a company-wide email from the CEO and the Chief Ethics and Compliance Officer, giveaways with the Code tagline ("Raise Concerns. Ask Questions. Seek Guidance.") and a photo contest. In 2012, we plan to conduct updated training on the revised Code.

# CODES OF ETHICS IN THE MEDICAL COMMUNITY

BD was an early adopter of the Advanced Medical Technology
Association (AdvaMed) Code of Ethics on Interactions with Health Care
Professionals. BD was among the industry organizations asked to provide guidance on the revised and restated AdvaMed Code of Ethics, published in 2009.

In the United States, BD associates receive information and training about AdvaMed in various ways, including periodic communications as well as online and in-person training at conferences and meetings. Associates can access detailed information and FAQs about the

AdvaMed Code on the BD intranet.

Outside the United States, BD complies with the Eucomed Code and other industry codes that both govern the interaction of medical technology companies and healthcare professionals, and provide information and training to associates.

The U.S. Physician Payment Sunshine Act requires drug and medical device manufacturers to publicly report gifts and payments made to physicians and teaching hospitals on an annual basis. To prepare for this law, we created a transparency reporting function and strengthened our existing practices and systems to ensure compliance and enhanced transparency in our interactions with healthcare professionals.

### **BD ETHICS HELPLINE**

We encourage our associates to report and seek guidance regarding internal ethics concerns through various means, including the BD Ethics HELPLINE, a global 24/7 confidential helpline operated independently in several languages. Our Ethics Office reviews and follows up on all inquiries. Regardless of the outcome, associates are never penalized for bringing such matters to the Company's attention in good faith.

In 2011, the BD Ethics Office continued to receive numerous contacts from associates around the world seeking guidance or reporting concerns. We encourage associates to seek advice from the Ethics Office, and increasing numbers of associates have been taking advantage of this resource.

# ETHICS AND COMPLIANCE TRAINING

All BD associates are trained on the

Code, either through online or inperson courses tailored to their job role and/or region, and are asked to review and certify to the Code annually. BD provides new associates with a copy of the Code and an introductory presentation on ethics and compliance.

Since 2006, we have offered "Doing What is Right," an online ethics and compliance training system for associates. We also deliver an inperson course on ethical decision-making, called Ethical Fitness®, which was customized for BD in partnership with the Institute for Global Ethics in 1998. This day-long course is open to all associates and is required for all managers with direct reports. We plan to offer an Ethical Fitness module online in 2012.

### **HUMAN RIGHTS**

BD supports and respects individual rights as set forth in the UN Universal Declaration of Human Rights. We are committed to complying with laws and regulations wherever we have operations, and we expect our suppliers to do the same. In 2011, we included a Human Rights section in the revised BD Code of Conduct to confirm and highlight our support. The human rights principles we follow include:

- Prohibition of child labor
- Prohibition of forced, prison or indentured labor
- Prohibition of discrimination in our hiring and employment practices
- Prohibition of physical abuse and harassment
- Provision of a safe and healthy workplace
- Support for the freedom of association and the right of workers and employers to bargain collectively

# 198,983

Training course units delivered through the "Doing What Is Right" online program since its start in 2006

### CASE STUDY

# **Project Compass** Helps BD Win Business the Right Way





In 2011. BD established Project Compass, an enhanced anticorruption and anti-bribery program. The program introduces new functions to help deliver consistent and efficient processes and tools, and to enhance third-party due diligence activities, new policy standards and scenario-based training.

**Project Compass not only benefits** BD associates, but also helps the Company mitigate risk when entering new markets, delivering new products and services, making arrangements with government entities, and completing mergers and acquisitions.

A supporting intranet site offers a program manual, training materials and valuable information on winning business legally and ethically.

# Governance

### **BOARD COMPOSITION**

A 14-member Board of Directors governs BD; 12 directors are independent.

# THE FIVE STANDING BOARD COMMITTEES ARE:

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

See more on our **Corporate** Governance website.



# **EXECUTIVE COMPENSATION**

By fostering sustained growth in revenue, per-share earnings and return on capital, the BD compensation program supports our strategic business goal of delivering superior long-term returns to our shareholders.

The Compensation and Benefits Committee of the Board of Directors has established several compensation principles with the aim of aligning executive pay to the long-term value and financial soundness of BD. These principles include:

- Linking rewards to performance
- Delivering superior business and financial results
- Offering a competitive compensation structure
- Aligning the interests of executives and shareholders
- Maintaining a transparent compensation structure
- Maintaining Committee independence
- Retaining prerogative to adjust programs

# SUSTAINABILITY GOVERNANCE

The Office of Global Sustainability (OGS), which reports to the Senior Vice President of Integrated Supply Chain and Business Systems, oversees our sustainability practices and promotes the integration of sustainability throughout the Company.

The Vice President of Sustainability leads the OGS, which also includes our Environment, Health and Safety and Product Stewardship teams. In the initial vears of the OGS, direct oversight from our CEO was instrumental in setting the tone and direction of our commitment to sustainability, including our 2015 Sustainability Strategy and Targets.

In addition to formulating our sustainability strategy and setting targets, the OGS works with our segments to integrate and implement sustainable operations and product stewardship programs. By gathering data on our own performance — while also monitoring the regulatory landscape, assessing peers' sustainability activities, and keeping up to date with recommendations from industry experts — the OGS can set priorities and identify relevant emerging sustainability trends. The OGS communicates our sustainability priorities to our stakeholders.

The Board of Directors (as a Board or through its Committees) oversees several sustainability-related issues, including:

- Employment practices
- Community relations
- Environment, health and safety
- Ethics and enterprise compliance

In addition, the Corporate Governance and Nominating Committee oversees matters impacting BD's reputation and standing as a responsible corporate citizen.



# Society

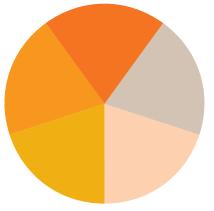
WE WORK TO IMPROVE global health standards and improve access to health for all. We deploy our core competencies, expertise, products and associates to fulfill our purpose of

# "Helping all people live healthy lives."

We work with governments, international agencies, nonprofit organizations and research institutions to create shared value for society and the Company. BD's efforts focus on areas where we can have the greatest impact, such as:

# Supporting safe immunization of children

Deploying resources for disaster relief and recovery



Helping to address infectious and chronic diseases such as cervical cancer, diabetes, HIV/AIDS and tuberculosis (TB)

Providing technical support to improve clinical and laboratory practices Promoting healthcare worker and patient safety

By developing and implementing collaborative, cross-sector approaches that align societal needs with BD's business strategy, we are able to maximize our positive impact on the world.

# Community Support and Giving

**CASE STUDY** 



# Setting Quality-of-Care Standards in India

Small and medium-sized hospitals in India face increased pressure as community health insurance initiatives expand. These hospitals, which account for more than two-thirds of all capacity in India, must strengthen and standardize their systems to ensure quality patient care and healthcare worker safety.

In August 2011, BD signed a Memorandum of Understanding with the National Accreditation Board for Hospitals and Healthcare Providers (NABH) in New Delhi. As part of this program, we will support the NABH to implement improved quality standards, safe healthcare practices and effective waste management.

"This program will be a stepping stone for hospitals to begin their journey towards NABH accreditation and to avail community safety in the healthcare setting."

— Dr. Girdhar Gyani, Secretary General, Quality Council of India, and CEO of National Accreditation Board for Hospitals and <u>Healthcare Providers</u>

### **ACCESS TO HEALTHCARE**

Our long-standing commitment to improving access to healthcare is a reflection of our purpose of "Helping all people live healthy lives." We focus our efforts on strengthening health systems in developing economies, enabling greater access to quality healthcare and creating value for BD and our communities. People worldwide benefit from our institutional knowledge, products and services, as we enhance our relevance and global competitiveness.

### PUBLIC-PRIVATE PARTNERSHIPS

BD collaborates with the <u>U.S. President's Emergency Plan for AIDS Relief (PEPFAR)</u> on initiatives to strengthen healthcare and laboratory capabilities and to protect healthcare workers and children in resource-limited communities abroad. BD currently has five such partnerships:

- Laboratory System Strengthening
- Safe Specimen Collection, Handling and Testing
- Wellness Centers for Healthcare Workers
- Together for Girls Addressing Sexual Violence Against Women and Girls
- Pink Ribbon Red Ribbon® Addressing Women's Cancers

2011 was another successful year for our PEPFAR projects. Here are some highlights.

BD is a founding corporate member of Pink Ribbon Red Ribbon, an innovative public-private partnership whose members include PEPFAR, the George W. Bush Initiative and UNAIDS. Launched in September 2011, Pink Ribbon Red Ribbon expands the availability of cervical and breast cancer screening and treatment for women at risk in developing nations in sub-Saharan Africa.

BD, PEPFAR and Direct Relief International work with country leaders in Ethiopia to build a national laboratory network and referral system. In 2011, we developed curricula for regional and national trainings with local partners to help develop and support the network. Healthcare leaders are laying out the network using geospatial mapping with disease surveillance and diagnostic data to help ensure the greatest possible number of patients receive treatment.

**CASE STUDY** 



# State-of-the-art Laboratory Serves Orphans in Kenya

Since 1998, BD has supported the Nyumbani Programs in Kenya which care for over 3,400 HIV-positive children, mostly orphans. Our first donation to Nyumbani Home was a BD FACSCountTM flow cytometer. In 2011, we helped Nyumbani establish a state-of-the-art diagnostic laboratory with more than 20 rooms dedicated for biochemistry, virology, drug resistance, TB, hematology, parasitology/microbiology, phlebotomy, counseling and medical records.

# **MULTI-YEAR PARTNERSHIPS**

Multi-year partnerships with trusted nonprofits help us to carry out complex services on an ongoing basis in developing countries. Our multi-year partnerships that continued through 2011 include:

- AmeriCares: We continued our support of the AmeriCares Health Worker Safety Initiative, launched in 2009 in Mwanza, Tanzania. In June 2011, the Tanzanian Ministry of Health identified Bugando Medical Center, one of our training sites, as the top-performing hospital in the region and a model for quality improvement. The hospital's advances in conditions and high standards for infection prevention, control and safety led to this recognition.
- Direct Relief International: We continued our partnership with Direct Relief USA, donating an additional 5 million BD Ultra-Fine™ Insulin Syringes to address the needs of uninsured low-income patients with diabetes in the U.S. who rely on community healthcare clinics.
- International Council of Nurses (ICN): BD received the Partners in Development Award, recognizing our achievements with the ICN to establish and expand Wellness Centers for Healthcare Workers in sub-Saharan Africa. BD has worked with the ICN since 2006 to support these centers, which improve retention, promote better health and provide services for African healthcare workers and their families. These efforts help sustain fragile healthcare workforces in these developing countries.
- National Cancer Coalition (NCC) CerviCusco Cancer Program: Through a \$1 million, three-year commitment with NCC, BD helps bring liquid-based cytology exams to women in the Peruvian Andes. As one component of the commitment, BD donated a BD Prepstain™ Slide Processor and 75,000 BD SurePath™ Liquid-Based Pap Test cytology exams as well as service support and training over the period of the donation. The program will run through 2013 and has the potential to reach 75,000 women.
- Save the Children: In 2010, BD helped Save the Children establish a Community Case Management (CCM) Program in Haiti. This two-year project targeted mortality and morbidity among young children living in Maissade, Haiti. The project encouraged practices that prevent and treat common childhood infections. In the first year, Save the Children conducted training for healthcare workers, helped develop a training manual and distributed medical kits. Under the program, 339 children in the impoverished area have received necessary healthcare services.
- UNICEF Maternal and Neonatal Tetanus (MNT) Campaign: Since 1998, BD has supported the U.S. Fund for UNICEF campaign to vaccinate mothers and children in developing countries against MNT. As the original and longest-serving corporate partner in the campaign, BD has committed more than \$8 million in cash and product donations, including 55 million BD Soloshot™ Auto-Disable Syringes and BD Uniject™ single-use, prefilled injection devices.

"BD's collaborations are authentic. They are committed to global health, and their leadership stresses the importance of integrity, purpose and trust in the partnerships the company forms."

