



Sustainability Report 2013

About BD

BD is a leading medical technology company that partners with customers and stakeholders to address many of the world's most pressing and evolving health needs. Our innovative solutions are focused on improving drug delivery, enhancing the diagnosis of infectious diseases and cancers, supporting the management of diabetes and advancing cellular research. We are nearly 30,000 associates in 50 countries who strive to fulfill our purpose of Helping all people live healthy lives by advancing the quality, accessibility, safety and affordability of healthcare.

Business Segments (FY 2013 Revenues)

BD MEDICAL Revenue: \$4.306 billion

[BD Medical](#) focuses on advancing medication delivery, reducing the risk of medication errors and enhancing diabetes treatment. The segment has a history of market-leading innovations in injection- and infusion-based drug delivery and is among the world's leading suppliers of safety-engineered medical devices.

BD DIAGNOSTICS Revenue: \$2.646 billion

[BD Diagnostics](#) focuses on improving quality, increasing productivity and ensuring flexibility to help laboratories guide medical decisions. The segment 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 and cancers.

BD BIOSCIENCES Revenue: \$1.102 billion

[BD Biosciences](#) focuses on improving efficiencies and outcomes for researchers, laboratory professionals and clinicians who are involved in research, drug discovery and development, biopharmaceutical production and disease management. The segment is focused on continually advancing the science and applications associated with cellular analysis.

FY 2013 Revenue: \$8.054 billion
NYSE: BDX
Founded: 1897

About this Report

This report covers social and environmental progress and performance during our fiscal year 2013 – October 1, 2012 – September 30, 2013. The previous report, published in May 2013, documented October 1, 2011 through September 30, 2012. We publish our Sustainability Report annually.

Reporting and performance data in this report includes information on facilities BD owns and operates. We work continually to ensure accurate and robust reporting on key indicators of sustainability performance, while adding quality-assurance capability into our data tracking as necessary. This helps identify discrepancies and has led to revisions of previous data. We will continue to fill in missing data and challenge information that appears erroneous.

For this report's content, we evaluated material issues and evaluated key priorities of stakeholders interested in BD's performance, operations, products and services. We seek feedback from these stakeholders each year, which informs our selection of content for sustainability reporting.

We have self-assessed this report against the Global Reporting Initiative (GRI) G3.1 Framework at a B application level.

For more information about BD, please visit www.bd.com or read our 2013 [Annual Report](#). To learn more about sustainability at BD, or to provide feedback on this report, please contact BD's Office of Global Sustainability at BD_Sustainability_Office@bd.com.



To Our Stakeholders:

The healthcare industry is in a period of great transition. Our system for providing medical care has become unsustainable in the industrialized world. As developing and emerging markets create more robust infrastructures, they will strive to avoid repeating past mistakes. While complex, these shortcomings reflect the consequence of overinvesting in bricks and mortar and underinvesting in wellness. Our healthcare system has been focused reactively on fixing health problems instead of working proactively to prevent them. Consequently, BD has a significant opportunity to help shift the dynamic toward wellness.

For us, remaining sustainable has always been about understanding and adjusting nimbly to the healthcare system's value parameters. We work to establish and maintain a strong presence in society and to contribute actively to the development of international standards. We make every effort to minimize our environmental impact while providing the highest-quality, safest and most-effective products. It is about creating value shared among all stakeholders, whether or not we touch them directly.

Through our sustainability strategy, we address and seek to influence the wide range of challenges within our industry while also helping to make a difference on relevant issues that impact society and the planet. This report highlights our progress on various fronts over the past year. For example, we have performed well against nearly all of our targets and have created significant new levels of transparency. This has generated enthusiasm and engagement among our associates. We are pleased that our use of renewable energy is at 65 percent for operations in the United States and 33 percent globally. Already, we have begun setting more ambitious targets beyond 2015.

Immediately ahead and illuminated by examples of new products, processes and programs, sustainability for us will reflect a continuous-improvement dynamic. This means making both incremental and significant leaps in the performance of our products as well as in the effectiveness and efficiency of our operations.