— Kyle Peterson, Managing Director, FSG (a nonprofit consulting firm)

# Product Highlight: BD Accuri® C6



BD is helping to bring flow cytometry, a sophisticated cell analysis technology, to a wider audience of scientists and clinicians who use this critical technique in stem cell, immunology, leukemia, lymphoma and HIV research. The BD Accuri C6 is portable and easy to use, helping expand access to flow cytometry in emerging and developing countries.

"Our primary objective is to facilitate the implementation of population-based, organized screening programs across Europe, the Caucasus and Central Asia. We appreciate BD's enlightened ethical approach in keeping the 'common ground' — where the interests of NGOs like ECCA and product manufacturers like BD meet — to help increase the number of women screened for cervical cancer. BD's support has allowed the ECCA to make much more progress in achieving our objectives than we otherwise would have been able to."

— Philip Davies, MD, Director General, European Cervical Cancer Association (ECCA)



# Product Highlight: BD SurePath™ Liquid-Based Pap Test

BD supports the National Cancer Coalition and the CerviCusco Clinic in Cusco, Peru by donating BD SurePath Pap liquid-based cytology exams, improving testing and treatment for women affected by cervical cancer. The innovative BD SurePath thin-layer cell-preparation process is used in the screening and detection of cervical cancer, pre-cancerous lesions and atypical cells. BD SurePath has the highest FDA-approved claim for disease detection compared with conventional cytology.

# STRENGTHENING COMMUNITY INFRASTRUCTURE

The size and scope of our business allows us to reach millions of people. Whether by innovative, needs-specific products or through community giving and programs to strengthen healthcare systems, BD has supported communities worldwide throughout our history. We work with specific partners globally on strategic initiatives to address unmet healthcare needs.

# ENSURING PATIENT AND HEALTHCARE WORKER SAFETY

We promote <u>patient and healthcare</u> worker safety through our products and educational programs. We focus on reducing the spread of healthcare-associated infections (HAIs) that patients or healthcare workers contract in a healthcare facility, as well as protecting healthcare workers from sharp object injuries.

BD and the Association for Professionals in Infection Control and Epidemiology (APIC) are honoring 12 groups and individuals in the field of infection prevention whose work has improved the health and well-being of patients, healthcare personnel and the public. Recognition of the work of these professionals will help replicate best practices in various healthcare settings.

Our three-year, \$600,000 commitment to the U.S. Joint Commission Center for Transforming Healthcare, originally made in 2010, continued in 2011. Our participation will help the organization reduce the spread of HAIs by addressing quality and safety challenges faced by healthcare organizations. The Joint Commission works with over 19,000 healthcare organizations with the aim of transforming healthcare into a high-reliability industry.

CASE STUDY

# PEPFAR Safer Blood Collection Program Expands to Zambia



Drawing blood using a needle and syringe, and manually transferring it into a blood collection tube is one of the most commonly performed medical procedures in developing countries — but the process puts healthcare workers at risk of being pricked by the blood-filled needle.

A new blood collection program forged by BD in partnership with the Zambian Ministry of Health, PEPFAR and the U.S. Centers for Disease Control and Prevention (CDC) is improving the safety and efficacy of blood sample collection techniques in Zambia. The Good Blood Draw Applications Zambia Initiative (GAZI) is designed to ensure reliable laboratory results and improved patient care.

Under the three-year GAZI program, laboratory professionals, doctors, nurses and other healthcare workers will be trained in blood-drawing procedures, specimen handling to improve the quality of patient specimens, and techniques to reduce incidents of needlestick injuries. The initiative is improving safety for health workers and accuracy of diagnostic testing.

Volunteer experts from BD conducted intensive "train-the-trainer" sessions for 22 healthcare workers from 10 hospitals and one training institution. Participants will then train their colleagues under the observation of the BD experts. Approximately 420 professionals will be trained, with additional training administered throughout the three-year program.

# >\$9 million

Amount donated in cash and products to disaster and humanitarian relief efforts in 2011

### **DISASTER RELIEF AND RECOVERY**

BD can have a positive impact on communities struck by disaster. We donate funds and products to assist victims, and we encourage associates to donate to our Trusted Partners working in disaster-affected areas. In 2011, BD donated more than \$9 million in cash and products to disaster and humanitarian relief efforts around the world, reaching areas including:

# Australia and New Zealand

• BD donated \$40,000 to support relief efforts in the wake of a three-month period of massive flooding in several regions of Queensland, Australia, and a 6.6 magnitude earthquake that devastated communities in and around Christchurch, New Zealand.

### Horn of Africa

• The severe droughts in the Horn of Africa left more than 13 million people in need of humanitarian assistance. In 2011, BD matched \$21,000 in donations from our associates worldwide to the U.S. Fund for UNICEF for this cause.

# Japan

• BD donated \$325,000 to assist relief efforts in response to the March 2011 earthquake and tsunami. We also matched donations from our associates worldwide to the American Red Cross and U.S. Fund for UNICEF, contributing another \$37,000.

# **Pakistan**

• Flooding caused widespread destruction to crops and infrastructure, and displaced millions of people in Pakistan. BD associates contributed more than \$15,000 to UNICEF's relief efforts.

# **United States**

- A string of tornadoes and flooding in the summer of 2011 left thousands of American families homeless.
   BD committed \$100,000 to the American Red Cross to support relief efforts.
- Following Hurricane Irene in the Northeast, BD committed a total of \$130,000 to the American Red Cross, Bergen County (NJ) United Way and Passaic County (NJ) United Way.

### PRODUCT PRE-POSITIONING

BD routinely provides products to a variety of disaster relief partners, including AmeriCares, Direct Relief International and Heart to Heart International. Prepositioned products at our partners' headquarters speed the process of deployment in a crisis. As a result, product donations to hospitals and clinics after the tornadoes in Joplin, Missouri, the earthquake and tsunami in Japan, and the flooding in Pakistan were able to reach communities in need quickly and efficiently. BD also contributes products to hurricane preparedness kits sponsored by Direct Relief International, for use in the U.S. and abroad.

# Product Highlight: BD FACSCount™ System



The BD FACSCount System is a complete, easy-to-use system for cost-effective monitoring of CD4 counts, which help determine treatment plans for HIV-positive patients. In 2011, we donated a BD FACSCount instrument to our long-term partner, Mercy Ships, in support of their work in sub-Saharan Africa. The system helps determine the condition of a patient's immune system, providing essential information to local HIV treatment program clinicians and helping to serve patients better.

"The generous donation of the BD FACSCount instrument in 2011 was a critical advancement for Mercy Ships laboratories. The instrument allows for accurate assessments, helping treat HIV/AIDS patients. This is yet another demonstration of the common goals of partnership between BD and Mercy Ships."

— Dr. Gary Parker, Chief Medical Officer at MIV Africa Mercy, Mercy Ships

# \$14.5 million

Total BD FY2011 giving

**\$6.1** million, including **\$1** million in matching gifts in cash **\$8.4** million,\* in in-kind product donations

\*Fair market value

"Thanks to BD's commitment, we'll be able to create the State of New Jersey's first LEED-certified and historic preservation project—transforming an abandoned storage building into an innovative conference and training center. This type of collaboration is crucial for transforming communities, and we couldn't do it without partners like BD."

— Bob Guarasci, CEO, New Jersey Community Development Corporation

# **Product Highlight: BD SoloShot™ Mini**



The BD SoloShot<sup>™</sup> Mini Syringe uses 47% less material than similar injection devices, making it up to three times smaller. Clinicians like it because they feel its size is less intimidating to children.

In 2011, the BD SoloShot Mini was among product donations made by BD and other healthcare companies to support an effort by <a href="Project HOPE">Project HOPE</a> in the Dominican Republic. To deliver lifesaving vaccines to healthcare workers, food handlers, farm workers, military personnel stationed close to borders, low-income urban residents and other at-risk populations, Project HOPE is working with the National Program of Immunization established by the Ministry of Health.

As a result of the donations, nearly 200,000 adults and children received vaccines against diphtheria, tetanus, meningococcal disease and typhoid.

# 2011 REGIONAL GIVING AND VOLUNTEER HIGHLIGHTS

- BD Canada expanded its giving programs to include product donations. Our site in Mississauga, Ontario donates needles, syringes, catheters and blood-collection products on a regular basis to Health Partners International of Canada.
- BD Fraga, Spain donated nearly 600,000 insulin syringes to Direct Relief International for use in the International Diabetes Federation Life for a Child Program, helping more than 5,600 children in 16 developing countries manage their diabetes. The site also donated 1.5 million insulin syringes to AmeriCares for its work in Uzbekistan.
- BD Mexico donated a BD BACTEC<sup>™</sup> 9050 Blood Culture System, which uses blood samples to detect infections such as sepsis, to AmeriCares for use at the Bernard Mevs Hospital in Port-au-Prince, Haiti.

We help local communities in our home state of New Jersey to grow and thrive.

For example, BD supports the Greater Spruce Street Neighborhood Revitalization Initiative through the state's Neighborhood Revitalization Tax Credit Program. The project, led by the New Jersey Community Development Corporation, seeks to improve the quality of life of Paterson, New Jersey residents through the creation of a comprehensive neighborhood plan and revitalization strategy.



BD also supports Eva's Village, a comprehensive nonprofit social service organization in Paterson, through yearly cash support and BD volunteer activities. BD volunteers serve lunch to Eva's clients and collect and organize personal care products and women's business attire for the organization's career readiness program.

# Employee Engagement

Volunteer service has been an important part of our culture since BD's founding in 1897. We encourage associates to become involved with nonprofit groups in their local communities and around the world, as individuals or through BD-sponsored programs.



# HENRY P. BECTON VOLUNTEER IMPACT AWARDS

The Henry P. Becton Volunteer Impact Awards program, which honors the late BD Director Emeritus Henry P. Becton, son of BD co-founder Maxwell Becton, recognizes excellence in community involvement and philanthropic efforts among BD associates and retirees. BD also makes financial contributions to the organizations for which award recipients volunteer. As part of the 2011 program, we awarded \$35,000 in grants to nine nonprofit organizations worldwide.

A team of BD volunteers from Fukushima, Japan earned top recognition in the 2011
Henry P. Becton Volunteer
Impact Awards. The team formed in response to the March earthquake and tsunami. Employees served hot meals to evacuees and donated necessities such as clothes and towels.



BD volunteers supported local and volunteer healthcare providers during the 2011 service trip to Haiti.

# **EMPLOYEE GIVING AND VOLUNTEERING**

Our focus on knowledge- and skills-based volunteering allows associates to share their professional acumen with nonprofit groups. Through these volunteering opportunities, BD associates gain valuable experience while working alongside healthcare providers serving people in need worldwide.

Eligible associates are encouraged to volunteer for up to two full days per year of paid time off for community service. In 2011, BD associates worked as emergency medical technicians, volunteered in food banks and homeless shelters, built homes and playgrounds, planted gardens, walked and cycled in support of diabetes and cancer research, and taught lessons to students in grade schools.

Our "Dollars for Doers" program matches every 40 hours of community service performed by our U.S. associates during their personal time with a \$500 donation to the same organization, up to \$1,000 per year per associate. In 2011, BD matched 10,160 hours of our employees' personal volunteer time.

# 21,482

Total number of volunteer hours by BD associates globally in 2011

BD encourages senior-level associates to serve on nonprofit boards and apply their management skills to help these organizations develop strategic business plans, augment their fundraising efforts, manage their finances and tackle legal issues. In 2011, our senior leaders contributed a total of 2,302 volunteer hours, equivalent to \$517,950 of service.

Through the BD Matching Gifts program, we match financial donations made by U.S. associates to nonprofit organizations, up to \$5,000 per employee per year. In 2011, BD matched more than \$1 million of associates' monetary gifts and volunteer time.

Launched in 2005, the BD Volunteer Service Trip program sends associate teams to developing countries to help build local healthcare capacity through training and education, construction, health services and laboratory strengthening. In 2011, 15 BD volunteers representing eight countries were deployed to Port-au-Prince, Léogâne and Cascade Pichon, Haiti to support earthquake recovery efforts (see case study for more details). BD also pledged \$1 million — \$600,000 in cash over three years and \$400,000 in-kind — to GHESKIO Medical Center in Port-au-Prince. The Center, which is associated with Weill Cornell Medical College, will use the funds to establish a tuberculosis hospital.



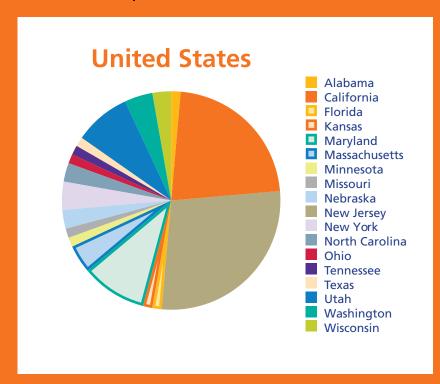
FY11 Top Trusted Partnerships		
Direct Relief International*	U.S. Diabetes product assistance program; hurricane preparedness kits; disaster relief efforts in Japan, Haiti and Pakistan; PEPFAR Lab Strengthening Program; Panzi and Maria Biambi hospital in Democratic Republic of Congo	
Catholic Medical Mission Board*	Child mortality program, HPV and other immunization campaigns in Peru; disaster relief efforts in Japan and Haiti; PEPFAR Safer Blood Collection Program	
AmeriCares*	Excellence in Healthcare Worker Safety Program in Tanzania; product for free clinics in U.S.; Medical Outreach Program; disaster relief efforts; Uzbekistan diabetes program; immunization programs	
Heart to Heart*	BD Volunteer Service Trip to Haiti; disaster relief efforts; Kansas free clinics; Ready Relief Box	
Project HOPE*	India Diabetes Educator Program, disaster relief efforts, immunization programs	
National Cancer Coalition*	Cervical Cancer Program in Peru; U.S. summer camps; support in Latin America and Ghana	
U.S. Fund for UNICEF	Maternal and Neonatal Tetanus Initiative; disaster relief	
Joint Commission	Focus on reducing healthcare-associated infections (HAIs)	
American Red Cross	Disaster relief efforts in Japan and U.S.; local NJ support	
Mercy Ships	BD Diagnostics products for Africa Mercy Ships lab	
Total	Represents 60% of Total Company Contributions	
*cash and product		

# Home Countries of BD Volunteer Service Trip Participants 2005–2011

Location By date	VOLUNTEERS BY LOCATION* *Icons are not representive of actual gender participation	YEAR TOTAL
Zambia 2005	<b>*</b> † <b>†</b> † <b>†</b> † <b>*</b> † <b>*</b>	9
Zambia 2006	<b>†††</b>	4
<b>Ghana</b> 2007	<b>┿</b> ╈╈╈╈╈╈╋	12
<b>Ghana</b> 2008	<b>┿</b> ╈╈╈╈╈╈╋	13
<b>Ghana</b> 2009	<b>††††</b> †	6
Haiti 2011	<b>╈╅╈╈╈╈╈╋╋</b>	15



### **United States Participation**



### **CASE STUDY**

# BD Volunteer Service Trip to Haiti



Our 2011 BD Volunteer Service Trip (VST) brought 15 volunteers from eight countries to Haiti, the site of a 7.0 magnitude earthquake in early 2010. While the earthquake lasted only a few minutes, recovery and rebuilding efforts continue to this day.

During the first phase of the trip, BD staff drew on their medical expertise to train local healthcare workers, treat and educate patients, and construct medical facilities in Port-au-Prince and rural communities. The trip's second phase saw two BD associates conducting needs assessments in key medical labs across the country. Our volunteers' work, backed by essential in-country knowledge from our partners Heart to Heart International and Partners In Health, as well as Haitian healthcare professionals, helped us contribute to rebuilding health systems for Haitians.

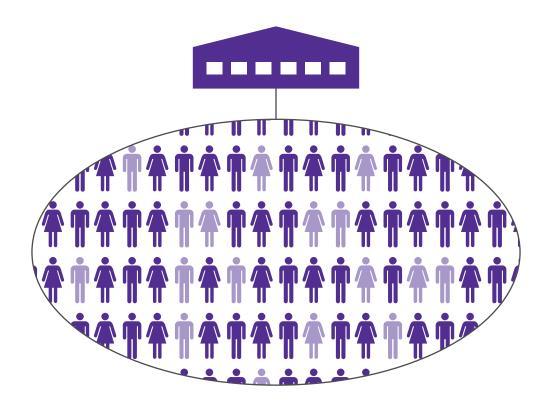
"Though the work in the rural clinics was challenging both physically and emotionally, the pure joy of the children we encountered there made every second worth it."

— Alex McCarten, BD Biosciences, VST site coordinator, Cascade Pichon Clinic



# Product Responsibility

BD PRODUCTS PLAY AN IMPORTANT ROLE in the discovery, diagnosis and treatment of diseases. We are responsible to the millions of people who use our products each day and to the environment in which they are used. This is why we address social and environmental concerns in a range of areas including product quality, patient and healthcare worker safety, and product stewardship from development to disposal.



# Regulatory Affairs and Quality



As part of the quality process at the BD Medical - Pharmaceutical Systems facility in Columbus, Nebraska, an associate checking syringes is gowned to prevent foreign matter from coming into contact with the product.

# **BEYOND COMPLIANCE**

In 2011, BD launched a three-year strategic global regulatory plan designed to facilitate more timely product launches, promote effective compliance programs and encourage collaboration with regulators on emerging requirements.

We monitor the regulatory landscape through our Global Regulatory Affairs Monitoring Initiative (GRAMI), a system that links 180 of our worldwide regulatory associates to enable a cohesive approach to evolving regulations. GRAMI provides access to regulatory data, which allows associates to identify and analyze regulatory changes that could affect BD or our customers. When a new regulation is identified, the change is communicated to relevant departments and an action plan is formulated to collaborate with regulators on the design and implementation of the new requirement.

Our Compliance Review Board, a cross-functional team of Corporate Officers from the Regulatory, Quality and Operations functions, meets monthly to assess and respond to relevant regulatory and quality trends.

In 2011, BD monitored more than 100 changes in regulatory requirements and standards. We participated in, and led, numerous collaborations with regulatory bodies. We had no significant findings of non-compliance with regulations or voluntary codes regarding the design, labeling, manufacturing, marketing or advertising of our products.

# **OUALITY MANAGEMENT AND TRAINING**

Our quality systems help ensure compliance with applicable global regulations and establish standards for product design, manufacturing and distribution. Prior to marketing or selling most of its products, BD must secure approval from the FDA and counterpart regulatory agencies outside the United States. Once a product is introduced, these agencies periodically review our quality systems, product performance and promotional materials.

We regularly analyze our own quality processes and specifications to ensure continuous improvement, efficiency and effectiveness that will enhance compliance and customer satisfaction. Continuous Improvement leaders at all BD sites guide our data-driven approach.

In 2011, we launched a more unified, transparent and dynamic approach to Quality Management. This five-year strategy consolidates quality management systems across BD, improves oversight at all levels and enables our design laboratories and manufacturing sites to achieve robust product standards while improving productivity.

Beginning at orientation, associates are trained on the quality and regulatory requirements for the healthcare industry. On average, each Quality associate spends 40 hours per year on training, which includes reviewing our quality assurance policies, programs, standards and mechanisms.

\$476 million

BD's R&D spend in FY2011

"The Royal College of Nursing (RCN) played a key role in calling for the EU Directive on Prevention from Sharps Injuries, which presents us with a great opportunity to lead the way. Working with BD has helped to reflect the importance of the nursing voice as we try to reduce the risk of sharps injuries and create a culture of safety for all nursing staff."

— Kim Sunley, Senior Employment Relations Advisor, RCN



# **SUPPLIER MANAGEMENT AND AUDITS**

Our supplier management program oversees the quality and safety practices of our 1,000 core suppliers that provide key materials and services. Our program focuses on four areas:

- **Performance Management** comprises the procedures that govern how BD identifies, classifies and assesses the qualifications of our suppliers, and manages our relationship with each of them.
- **Supplier Continuous Improvement** programs employ our operational excellence methodologies, Lean and Six Sigma, with specific vendors to define, plan and execute projects that bring significant improvement, sustainability savings and value to BD.
- **Supplier Engagement** is central to our ability to identify and partner with suppliers capable of bringing innovation and new technology to the market.
- **Supply Base Risk Management** quantifies and mitigates risks posed to our supply chain, such as business discontinuity, financial illiquidity, price fluctuations and pandemics.
- We conduct **Quality Systems Assessments** for key suppliers, determined by both a fixed frequency and the quality history of the supplier site. Among the 285 assessments conducted in 2011, 197 were on-site audits and 88 were supplier self-assessment surveys. In 2012, we plan to conduct 363 Quality Systems Assessments, including 237 on-site audits and 126 surveys. These assessments form part of our overall strategy of supplier management, and help mitigate risks to our supply chain. If a supplier is unable to meet any of our quality standards, we will work with them to investigate and resolve the issue.

# 285

Number of quality assessments for suppliers conducted in 2011, including 197 on-site audits and 88 supplier self-assessment surveys

### CASE STUDY

# BD Quality Experience Steers Kenyan Lab to Excellence



The Kenya National Quality Control Laboratory (NQCL) verifies the quality of pharmaceutical products and medical devices, but lacks adequate facilities to carry out quality testing on hypodermic syringes and needles. Our quality and manufacturing expertise proved an inspiration for the NQCL, and the lab identified BD as a collaborating partner in its pursuit of becoming a center of excellence for medical injection device testing in East Africa.

"Our collaboration with BD testing needles and syringes is invaluable. The NQCL team's visit to the BD plant in Fraga, Spain, was a great experience. The team learned about quality systems needed to achieve ISO 17025, which we aspire to, and how routine needle and syringe testing ensures quality. This testing system will help assure our community that tested syringes and needles are safe and meet the highest standards expected worldwide."

— Dr. George Wang'ang'a, Deputy Director, National Quality Control Laboratory

# Safety



### PRODUCT DESIGN AND SAFETY ENGINEERING

We take a rigorous and disciplined approach to product development, incorporating safety engineering into our Global Product Design System. This helps prevent potential injuries that can occur to healthcare workers and patients during product use, and ensures that our product manufacturing complies with external safety regulations and standards. BD pioneered safety-engineered medical devices such as blood collection devices, hypodermic syringes and needles, and sharps collection containers. BD has 323 safety-related patents, 278° of which are current.

# Product Highlight: BD PhaSeal™ System



Drugs can save lives but may also contain hazardous chemicals and pose a serious risk to the healthcare workers who administer them. The BD PhaSeal System, a closed-system drug transfer device, helps minimize the risk of exposure to potentially harmful liquids and vapors, such as those used in the treatment of cancer, through a leak-proof and airtight system. Reducing hazardous drug exposure is an important component of BD's focus on improving healthcare worker safety. The BD PhaSeal System is used in more than 2,000 cancer facilities, infusion centers and private practices in more than 30 countries.

# EDUCATION, TRAINING AND STRENGTHENING LABORATORY PRACTICES

Our Care Consultants program is designed to keep healthcare workers safe. We train healthcare workers in the correct use of BD products and provide basic safety training, such as how to minimize exposure to bloodborne pathogens. Training is often provided at customer sites when a BD product is introduced. For customers with more than one location, our team uses a "train the trainer" approach to ensure proper training at each site.

7,002

Number of participants across 60 countries who were trained through BD's Good Laboratory Practice training program between 2004 and 2011

Computer-based training modules are often used for certifying healthcare workers on the use of a product. We produce pocket guides and wall charts to remind healthcare workers how to use our products safely.

Our training and lab-strengthening programs create sustainable improvements in healthcare in developing countries. Our Good Laboratory Practice training program has reached 7,002 participants across 60 countries in 814 sessions since August 2004. Training is conducted by BD associates who share their knowledge and expertise with local healthcare workers and laboratory technicians.

Visit the <u>Society section</u> to read more about the Company's strategic collaborations in healthcare worker training and lab strengthening.

<sup>\*</sup>Patents filed after 1998 expire 20 years from the filing date. Patents filed before 1995 expire 17 years from the patent issuance date.