In the medium term, we will focus on keeping our innovation and talent pipelines full. Over the last three years we invested substantial amounts on research and development for new products instead of simple line extensions. We acquired six companies which, together, provide broader customer solutions while also generating fresh ideas for curbing costs. In 2013 we created a new Leadership Standard and programs to develop skills and identify talent at BD. We are working to spot, nurture and advance emerging talent among recent graduates and from associates across our organization that possess the skills and drive to reach the top levels of executive management. These efforts help build a strong leadership team.

From a longer-term perspective, we benefit from a legacy of unwavering commitment to our purpose, *Helping all people live healthy lives*. This tradition of doing the right thing clearly benefits the company. BD associates, proud of our heritage, live it every day. Like me, they awaken knowing we are working to make a difference. We know that economic sustainability is a must for any company – but it isn't enough. Our success and prosperity require healthy communities. And healthy communities rely on a clean, safe and stable environment in which to thrive. Our investments in social and environmental sustainability link intrinsically to our long-term economic sustainability.

At BD, a fundamental element of our corporate culture lies in our commitment to sustainability. To us, our process for creating value is a holistic one. It exemplifies the concept of 'Shared Value,' which involves creating economic value in a way that also intentionally creates value for society. We've employed this concept for 116 years and will continue to do so. More than a business strategy, it is a basic requirement if we are to do our jobs properly and fulfill our purpose. I am proud of our accomplishments at BD, and look forward to continuing to play an active role in advancing sustainable solutions for our industry and stakeholders. I hope you enjoy the 2013 Sustainability Report.

A handwritten signature in black ink that reads "Vincent A. Forlenza". The signature is written in a cursive style and is positioned above a horizontal orange line.

Vincent A. Forlenza

Chairman, Chief Executive Officer and President

June 2014

How We View Sustainability at BD

For BD to enjoy uninterrupted long-term success, we must continually balance several factors. Economic performance is a must. The critical challenge rests in ensuring that short-term demands and hurdles never jeopardize the lasting need to invest in new products and services, ongoing training and the integrity of BD’s brand and reputation.

We recognize that companies truly thrive only when their associates, communities and customers do well. This generates a robust, strategic commitment to strengthen the societies we serve around the world and to work continually to provide our associates with opportunities to improve their skills. As a global company with a significant demand for natural resources, we must try constantly to minimize the environmental impact of our own operations, and to support the same effort among our customers and suppliers. Working to achieve this in a dynamic and competitive environment guides our approach to sustainability.

Meeting unmet health needs is our core mission. All other operations and activities exist so BD can fulfill this fundamental charge as effectively as possible. Our history testifies to our dedicated pursuit of this shared commitment with our business and stakeholders



Areas of Focus

We divided our approach to sustainability into five categories and, below, we demonstrate their relationship to one another.

Meeting Unmet Health Needs: This is our fundamental mission and why we exist. We address unmet health needs by deploying our products, services and institutional knowledge in collaboration with national, regional and local governments, international agencies and nongovernmental organizations (NGOs).

Ensuring Good Governance and Ethics: We commit to follow the most ethical business practices. Our Management Committee governs our sustainability efforts, and it maintains a dialogue with our stakeholders, businesses and associates about issues relevant to each.

Product Safety and Performance: Maintaining the quality and safety of our products is paramount. We focus continually on social and environmental outcomes – from the quality and life cycle of our products to the safety of patients, healthcare workers and communities.

Protecting the Environment: We concentrate our efforts on reducing the environmental impact of our operations and products. Sustainable operations and product stewardship have the greatest potential to help BD protect the environment and prepare for challenges including climate change and resource scarcity.

Making BD an Even Better Place to Work: In more than 50 countries, nearly 30,000 BD associates endeavor to achieve our purpose of *Helping all people live healthy lives*. Our long-term success depends on making every effort to ensure their health, safety and professional development.

Stakeholder Engagement

We engage a broad variety of stakeholders on material social, environmental and economic issues, which helps forge our sustainability strategy. As a multinational corporation, BD finds that this dialogue proves fundamental to our success and a critical component of how we apply shared value.