# Product Stewardship

To reduce the environmental impact of our products, we have begun to embed environmental considerations into our product development system. Our approach is to evaluate each stage in the product life cycle: material selection, material minimization in products and packaging, and impact minimization of product disposal. In 2011, we enhanced our approach by offering BD product teams a training course, Design for Environment, which covers topics such as material selection, design for recyclability, design for disassembly and more. In 2012, we will develop more in-depth training tools to increase the integration of Design for Environment into our product development.

In 2011, BD added a sustainability assessment to our Global Product Development System. The assessment requires product teams to identify customer sustainability needs and seek disclosure from suppliers on the presence of any Materials of Concern (MOCs), with the goal of reducing and eliminating the use of any PVC, Phthalates or BPA (Bisphenol-A).

Our diverse product portfolio, ranging from single-use disposable devices to large-scale electronic instruments, presents a product stewardship challenge. We aim to improve our understanding of the full life cycle impact of our product range.

### **MATERIALS USE**

BD carefully considers the potential impact of the materials we use in our products and packaging by identifying and avoiding the use of MOCs in new products.

In 2011, we made progress in identifying MOCs in our product portfolio by:

- Creating the BD Materials of Concern Priority List and requesting that suppliers inform us of the presence and amount of these substances in their materials
- Developing a central database to manage information on all chemicals in BD products
- Integrating checks for certain MOCs into our product development system
- Initiating work to eliminate PVC and DEHP from some legacy products such as IV catheters

We continually monitor customer

BD was ranked the #1 manufacturer and #3 overall in the Gartner Research Healthcare Supply Chain Top 25 in 2011. The list recognizes organizations that improve patient care through supply chain excellence.

expectations and track changing regulatory requirements regarding MOCs.

### SUSTAINABLE PROCUREMENT

We incorporate sustainable practices throughout our supply chain. We select and manage a supply base that works to shrink its own environmental footprint, supports social accountability and aligns with BD's Core Values, while meeting all other business requirements.

2011 marked the second year of our Sustainable Procurement strategy, which directs our suppliers to take responsibility for their own environmental impact. The BD Expectations for Suppliers Guide outlines our standards for suppliers regarding environmental stewardship, ethical practices and governance, and social responsibility.

We expect all suppliers to review the Guide and act within its specifications. We are increasing integration of the Guide and compliance expectations into our supplier agreements, and will continue to do so in 2012. For example, select BD plants in the Asia Pacific region require suppliers to read, understand and sign the Guide, while U.S. corporate-based procurement contracts incorporate the Guide into agreements.

We revised the Guide at the end of 2011 to better communicate our expectations to suppliers and added guidelines on Transportation Logistics and Life Cycle Analysis. In 2012, we will incorporate Environmentally Preferred Procurement (EPP) principles into our sourcing activities.

In 2011, we created a new role which includes advancing the Sustainable Procurement strategy, growing supplier support for the Expectations for Suppliers Guide, establishing EPP in sourcing and facilitating sustainability training for procurement associates.

We help our suppliers assess and reduce their operational environmental impact. In 2011, select BD suppliers participated in our first two Procurement Sustainability Summits. Associates and suppliers worked together to generate ideas for improving sustainability practices, such as identifying Green Continuous Improvement projects. We conducted a supplier sustainability audit at the Datwyler Pharma Packaging site in Pennsauken, New Jersey, where our supplier manufactures rubber stoppers used in BD PosiFlush™ Syringes. We assessed waste, energy conservation and electricity contracting, revealing more than \$100,000 in savings opportunities.



### SUSTAINABLE PACKAGING

Packaging of medical products and devices ensures sterility and protection from damage during transport, yet presents a potentially costly challenge to the environment and our customers, who must pay for disposal.

BD is working to reduce the materials used in our product packaging and find effective alternatives that are recyclable, reusable and not derived from fossil fuels.

In 2011, our sustainable packaging efforts focused on two areas:

- Increasing packaging efficiency
- Sourcing recycled materials for use in outer packaging

We seek to expand our work in this area by establishing company-wide sustainable packaging criteria to improve recyclability, reduce material and increase shipping efficiencies from packaging designs. We are adopting and integrating into our own Design for Environment awareness training the Design Guidelines for Healthcare Plastics Recycling released by the Healthcare Plastics Recycling Council.

# Greening the BD Supply Chain and Beyond



In 2011, BD became a member of the Environmentally Preferable Purchasing (EPP)
Business Leadership Coalition, part of the Practice Greenhealth "Greening the Supply
Chain™" initiative. This Coalition is designed to provide broader shared involvement
on the part of hospitals, Group Purchasing Organizations and businesses, in pursuit of
healthcare products that reduce impact on human health and the environment. Along
with 17 other healthcare leaders, BD is examining our supply chain to identify and share
best practices, processes and social considerations.

"The companies in the EPP Business Leadership Coalition have come together with Practice Greenhealth to learn from each other and to lessen the impact of products and services that healthcare institutions use every day. While this is not an easy task, we are mutually committed to working collaboratively and transparently toward environmental progress. As an active participant, BD truly demonstrates leadership for the future of healthcare."

— Laura Wenger RN, Executive Director, Practice Greenhealth



# **Product Highlight: BD Safe-Clip™ System**

Medical waste generated in non-clinical settings poses safety and environmental risks to users and communities. The BD Safe-Clip needle clipping and storage device helps mitigate these risks by encouraging the proper disposal of sharps in residential settings.

The BD Safe-Clip device provides a safe and easy way to dispose of insulin syringe needles and pen needles by clipping off the needle from the syringe and automatically retaining it within the clipper, preventing needlestick injuries after injection. In 2011, we introduced the BD Safe-Clip™ by Mail, a mail-back option for the device.

# New BD Recykleen Products Life Cycle Solution Collection and Treatment

U.S. hospitals use billions of syringes, catheters and other single-use medical devices to treat patients safely. BD and Waste Management now offer a closed-loop solution for these hospital sharps — the BD ecoFinity Life Cycle Solution. This innovative recycling program can recover and recycle up to 70% of a hospital's sharps waste.\*

Waste Management provides safe, convenient on-site collection of medical sharps, plus recovery and processing of the materials. BD closes the loop by using the recycled materials to create new clean containers, thereby reducing a hospital's environmental footprint.

More U.S. hospitals are using the BD ecoFinity solution, which we launched in 2010. In addition to our pilot hospital, Rady Children's Hospital in San Diego, we implemented the BD ecoFinity program at two other locations in 2011, including Montefiore Medical Center in New York. More than 348,500 pounds of needles and syringes have been collected at Montefiore and processed for recycling since the pilot program began in August 2011. Five additional site launches are planned for 2012.

"One of the biggest recycling achievements is the recycling of our sharps containers. Our staff really likes the idea that we're dong this. Parents see the cabinets inside the rooms that say made out of 100% recycled materials, and appreciate our efforts to shrink our environmental footprint."

— Randy Veenstra, Director of Environmental Services, Rady Children's Hospital

\*BD data on file. Claim based on pilot studies completed by BD.

### **PRODUCT LIFE CYCLE**

The introduction in 2010 of the BD ecoFinity Life Cycle Solution, our closed-loop solution for hospital sharps in the U.S., marked great progress in end-of-use management of our products. The life cycle assessment (LCA) of BD ecoFinity was the first full LCA study we conducted. We will continue to work with our customers to understand their waste streams and make environmentally-informed design decisions. For example, BD products such as diagnostic and research instruments are leased to customers and present opportunities for reuse or recycling of components.

For our single-use sharps, BD offers special collectors and other safety products to aid disposal, minimize the risk of reuse and reduce needlestick injuries.

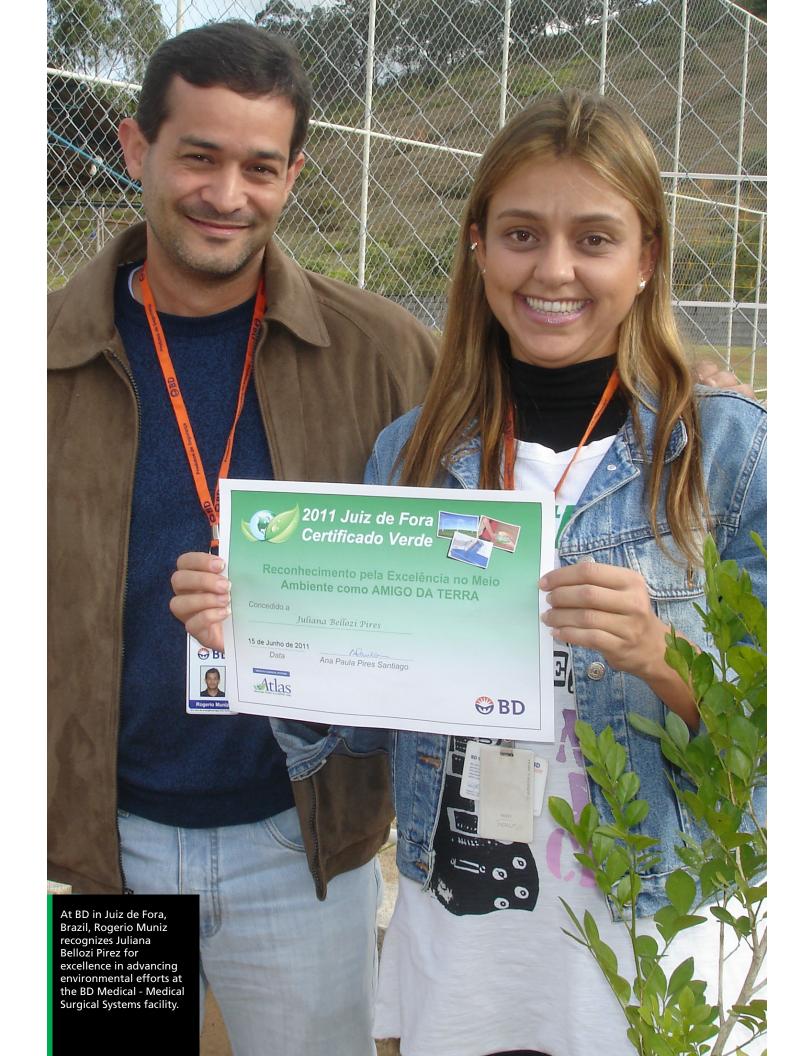
In 2011, we began development of a global electronic waste recycling program for medical devices and other e-waste, which we plan to roll out in 2012.

While we have made advances in end-of-use management, we recognize that we must address the challenges of medical waste streams in settings outside hospitals and in developing countries. Residential sharps disposal is problematic because the quantities of waste are not large enough to recover economically. The development of cost-effective medical waste management technologies for emerging markets requires waste management partners, which are rare in developing countries.

348,500+

Pounds of needles and syringes collected and processed for recycling through the BD ecoFinity® Life Cycle Solution at Montefiore Medical Center in New York between August 2011 and April 2012

BD Medical in Columbus, Nebraska received a product stewardship award from WasteCap Nebraska, recognizing changes BD made to the packaging of BD PosiFlush<sup>m</sup> Syringes, including the introduction of recycled content and a 25% reduction in overall packaging weight.



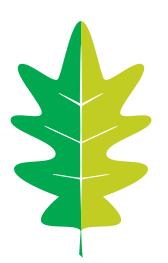
# The Environment

WE ASPIRE TO BE RECOGNIZED as the most environmentally responsible company in our industry. This is why we look beyond our own operations and work closely with our suppliers and stakeholders to shrink our environmental footprint.

We focus BD's sustainability strategy on sustainable operations and product stewardship.

# **SUSTAINABLE**OPERATIONS

is about managing the environmental impact of energy, greenhouse gases, waste and water at both our manufacturing and nonmanufacturing facilities, and in our supply chain.



# PRODUCT STEWARDSHIP

focuses on developing sustainable products and packaging improvements, identifying and eliminating Materials of Concern in our products, and encouraging innovation in product end-of-use management.

Our strategy helps us identify product improvements and process efficiencies that reduce our environmental footprint, while providing tangible, long-term business benefits.

# Management

BD's environmental management reflects our focus on compliance, our commitment to reduce our environmental footprint, and our aim of helping customers and suppliers reduce their own environmental impact.

### **PERFORMANCE**

We measure performance each year against our 2015 Sustainability Targets. In 2011, we made significant progress on some targets, while we will continue to focus on other areas that present challenges.

We are working to enforce the same high standards across all business segments by improving our audit process and expanding our management systems to ensure we are in full compliance with all environmental regulations.

In 2011, we faced three compliance challenges. In Nebraska, one of our sites received a Notice of Violation in connection with the approvals required for a wastewater pretreatment permit application. We are working closely with the Nebraska Department of Environmental Quality to resolve this issue by improving our project management process. We also had two minor violations of our discharge permit at our East Rutherford, New Jersey, groundwater treatment plant. The causes of these violations were quickly corrected.

See more about our environmental performance <u>here</u>.

# **MEASUREMENT**

We use online environmental data management software to track energy, water and waste data, and to calculate our Scope 1 (direct) and Scope 2 (indirect from electricity) greenhouse gas emissions. This detailed site-level data helps to assess performance against our targets. In 2011, we expanded the number of locations for which data is collected and improved the data collection process. We measure our performance in both absolute (real) and normalized (adjusted) terms. As our business

BD 2015 SUSTAINABILITY TARGETS	PROGRESS AGAINST TARGETS (Status in FY 2011, from FY 2008 baseline)
Reduce energy consumption from operations by 30%	Reduced by 13%
Increase renewable energy use to 25%*	25% of total*
Reduce water consumption by 15%	Reduced by 11%
Reduce hazardous waste generation by 10%	Reduced by 44%
Reduce non-hazardous waste generation by 15%	Reduced by 6%**

All performance data normalized to cost of goods sold, from 2008 baseline year, unless otherwise stated. \*Based on absolute data, not normalized.

grows, adjusting environmental performance to Cost of Goods Sold (CoGS) is an indicator of the efficiency of our operations.

In this year's report, we have transitioned environmental performance data reporting from calendar year to fiscal year to align with financial data. Historic environmental data has been restated to reflect fiscal year measurement and performance. See the <u>Performance</u> section for more information.

In 2011, our Office of Global Sustainability (OGS) established the Energy, Waste and Emissions Steering Committee under the sponsorship of the Senior Vice President of Integrated Supply Chain and Business Systems. It is responsible for establishing programs to achieve the 2015 Sustainability Targets and align environmental practices with business objectives.

The OGS collaborates with subject-matter experts within our manufacturing plants and businesses to create standards, develop tools and training materials, and increase capability and engagement. These include:

- Energy workshops for facility managers in the U.S. and Europe
- Monthly training materials
- Self-auditing tools aligned with Lean and Continuous Improvement
- Specifications for energy-efficient equipment
- Standards for energy management
- Waste reduction, recycling and emissions reduction
- Certifications and audits

Twelve BD sites have implemented ISO 14001-certified environmental management systems. Two plan to obtain certification by 2014.

We conducted 10 on-site Environment, Health and Safety (EHS) audits and nine follow-up audits to measure regulatory compliance across our facilities. Read how our EHS auditing process evolved into the Performance Verification Process in the Health and Safety section.

The Environment

<sup>\*\*</sup>We are restating our 2008 baseline for non-hazardous waste after discovering a data collection error made when transitioning data collection systems in 2011.

### **POSITION ON CLIMATE CHANGE**

Climate change is a source of risk and opportunity for BD. We are reducing energy consumption and increasing the amount of renewable energy we purchase to lessen our contribution to greenhouse gas emissions and climate change. Although we have not been significantly impacted by regional carbon regulations, internal carbon

management will help us respond quickly to any future laws.

The healthcare sector is a significant emitter of greenhouse gases. We can help our customers reduce their environmental footprints by reducing emissions associated with BD products and services.

Climate change has the potential to change disease vectors, which may have drastic implications for global health. Strengthening health systems through new solutions is aligned with BD's corporate purpose, and we will continue to respond to emerging global health problems brought on by climate change.

### **ENERGY**

### PROGRESS AGAINST SUSTAINABILITY TARGETS

We aim to reduce energy consumption 30% from our baseline year by 2015. At the end of 2011, despite increased production throughout the year, we successfully reduced our energy consumption by 3.2% absolute / 13.1% normalized. We achieved a 2.1% absolute / 12.0% normalized reduction in greenhouse gas (GHG) emissions through energy conservation. The total GHG emission reduction, including our purchase of Renewable Energy Credits (RECs), was 21.6% absolute / 29.6% normalized.

As the Company grows, reducing our energy consumption will remain a challenge. Conservation, efficiency improvements, switching to lower-carbon fuels such as natural gas and shifting to renewable energy will all play a role in helping BD achieve our energy reduction target.

350

Energy-related projects completed to date

#### CASE STUDY

### New Distribution Center Uses Rooftop Solar Panels



Our new distribution center in Four Oaks, North Carolina, is generating nearly 1 megawatt of electricity, almost 20% of its needs, from four acres of rooftop solar panels. The facility, which opened in November 2011, is our first to generate solar energy on-site, setting a valuable precedent for the installation of future renewable energy projects at other BD locations.

"By working across all BD functions for the design and construction of the Four Oaks distribution center, we were able to incorporate BD's first major solar panel installation into the project while maintaining budget and timeline."

— Fernando Gonzalez, Manager, Programs and Process Improvements, BD Supply Chain

### **ENERGY EFFICIENCY IMPROVEMENTS**

In 2011, we held energy efficiency training workshops for facility and engineering managers in Europe and North America. A number of global sites conducted energy use evaluations to identify and prioritize conservation opportunities and best practices.

To date, we have completed more than 350 energy-related projects, yielding substantial savings in electricity and other sources of energy. Highlights from 2011 include:

- Reduced electricity costs by 44% at our distribution center in Oakville, Canada by switching to more energy-efficient lights, installing motion sensors and improving HVAC controls
- Reduced electricity use by 10% at our Erembodegem, Belgium site through efficiency improvements to the HVAC systems and office lighting as well as employee awareness campaigns
- Reduced electricity use by 66% in a section of our manufacturing facility in Dun Laoghaire, Ireland by switching to more efficient manufacturing equipment
- Installed new energy-efficient chillers at five manufacturing sites

**CASE STUDY** 

# New Fuel Cells Provide BD - San Jose with Clean Energy



Four 200-kilowatt fuel cells provide nearly 75% of the total required electricity to our BD Biosciences facility in San Jose, California.

These Bloom Energy fuel cells not only decrease our dependence on the electricity grid, but also provide a clean and reliable source of energy, creating electricity at a rate that is 50% more efficient than the grid's rate.

### RENEWABLE ENERGY

Investing in renewable energy is an important focus of our sustainability strategy. We purchase Renewable Energy Credits (RECs) and participate in green power purchase programs offered by local utility companies. BD maintained the same level of renewable energy purchases from 2010 to 2011. Improvements in data collection and reporting resulted in an increase to our baseline energy consumption, resulting in a 1% decrease in the total percentage of renewable energy from 2010 to 2011. At the end of 2011, our renewable energy was 25% of the Company's total energy use. We plan to increase our total renewable energy use in 2012.

### BD Becomes Wind Power Pioneer

In 2011, BD joined an elite group of companies supporting WindMade™, the first global consumer labeling program to certify companies that source at least 25% of their power from wind energy. WindMade's objective is to increase demand for wind power, boosting investment and growing the renewable energy market. Becoming a WindMade Pioneer will help BD communicate our renewable energy use more effectively to customers and company stakeholders. We plan to obtain certification to the WindMade organization standard in 2012.

PIONEER MEMBER



"We are very proud to count BD among the group of WindMade pioneer companies. BD is at the forefront of the sustainability movement, showing real leadership in reducing the environmental impacts of its operations and production processes."

— Henrik Kuffner, CEO, WindMade

#### **NON-HAZARDOUS WASTE**

In 2011, our non-hazardous waste generation increased by 4.6% absolute and decreased by 6.1% normalized. We are restating our 2008 baseline for non-hazardous waste after discovering a data collection error made when transitioning data collection systems in 2011. We continue to improve data accuracy and focus on waste reduction opportunities related to the manufacture and distribution of our products. We remain committed to achieving our 2015 target of reducing non-hazardous waste by 15%.

In 2011, we significantly reduced our amount of non-hazardous waste to landfill / incineration and have increased our recycling of waste materials. We will continue to pursue recycling of all waste materials.

#### **HAZARDOUS WASTE**

We decreased hazardous waste generation in 2011 by 38.1% absolute / 44.4% normalized, exceeding our 2015 target of 10%. Through material substitution, engineering and waste management practices, we significantly reduced hazardous waste streams at our facilities. For example, we installed a state-of-the-art emissions control system in our sterilization facility in Curitiba, Brazil that reduces air emissions and hazardous waste generation.

### **Product Highlight: BD Emerald™ 5 ml Syringe**

In 2011, we launched the new BD Emerald 5 ml Syringe, which combines high-quality performance with a design that uses up to 30% less material than other syringes.\* This reduces the environmental impact during the manufacture, transportation and disposal of the product.

Replacing half of all syringes worldwide with BD Emerald Syringes would eliminate 15 million kilograms of waste each year.



\*Data on file. Based on comparison with leading syringe brands worldwide.

### **WATER**

In 2011, we used the Global Water Tool from the World Business Council for Sustainable Development (WBCSD) to better understand our water footprint. We identified BD facilities located in water-stressed and water-scarce areas, and are beginning to develop a systematic water management strategy.

In 2011, BD's water consumption decreased by 1.0% absolute / 11.0% normalized, compared with a 26% normalized decrease in 2010. Despite substantial water conservation efforts, customer requirements for additional washing processes increased our total water use. However, our sustained conservation efforts and successful process

changes continued. For example, our BD Medical facility in Columbus, Nebraska is saving more than 75 million gallons of water per year by eliminating single-pass cooling for the plant's compressed air system.

75 million

Gallons of water saved per year by eliminating single-pass cooling at the BD Medical facility in Columbus, Nebraska

### **EMISSIONS**

### **OZONE-DEPLETING SUBSTANCES**

Hydrochlorofluorocarbons (HCFCs) are ozone-depleting substances used in refrigeration and as a manufacturing aid in limited cases. We are actively pursuing alternatives and have set an aggressive plan to eliminate our use of HCFCs in accordance with the Montreal Protocol.

### **VOLATILE ORGANIC COMPOUNDS (VOCs)**

VOC emissions increased by 31.4% absolute / 18.0% normalized in 2011. The increase reflects improved data collection and conversion from HCFCs (non-VOC) to alternative solvents (VOCs) used in manufacturing. We aim to balance the need for solvent use in our manufacturing with evaluating effective methods to reduce solvent-based emissions.

# Greening Our Buildings

Since 2010, BD has required all new construction and renovations costing more than \$1 million to be submitted for certification under the U.S. Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) standards. Since 2009, eight of our facilities have received LEED certification. In 2011, the following sites were certified:

- BD Biosciences office and training center; San Jose, California; LEED Gold, Commercial Interiors
- BD offices and customer training facility; Heidelberg, Germany; LEED Gold, New Construction
- BD distribution center; Four Oaks, North Carolina; LEED Gold, New Construction

By the end of 2011, nine additional sites were pursuing certification.







**CASE STUDY** 

### BD - Heidelberg Reduces Energy Consumption Through Green Design



In August 2011, our Heidelberg, Germany office and customer training facility became BD's first European site to be awarded LEED Gold for its comprehensive and innovative approach to energy efficiency. Improvements included:

Green Roofs: The roofs of the new building and the connecting atrium are covered with evergreen vegetation, which helps to regulate the temperature inside the building and significantly lowers heating and cooling needs.

Climate Floor: The floor uses a heat exchange system that recycles warm air and pushes it through under-floor vents to create a balanced temperature.

**Free-standing Lights:** Opting for free-standing LED lights and occupancy sensors rather than integrated ceiling lights helped lower electricity and conduit costs.

Solar Shading: All windows are fitted with solar shades that adjust automatically throughout the day based on the sun's position. The shades provide the building with an optimal light/shade balance and help stabilize the temperature.

Water efficiency: Low-flow faucets and rainwater collection systems for irrigation were installed.

By following LEED guidelines rather than conventional building standards, energy consumption was reduced by 34.5% and water consumption by 32%.