Our key stakeholder groups include:

- Customers
- Shareholders
- BD Associates
- Business Partners
- Communities Where We Have Operations
- Governments and Policymakers
- International Agencies
- NGOs

Throughout 2013 we engaged with each of these groups through a variety of methods:

Customers: In a fast-shifting environment, BD must understand what our customers value most if we are to develop products and services that meet their needs. We engage in dialogue through a variety of channels – from help lines to one-on-one conversations – and we incorporate customer feedback in the development of our offerings. Our customer focus helps us to provide innovative, compelling and relevant solutions to global healthcare needs.

Shareholders: Primarily, we engage with shareholders through in-person meetings and at conferences. We respond to surveys and questionnaires from socially responsible investment firms and include them in sessions on our sustainability reporting and strategy.

BD associates: We use a variety of internal communications approaches that encompass emails, newsletters, “lunch and learns,” face-to-face sessions, our intranet and town hall meetings held at the corporate and business levels to inform and seek feedback from associates about our strategy and performance. This year, we introduced new technology to [better engage them](#).

Business partners: Through our supply chain, we involve organizations to help advance our product stewardship and environmental performance, ensure compliance and assist in developing efficiency improvements that create business and societal value.

Communities: We recognize that many of the social and environmental issues we address are handled best by working closely with local communities. BD business leaders in our regions engage a variety of stakeholders to understand the health system priorities in their countries and align BD’s capabilities to them. This engagement and dialogue is central to improve wellness in these communities, which will make healthcare systems more sustainable.

Governments: Our Country General Managers and Public Policy teams meet with policymakers at the agency and legislative levels in many countries to understand their priorities and challenges. We then seek ways to deploy the company’s capabilities, products and inventiveness to help support and achieve national health objectives.

International Agencies: We routinely engage United Nations agencies such as the World Health Organization (WHO), UNICEF and the Joint United Nations Programme on HIV/AIDS (UNAIDS) as well as other international and intergovernmental organizations. This collaboration addresses pressing global health needs at a scale that is necessary to drive meaningful impact.

NGOs: We continue to engage with NGOs and relief organizations through in-person meetings, collaborative initiatives and site visits. They strengthen our ability to impact global health issues and improve how we serve those in need. We also engage environmental NGOs that work to increase sustainable healthcare practices.

2013 Stakeholder Session

In 2013 we sought feedback from external stakeholders on our sustainability reporting and performance. Five experts and others who help forge opinion participated, representing peers from leading companies, NGOs, social investment specialists and reporting standards organizations. These are their key findings and recommendations:

- Place BD's sustainability programs in context to a larger narrative that links social and environmental investments to business performance.
- Address critical information gaps, such as supply chain impacts.
- Set key performance indicators (KPIs) and metrics for social & governance issues.
- Report using charts and infographics, not just text.
- Expand the CEO letter.
- Highlight the critical role of local partners in employing BD's social and environmental strategies and achieving meaningful local impact.

We have sought to address these recommendations in our 2013 Sustainability Report, and we acknowledge that some KPIs and metrics aren't yet in place to report this year. We recognize the value of this stakeholder input and strive to take advantage of this greatly appreciated advice.

Public Policy Work

In the public policy arena, we work to understand the views of a broad spectrum of stakeholders that includes patients, healthcare professionals, trade organizations, NGOs and policymakers. We employ a collaborative, constructive and fact-based approach. We advocate using best-practice methods that improve public health, prevent disease and enhance the safety of patients and healthcare professionals. When engaging policymakers, we try to place medical technology within broader policy approaches that address leading healthcare issues faced by governments and society at large.

Among key public health issues, we have framed global public policy positions on:

- Preventing Sharps Injuries and Other Blood Exposures
- Preventing the Reuse of Single-Use Medical Devices
- Preventing and Controlling Healthcare-Associated Infections
- Preventing Cervical Cancer Through Early Detection
- Diagnosing and Controlling Tuberculosis
- Advancing the Safe Handling of Hazardous Drugs to Protect Healthcare Personnel
- Best Practice in Health Technology Assessment Programs
- Diabetes: Prevention, Diagnosis, Treatment and Self-Management
- The Safe Handling of Hazardous Drugs to Protect Healthcare Personnel

Our Public Policy position papers are available on request by writing to Public_Policy@bd.com.