### Logistics

BD operates in an increasingly global marketplace, and many of our products travel long distances to reach our consumers. Our products are shipped using a variety of modes of transport, including trucks, railroads, barges, ships and air freight. We work with our suppliers to find more efficient ways of transporting products and cutting emissions.

Our strategy includes exploring shifts to lower-carbon forms of domestic transport, such as using rail instead of road to move freight for 10% of our manufactured goods

In 2011, we introduced a program to reduce our use of air shipments as well as the higher environmental and

financial costs associated with them.

BD is a partner in the U.S. Environmental Protection Agency (EPA) SmartWay® transport program, a voluntary partnership between the EPA and the freight industry that works to reduce greenhouse gas emissions associated with shipping. We transport 87% of our U.S.-manufactured goods using SmartWay® carriers, and nearly 94% of our U.S. carriers are SmartWay® participants.

#### **ASSOCIATE TRAVEL**

BD encourages the use of video conferencing for internal meetings and provides the necessary technology at many of our locations.

Some of our sales representatives need to travel by car. In some regions, we have set fuel efficiency goals and are working to improve the environmental impact of our fleets. For example, in Belgium, we take into account fuel efficiency and CO<sub>2</sub> emissions when leasing cars and have introduced hybrid vehicles into the fleet. This program will be expanded across Europe in 2012.

94%

Percentage of BD's U.S. carriers that are SmartWay® participants

# Associate Engagement

Our associates play a vital role in helping us achieve our 2015 Sustainability Targets. In 2011, we launched our BD*Green* program, an internal associate engagement effort to communicate our sustainability initiatives and identify ways that every associate can help BD meet our targets.

In 2011, we organized a series of campaigns focused on raising awareness of key environmental issues and demonstrating how they relate to BD's sustainability targets. For example, the BD*Green* Energy Campaign communicated the Company's energy reduction target in a variety of ways. We distributed energy fact sheets in 10 languages and collected more than 400 energy-saving ideas from associates at 27 BD sites around the world.

To ensure this program engages as many associates as possible, we established a global network of associate volunteers known as BD*Green* Champions who help us implement the different BD*Green* campaigns at their local sites. We are delighted at the enthusiasm and dedication of our BD*Green* Champions and will continue to expand the Champion network in 2012.

**CASE STUDY** 

# BDGreen Campaign Launched with Earth Day Art Exhibits



In 2011, we launched BD*Green* as part of our Earth Day celebrations. Associates around the world organized local "Earth as Art" exhibits to demonstrate the importance of protecting our planet for future generations.

At BD locations in Argentina, China, France, Spain, the U.S. and elsewhere, hundreds of associates and their families created artistic entries, including photographs, sculptures, paintings, posters and pottery. Prize-winning pieces were submitted to our international exhibit and digitally displayed at BD's headquarters.



# Our Associates

AS SCIENCE, TECHNOLOGY AND SOCIAL CHANGE transform our markets, the creativity, innovation and commitment of the 29,000 people BD employs in more than 50 countries remain critical to our success.

If we are to continue attracting and retaining talented professionals, our employment practices must remain exemplary. Our goal is to treat all of our associates fairly, reward them for their work, offer training and development opportunities, promote diversity and provide an inclusive, safe and healthy workplace.

It is how we work at BD.



# Health and Safety

We are determined to further improve the safety of our workplaces. This is an area that demands constant vigilance and strong leadership. In 2011, BD worked to strengthen our Safety Process Model (SPM), introducing a scorecard to evaluate and report the safety performance of each site. This provides goals and encourages associates to go well beyond compliance.

The frequency rate of occupational injury and illness decreased to 1.0 per 200,000 employee hours worked in 2011, from 1.1 in 2010. Historical injury and illness rate data has been restated to reflect changes that occur after the data collection period closes, such as adjustments in the number of lost work days and case re-classifications due to new medical information. We aim to embed a mindset that strives to eliminate any occupational injuries or illnesses. Please see our Environment, Health and Safety Policy.

### **HOW WE MANAGE SAFETY**

We strive to maintain the highest safety standards, with a safety management structure that has accountability at the business and executive levels. We have teams of trained Environment, Health and Safety (EHS) professionals at all our manufacturing sites. At our larger offices and distribution centers, a manager is responsible for EHS.

Our health and safety standards follow U.S. Occupational Safety and Health Administration (OSHA) guidance and incorporate best practices from other parts of the world. We expect each of our sites to meet the more rigorous of either local or OSHA standards.

### **IMPROVING SAFETY PERFORMANCE**

Since 2007, our Safety Process Model (SPM) has helped boost safety performance globally. We are working to improve the model to track and measure performance in the following areas:

- Findings of monthly safety inspections
- Root causes of first aid and recordable safety incidents
- Risk assessments for all machinery and processes
- Tracking and reporting of "safety opportunities" (near-miss incidents)

Site data is collated, and each facility reports a Monthly Safety Index score. This index allows management to easily track each site's progress in reducing safety risks.

Steps are underway to implement the SPM and scorecard in our large distribution centers and non-manufacturing locations.

The SPM and scorecard help us identify and act on challenges quickly. The system's flexibility allows different segments and units to use the model. For example,

BD Medical - Medical Surgical Systems has created regional teams to gauge their SPM performance, share best practices and leverage resources across sites. The unit's senior leadership team monitors progress and posts information at each site.

#### **BEYOND AUDITING**

Regular auditing helps us measure our sites' compliance with our standards. Each site is internally audited every three years, with checks made within 12 months on any corrective actions identified by the audits.

Ideally, we would like to audit more often and bolster the safety mindset. But with 59 sites across the world, more regular on-site checks are impractical. This is why we have restructured our audit program to create the Performance Verification Program (PVP). This process ensures that sites can advance independently and be acknowledged for their progress.

We encourage sites to become "Best in Class" through this three-tier system. The mandatory first tier, the Comprehensive Program, requires compliance with our EHS standards and local laws. The second tier, Sustained Performance, acknowledges sites for leadership and high employee participation and awareness. Best in Class, the top level, is achieved when the sites approach zero accidents and zero waste.

The PVP system uses new tools to help sites identify gaps and to speed the PVP process. We have developed workbooks to help in self-assessment. Video conference "site visits," followed by focused in-person checks, help sites reach their goals quickly and easily.

Once the site has completed the process, its work is acknowledged and it achieves the appropriate designation. We are confident that these improvements will further boost safety and compliance with our EHS standards as all sites strive to become Best in Class.

We will roll out the PVP system across all of BD's North American manufacturing facilities in 2012, and we anticipate fully implementing PVP globally in the coming years. A modified tool is also under development to help our distribution centers improve safety performance.

### Customized Workbooks Drive Excellence in Health and Safety Performance



Detailed workbooks, developed by subject matter experts, clearly describe what must be done to reach Best in Class PVP status. BD site EHS managers complete the appropriate workbook and make any necessary improvements before submitting an electronic application to verify their EHS performance.

We developed the workbooks in response to a challenge from BD Operations Leaders to provide sites with the framework and tools necessary to make substantive improvements in their EHS programs without having to wait for a compliance audit. The Corporate EHS staff, working with a small team of site experts, spent nearly 12 months developing the tools, refining their content based on

global feedback, and developing an implementation method.

As a final step, BD shared the tools with members of an industry benchmarking group for additional feedback and suggestions.

"We find the PVP process invaluable in assessing our compliance with regulation, evaluating our strategies and highlighting best practices so that we can share and work with each other. PVP helps us reach a higher level of continuous improvement."

— Bernard Noell, BD Medical -Pharmaceutical Systems, Pont-de-Claix, France

### **TRAINING**

Regular training is necessary to help associates understand the importance of safety for themselves and their colleagues. Our most important training programs are conducted on site and include: Risk and Hazard Analysis methods; Root Cause Analysis for accidents; and Safety Culture and Awareness.

Training of new EHS site coordinators is conducted within the first month of their starting work. The sessions ensure that they know BD's policies and standards, what is expected of them, and where to find help. Compliance with our training requirements is one of the areas checked during audits.

### **WELLNESS**

Our purpose — "Helping all people live healthy lives" — begins with our associates and their families. BD is a more productive company when our associates are healthy, and we are committed to providing them with resources and support for their health and wellbeing.

BD Healthy Lives is our continuing global health and wellness initiative. Program

### **WELLNESS AWARDS**

- BD Plymouth, U.K. achieved the 2011 Gold Level of Health @ Work Award from the Business Health Network of the Plymouth Public Health Development Unit, National Health Service.
- BD Singapore became a second time winner of the Gold Award by the Health Promotion Board in 2011.
- In May 2011, the BD Healthy Lives program won the Best Employers for Healthy Lifestyles Award from the National Business Group on Health, a nonprofit association of large employers.
- BD received CEO Cancer Gold Standard<sup>™</sup> accreditation from the CEO Roundtable on Cancer in June 2011. To earn accreditation, companies must establish programs to reduce cancer risk.

components focus on chronic condition management, nutrition, physical activity, preventative care, smoking cessation and stress management. In the U.S., our Condition Management program provides support for associates with long-term conditions such as asthma, coronary disease, depression and diabetes. Associates can complete a confidential health assessment and participate in the Healthy Living program, which provides access to health advocacy services. Another aspect of the program in 2011 helped 2,034 U.S.-based associates lose a combined 9,000 pounds through the BD-sponsored Weight Watchers at Work program®.

Globally, each region has a wellness champion, who reinforces our wellness programs at the local level; for example, helping to coordinate annual on-site flu vaccinations. We support a culture of wellness at BD sites worldwide by offering, for example:

- **Canada:** On-site fitness classes, biometric screenings and massage therapy
- **Europe:** On-site biometric screenings and cycle-to-work programs
- **Singapore:** On-site fitness classes and tests, ergonomic workshops and HIV awareness campaigns

# Learning and Leadership Development

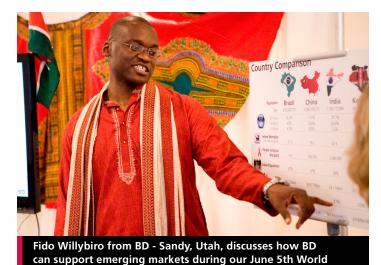
Keeping pace with rapid change in our dynamic industry demands constant learning. We are acknowledged for the way we develop talent, and we have the programs and resources in place to ensure we achieve our goals of being a teaching, coaching and learning organization.

### **BD UNIVERSITY (BDU)**

BDU promotes the education needed to achieve the Company's long-term strategy. We are working to ensure more efficient delivery of our global learning services, combining our "Leaders-as-Teachers" approach — where BD leaders share their knowledge in classroom settings — with technology-enabled learning via internal social media and other online tools that accelerate informal and collaborative learning.

We are developing a new organizing framework and tools for career planning and professional development. In 2011, we launched several BDU learning experiences, including:

- Crucial Conversations: Helps people leaders have frank, fact-based discussions with direct reports about engagement, performance, potential and rewards
- Global Marketing PowerHouse: Trains marketers to analyze, measure and monitor our success within target markets
- New Manager Essentials: Supports newly promoted managers through this critical transition
- Practical Strategy: Teaches middle managers strategic decision-making skills



Environment Day celebration.

1,877

Number of hours that BD Leaders-as-Teachers were in the classroom, training 2,348 associates in 2011.

### PERSONAL DEVELOPMENT

When our associates extend their talents and capabilities, it helps both our business and their personal and professional development. We encourage associates to take ownership of their individual professional development, and we provide them with opportunities to progress. Working closely with their managers, associates create personal development plans.

Feedback is an integral part of our Performance Management Process (PMP) for associates. The PMP helps our associates understand what is expected of them, offers performance and development coaching, and at least once a year provides an informed performance review with a written assessment.

### **OBJECTIVE-BASED MENTORING**

Our objective-based mentoring program enables associates to form learning and development partnerships with one another. Associates either nominate themselves or are recommended to the program by their managers or Human Resources partners.

More than 400 associates have taken part since its inception in 2010.

### **CAREER DEVELOPMENT**

Through our Leadership Accelerator Program, high-potential associates at the Early Career, Mid-Career and General Manager levels participate in a combination of assessment, mentoring and development experiences. At the end of 2011, 60% of associates in each of the three accelerated development programs were promoted.

"The Early Career
Experience program focuses
positive energy from all
levels of the organization
on exposing new talent to
the many opportunities
at BD. The program also
showed me that BD truly
values their associates: from
today's leaders, to those
who will become its leaders
in the future."

— Reshma Chakravarthy, Core Team Leader, BD Diagnostics - Preanalytical Systems

### Diversity and Inclusion

A diverse workforce is important for our business success because it helps us innovate and encourages our associates to reflect on — and understand — our diverse global markets.



We want to build a diverse workforce and create an inclusive culture where our associates feel valued for their unique contributions. BD welcomes all people, regardless of their ethnicity, culture, gender, religion, age, personal style, sexual orientation, physical ability or appearance, and we value those with diverse opinions, perspectives and lifestyles. We are making progress in ensuring that we have a diversity of candidates for each of our roles, but we know we have some way to go in improving.

We are developing new goals, metrics, action plans and monitoring to fully embed diversity and inclusion throughout the Company.

### **DIVERSITY AND INCLUSION EFFORTS**

The Diversity and Inclusion and Talent Management teams focus on integrating diversity and inclusion principles, cross-cultural competence and global awareness into our <a href="Leadership-Accelerator strategy">Leadership-Accelerator strategy</a>, helping us attract and retain top talent.

### **DIVERSITY AND INCLUSION TRAINING**

We offer diversity training, which improves our associates' understanding of the benefits of a diverse and inclusive team. In 2011, as we reconfigured our training curriculum, 337 associates attended such courses. Beginning in 2012, diversity training sessions will be conducted worldwide through our new technology-enabled learning platform.

### **SUPPLIER DIVERSITY**

Supporting small, diverse businesses is one way to promote diversity and inclusion in our markets. We are committed to working with suppliers that meet our high quality standards. These include qualified Small, Veteran-Owned, Service Disabled Veteran-Owned, Small Disadvantaged, Minority-Owned, Woman-Owned and Historically Underutilized Business Zone companies.

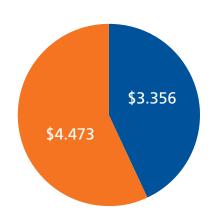
We initiated a Supplier Diversity program in 1992 that covers our U.S. operations. This complies with the U.S Federal Acquisition Regulations and ensures that we source materials, supplies and services from small businesses. In 2011, we improved the way we collect and manage data from small businesses and diverse suppliers.

International Women's Day on March 8 is celebrated around the world. Many of our sites join in by recognizing women for their achievements. We celebrate the day to highlight the importance of women at BD as well the need to further broaden diversity across the organization.

### Performance

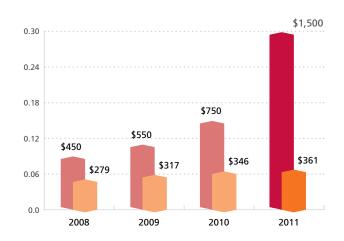
At BD we measure our sustainability performance using a number of metrics that address our economic, social and environmental impacts. We report our 2011 fiscal year performance data on our owned and operated facilities here.

### FINANCIAL



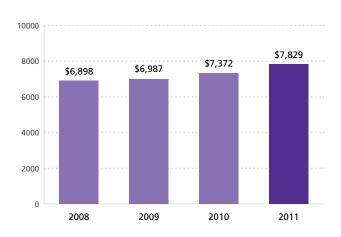
### Revenue by Geography (\$billions)



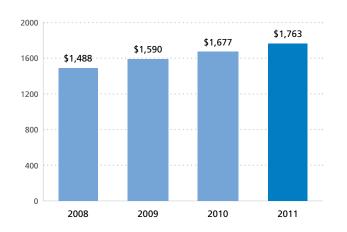


### **Dividends Paid vs. Shares Repurchased (\$millions)**



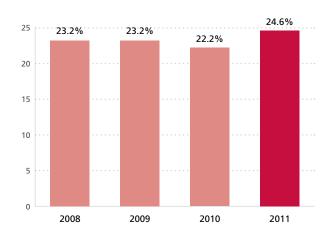


**Total Revenues (\$millions)** 

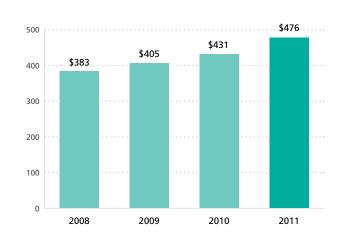


**Total Operating Income (\$millions)** 

### FINANCIAL

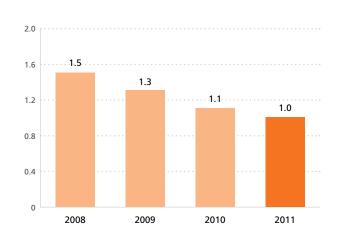


**Return on Equity** 



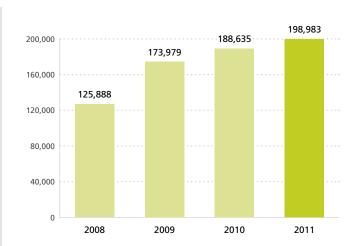
**R&D Expense (\$millions)** 

### **ASSOCIATES**



### **BD Employee Injury and Illness Rates**

(PER 200,000 EMPLOYEE HOURS WORKED)



### **Ethics and Compliance Training**

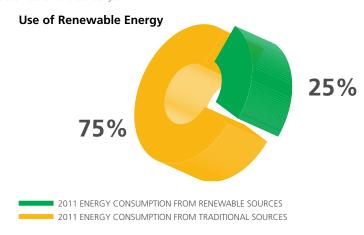
CUMULATIVE NUMBER OF COURSE UNITS DELIVERED THROUGH OUR ONLINE "DOING WHAT IS RIGHT" PROGRAM SINCE INCEPTION

Environmental performance data reported as fiscal year, to align with financial reporting. Historic data has been restated to reflect fiscal year.

### **Performance Update: 2015 Sustainability Targets**

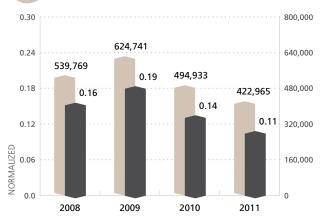
	2011 Status	2015 Target
Energy Use	Reduced 13%	Reduce by 30%
Renewable Energy Use	25% of total*	Increase to 25% of total energy
Water Consumption	Reduced 11%	Reduce by 15%
Hazardous Waste Generation	Reduced 44%	Reduce by 10%
Non-hazardous Waste Generation	Reduced 6%	Reduce by 15%

All performance data normalized to cost of goods sold, from 2008 baseline year, unless otherwise stated.





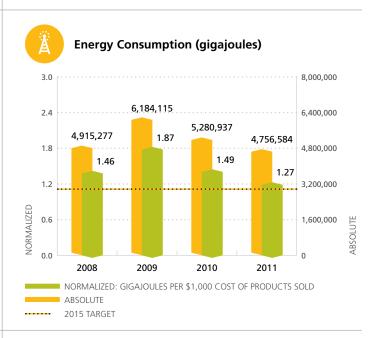
### Greenhouse Gas Emissions (metric tons CO<sub>2</sub>-e)



NORMALIZED: METRIC TONS PER \$1,000 COST OF PRODUCTS SOLD

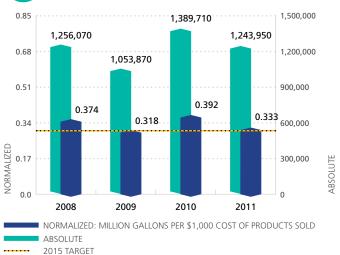
ABSOLUTE

Data represents Scope 1 (direct fuel use) and Scope 2 (indirect from electricity) emissions.

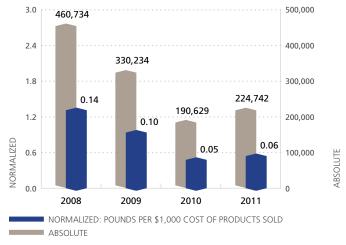




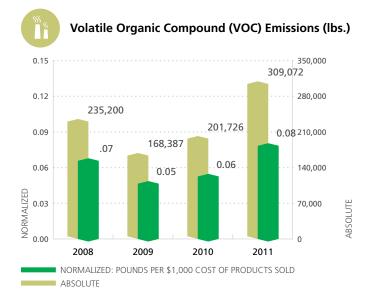
### Water Consumption (million gallons)



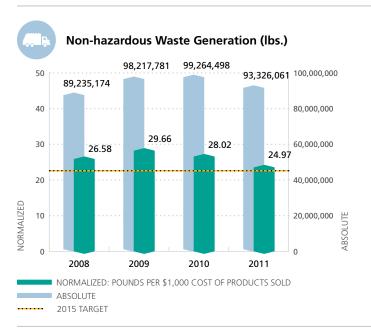


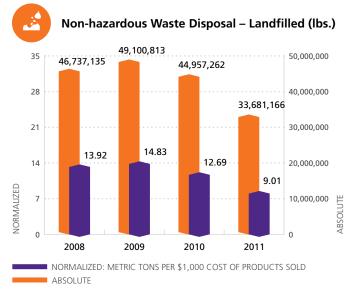


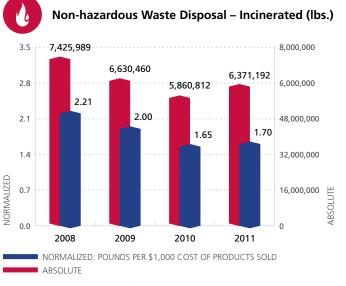
<sup>\*</sup>Based on absolute data, not normalized.

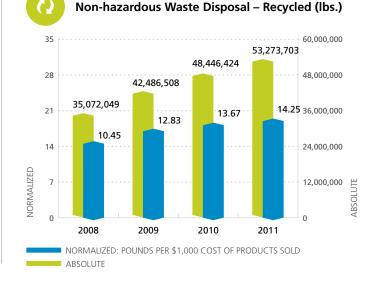












Non-hazardous waste baseline data (2008) has been restated upon discovering an error upon moving to a new data collection system.

Environmental performance data reported as fiscal year, to align with financial reporting. Historic data has been restated to reflect fiscal year.

# Awards, Recognitions and Affiliations

Aon Hewitt



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**Best Employers** 

in INDIA 2011





### CORPORATE SUSTAINABILITY

- Dow Jones Sustainability North American Index, since 2005
- Dow Jones Sustainability World Index, since 2006
- FTSE4Good Index, since 2003
- Green Rankings Top 100 Newsweek
- World's Most Admired Companies FORTUNE, since 2002
- World's Most Ethical Companies Ethisphere Council, since inaugural year in 2007

### ENVIRONMENT, HEALTH AND SAFETY

- Best Employers for Healthy Lifestyles U.S. National Business Group on Health
- CEO Cancer Gold Standard™ Accreditation CEO Roundtable on Cancer
- Champion For Change Award Practice Greenhealth
- Excellence in Energy Efficiency Award BD facility in Sandy, UT — Utah Office of Energy Development / Utah Industrial **Energy Efficiency Program**
- Safety Program Recognition BD facility in Sumter, SC South Carolina Chamber of Commerce
- Smart Workplace Platinum Award BD facility in Franklin Lakes, NJ — New Jersey Department of Transportation

- U.S. EPA Green Power Partnership Member 2011
- U.S. EPA SmartWay® Transport Partner Member
- Waste Reduction, Recycling, and Reuse Sustainable Business Award — BD facilities in Columbus, NE — WasteCap Nebraska
- WindMade<sup>™</sup> Pioneer Company

### INNOVATION

- Medical Design Excellence Award BD Pegasus Safety Closed IV Catheter System
- The Patent Scorecard<sup>™</sup> Top 50 in Medical Devices and Services Industry — The Patent Board™

#### EMPLOYER OF CHOICE

- Best Employers in India Aon Hewitt Associates
- BEST Employers<sup>™</sup> South Africa Corporate Research Foundation Institute
- Best Places to Work in Baltimore Baltimore Magazine
- Best Places to Work in New Jersey NJBIZ
- Employer of Choice for Women in Australia Equal Opportunity for Women in the Workplace
- TOP JOB Award Top Employers in Germany

### **GRI** Index

This index provides information on BD's application of the Global Reporting Initiative (GRI) G3.1 Guidelines in this report.

	GRI GUIDELINE	LOCATION	
STRATEGY AND ANALYSIS			
1.1	Statement from the most senior decision maker of the organization about the relevance of sustainability to the organization and its strategy.	A Letter to Our Stakeholders	
1.2	Description of key impacts, risks and opportunities.	10-K  A Letter to Our Stakeholders	
PROFILE			
2.1	Name of reporting organization.	BD (Becton, Dickinson and Company)	
2.2	Primary brands, products and or services.	About BD	
2.3	Operational structure of the organization including main divisions, operating companies, subsidiaries and joint ventures.	About BD	
2.4	Location of organization's headquarters.	10-K About BD	
2.5	Number of countries where organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	About BD 10-K	
2.6	Nature of ownership and legal form.	10-K	
2.7	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries).	About BD	
2.8	Scale of the reporting organization including:  Number of employees  Net sales  Total capitalization broken down in terms or debt and equity; and  Quantity of products or services provided	About BD  Performance	
2.9	Significant changes during the reporting period regarding size, structure or ownership, including:  Location of, or changes in operations, including facility operations, closings, and expansions; and  Changes in the share capital structure and other capital formation, maintenance, and alteration operations.  Awards received in the reporting period.	10-K  Awards, Recognitions and  Affiliations	
REPORT PARAM	IETERS		
3.1	Reporting period for information provided.	About this Report	
3.2	Date of most recent previous report.	About this Report	
3.3	Reporting cycle.	About this Report	
3.4	Contact point for questions regarding the report or its contents.	BD Sustainability Website	
		About this Report	

GRI GUIDELINE LOCATION

EPORT SCOPE AND E		
3.5	Process for defining report content, including:  • Determining materiality.	Sustainability at BD
	Prioritizing topics within the report; and	Stakeholder Engagement
	Identifying stakeholders the organization expects to use the report.	
3.6	Boundary of the report.	About this Report
3.7	State any specific limitations on the scope or boundary of the report.	About this Report
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	About this Report
3.9	Data measurement techniques and the bases of calculations, including assumptions and	The Environment
	techniques underlying estimations applied to the compilation of the indicators and other	: About this Report
	information in the report.	Performance
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.	Performance: Health and Safety Environment
		: Health and Safety
		The Environment
		: Non-hazardous Waste
3.11	Significant changes from previous reporting periods in the scope, boundary or measurement	The Environment
	methods applied in the report.	<u>Performance</u>
RI CONTENT INDEX		
3.12	Table identifying the location of the Standard disclosures in the report.	This Index
SSURANCE		•
3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider.	BD does not currently seek external assurance for Sustainability reporting.
OVERNANCE,	COMMITMENTS AND ENGAGEMENT	•
OVERNANCE		
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Governance and Ethics
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and if so, their function within the organization's management and the reasons for this arrangement).	BD Corporate Governance
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Governance and Ethics
4.4	Mechanisms for stakeholders and employees to provide recommendations or direction to the highest governance body.	BD Corporate Governance
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements) and the organization's performance (including social and environmental performance).	Executive Compensation
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	BD Code of Conduct
4.7	Process for determining the qualifications and expertise of the members of the highest governance	BD Corporate Governance

	GRI GUIDELINE	LOCATION
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental and social performance, and the status of their implementation.	A Letter to Our Stakeholders  Sustainability at BD  Governance and Ethics
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Governance and Ethics  Sustainability Governance
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	BD Corporate Governance  Governance and Ethics
COMMITMENTS TO EX	CTERNAL INITIATIVES	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	The precautionary principle is addressed by the organization through its sustainability initiatives and the associated guidelines, management structures and policies, including:  Materials Use
4.12	Externally developed economic, environmental, and social charters, principles or other initiatives to which the organization subscribes or endorses.	Various, including: <u>Universal Declaration of Human Rights</u> <u>Practice Greenhealth's Greening the Operating Room Initiative</u> <u>Practice Greenhealth's Greening the Supply Chain™ initiative</u>
4.13	Members in associations and/or national/international advocacy organizations in which the organization:  Has positions in governance bodies Participates in projects or committees Provides substantive funding beyond routine membership dues; or Views membership as strategic	Various, including:  Healthcare Plastics Recycling Council  Practice Greenhealth including membership in Environmental Preferable Purchasing Business Leadership Coalition  Public Private Partnerships  WindMade™
STAKEHOLDER ENGAG	EMENT	
4.14	List of stakeholder groups engaged by the organization  E.g. communities, civil society, customers, shareholders and providers of capital, suppliers and employees, other workers and their trade unions.	Stakeholder Engagement
4.15	Basis for identification and selection of stakeholders with whom to engage.  Includes process for defining stakeholder groups and for determining the groups with which to engage.	Stakeholder Engagement
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.  E.g. surveys, focus groups, community panels, corporate advisory panels, written communication, management/union structures and other vehicles. Say whether any engagement was undertaken specifically as part of the report preparation process.	Stakeholder Engagement
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Stakeholder Engagement

GRI GUIDELINE LOCATION

PERFORMANCI	E: ECONOMIC	
DISCLOSURE ON MA	NAGEMENT APPROACH	
	Provide a concise disclosure on the Management Approach items outlined below with reference to the following economic aspects; economic performance, market presence and indirect economic	About BD
	impacts.	Governance and Ethics
		Sustainability at BD
ECONOMIC PE	RFORMANCE INDICATORS	
ASPECT: ECONOMIC	PERFORMANCE	
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Annual Report
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Position on Climate Change
EC3	Coverage of the organization's defined benefit plan obligations.	Annual Report
EC4	Significant financial assistance received from government.	10-K
ASPECT: MARKET PRI	ESENCE	•
EC6	Policy, practices, and proportion of spending on locally based suppliers at significant locations of operation.	Supplier Diversity
ASPECT: INDIRECT EC	ONOMIC IMPACTS	•
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro-bono engagement.	Community Support and Giving
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	<u>Society</u>
PERFORMANCI	E: ENVIRONMENTAL	•
DISCLOSURE ON MA	NAGEMENT APPROACH	
	Provide a concise disclosure on the management approach items outlined below with reference to the following environmental aspects: materials, energy, water, biodiversity, emissions, effluents and waste, products and services, compliance, transport and overall.	The Environment
ENVIRONMENTAL PE	RFORMANCE INDICATORS	•
ASPECT: ENERGY	· <u>.</u>	
EN3	Direct energy consumption by primary energy source.	<u>Performance</u>
EN5	Energy saved due to conservation and efficiency improvements.	<u>Energy</u>
		<u>Performance</u>
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Energy Performance
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Energy  Logistics  Sustainable Procurement  Performance
	. :	
ASPECT: WATER		

	GRI GUIDELINE	LOCATION
ASPECT: FMISSIONS F	FFLUENTS AND WASTE	
EN16	Total direct and indirect greenhouse gas emissions by weight.	Energy
		<u>Performance</u>
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	<u>Energy</u>
		<u>Performance</u>
EN19	Emissions of ozone-depleting substances by weight.	<u>Performance</u>
EN20	NOx, SOx, and other significant air emissions by type and weight.	<u>Performance</u>
EN22	Total weight of waste by type and disposal method.	<u>Waste</u>
		Performance
EN23	Total number and volume of significant spills.	No significant spills
ASPECT: PRODUCTS A	ND SERVICES	•
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	<u>Product Stewardship</u>
ASPECT: COMPLIANCE		•
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Environment: Management
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	<u>Logistics</u>
PERFORMANCE DISCLOSURE ON MAN	: LABOR PRACTICES AND DECENT WORK AGEMENT APPROACH	
	Provide a concise disclosure on the management approach items outlined below with reference to the following labor aspects; employment, labor/management relations, occupational health and safety, training and education and diversity and equal opportunity.	Our Associates
LABOR PRACTICES AN	D DECENT WORK PERFORMANCE INDICATORS	·
ASPECT: EMPLOYMEN	Т	
LA1	Total workforce by employment type, employment contract and region.	Our Associates
ASPECT: LABOR/MANA	AGEMENT RELATIONS	······
LA4	Percentage of employees covered by collective bargaining agreements.	Human Rights
ASPECT: OCCUPATION	AL HEALTH AND SAFETY	· · · · · · · · · · · · · · · · · · ·
LA7	Rates of injury, occupational diseases, lost days, absenteeism, and number of work related fatalities by region.	A Letter to Our Stakeholders
	intantics by region.	Health and Safety
		Performance
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Wellness
ASPECT: TRAINING AN	D EDUCATION	•••••
LA10	Average hours of training per year per employee by employee category.	<u>Learning and Leadership</u> <u>Development</u>
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing their careers.	<u>Learning and Leadership</u> <u>Development</u>
LA12	Percentage of employees receiving regular performance and career development reviews.	<u>Personal Development</u>

GRI GUIDELINE LOCATION

DISCLOSURE ON MA	NAGEMENT APPROACH	
	Provide a concise disclosure on the management approach items outlined below with reference to the following human rights; investment and procurement practices, non-discrimination, freedom of association and collective bargaining, abolition of child labor, prevention of forced and compulsory labor, complaints and grievance practices, security practices and indigenous rights.	Human Rights  BD Code of Conduct
HUMAN RIGHTS INDI	CATORS	
ASPECT: INVESTMEN	T AND PROCUREMENT ACTIVITIES	
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees that are trained.	Ethics and Compliance Training Performance
ASDECT: EDEEDOM O	F ASSOCIATION AND COLLECTIVE BARGAINING	: <u>Ferrormance</u>
HR5		: Human Rights
СЛП	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Sustainable Procurement
ASPECT: CHILD LABO	R	• • • • • • • • • • • • • • • • • • • •
HR6	Operations identified as having a significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	<u>Human Rights</u>
	: :	Sustainable Procurement
ASPECT: FORCED ANI	COMPULSORY LABOR	. ;
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Human Rights Sustainable Procurement
	:	- Justamable Procurement
PERFORMANCI	: SOCIETY	
DISCLOSURE ON MA	NAGEMENT APPROACH	
	Provide a concise disclosure on the management approach items outlined below with reference to	Governance and Ethics
	the following society aspects; community, corruption, public policy, anti-competitive behavior and compliance.	BD Code of Conduct
	compliance	: Human Rights
SOCIETY PERFORMAI	: NOTATORS	- Indinant Rights
ASPECT: COMMUNIT		
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	<u>Society</u>
ASPECT: CORRUPTION	.:	
	· ;···································	DD Code of Conduct
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	BD Code of Conduct
	<u>:</u>	<u>Performance</u>
ASPECT: PUBLIC POLI	CY	
SO5	Public policy positions and participation in public policy development and lobbying.	Public Policy Work
SO6	Total value of financial and in-kind contributions to political parties, politicians and related institutions by country.	Public Policy Work
PERFORMANCI	: PRODUCT RESPONSIBILITY	•
DISCLOSURE ON MA	NAGEMENT APPROACH	• • • • • • • • • • • • • • • • • • • •
	Provide a concise disclosure on the management approach items outlined below with reference to the following society aspects; customer health and safety, product and service labeling, marketing communications, customer privacy and compliance.	Product Responsibility
PRODUCT RESPONSI	: BILITY PERFORMANCE INDICATORS	
	HEALTH AND SAFETY	
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	<u>Product Lifecycle</u>
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning	Regulatory Affairs and Quality

	GRI GUIDELINE	LOCATION	
PR3	Type of product and service information required by procedures, and percentage of significant products and service subject to such information requirements.	Regulatory Affairs and Quality	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	No instances of non-compliance  Regulatory Affairs and Quality  10-K	
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Quality Management and Training	
ASPECT: MARKETING COMMUNICATIONS			
PR6	Programs for adherence to laws, standards and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship.	Regulatory Affairs and Quality	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes of concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	No instances of non-compliance  Regulatory Affairs and Quality  10-K	
ASPECT: CUSTOMER PRIVACY			
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	No material fines  Regulatory Affairs and Quality  10-K	



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