In addition to those areas where we have developed BD Global Public Policy Positions, we engage in policy dialogue to advance regulatory and reimbursement frameworks that help to ensure the safety and efficacy of medical technologies while enabling timely patient access to them. We also promote sensible tax policies that enhance competitiveness and innovation, support policies and programs that advance biomedical research and seek to expand access to care for all people.

BD is a signatory of the AdvaMed Code, the Eucomed Code of Ethical Business Practice and other applicable codes of conduct from around the world. Our associates receive training in these Codes and the BD Code of Conduct, as well as applicable national and local laws that govern advocacy.

The BD Board of Directors annually reviews the company's public policy and advocacy activities.

Our Participation with Trade and Policy Development Organizations

BD participates in numerous trade associations that lend the medical technology industry's collective voice to issues affecting our industry. As a member, we advance collaborative and constructive approaches to industry engagement with policymakers and others to advance sound public policy.

In the U.S., AdvaMed and AdvaMedDx, the Healthcare Institute of New Jersey and the California Healthcare Institute are the major associations of which BD is a member. In Europe, it's MedTech Europe among other national medical device associations.

Political Contributions

Our corporate policy prohibits spending company assets for political purposes except with express authorization from the CEO and General Counsel. Contributions outside the U.S. also must be approved by the relevant country leader, country CFO and the BD Law Group.

Our general prohibition of the use of corporate funds for political purposes applies to candidate, political party, ballot measure, and referendum campaigns as well as to contributions to 527 U.S. tax-exempt organizations.

In the U.S., BD maintains a federal political action committee (PAC) funded by voluntary contributions from our associates. In 2013 our PAC donated \$72,000 to candidates for federal office. BD does not operate any PACs at the state level in the U.S.

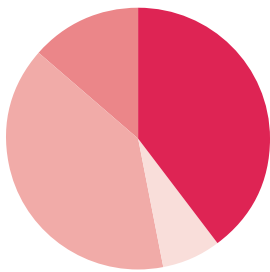
We apply our political contribution policies to the fees we pay trade associations in the U.S.

Meeting Unmet Health Needs

BD 2013 Performance Highlights

- Launched *BD Helping Build Healthy Communities™*, a \$5 million, four-year commitment to expand access and improve care for underserved and vulnerable populations in the U.S.
- Announced a commitment to develop, manufacture and launch the Odon Device, an innovative obstetrical instrument that assists newborn delivery during troublesome labor
- Inaugurated the first Center of Excellence in Phlebotomy in Mumbai, India
- Partnered with the U.S. President’s Emergency Plan for AIDS Relief (PEPFAR)
- Trained 7,000 health workers in 140 health facilities throughout Kenya in safe phlebotomy, also in collaboration with PEPFAR, and established a center of excellence for phlebotomy at the Kenya Medical Training Center
- Provided \$13 million in cash and in-kind donations

BD Social Investing: Total Giving FY13



- Cash Grants
\$5,193,120
- Matching Gifts
\$940,206
- Product Donations
\$5,146,606
- Value of Hours
(BD Volunteer Service Trip / Pro Bono/Board Service)
\$1,738,755

Total Giving: \$13,018,707

Embedded in BD’s culture is the application of our technologies, resources and people to help address the world’s most pressing health challenges. Our purpose, *Helping all people live healthy lives*, underlies everything we do – whether developing and delivering access to state-of-the-art medical technologies, addressing the root causes of disease or improving health outcomes for patients around the world.

Our Global Health initiatives, which focus on disease detection, prevention and treatment in countries with the highest prevalence of infectious and chronic disease, stand as the primary component of this commitment. We work across the public, private and nonprofit sectors and in close collaboration with international agencies, governments, foundations and nongovernment organizations. We also seek to align and deploy BD’s people, products and know-how around many of the world’s most fundamental unmet health needs, in areas such as HIV/AIDS, tuberculosis, diabetes and cancer. We help advance the skills and training of health workers and create access to vitally needed health products and services among patients throughout the world.

Our primary areas of impact in Global Health include:

- Fostering access to state-of-the-art medical technologies and services
- Increasing healthcare system capacity and improving quality of care
- Investing in new technologies
- Collaborating with public and private organizations

Our approach to Global Health is motivated by the company’s purpose and culture to achieve positive societal impact by serving the health needs of patients, regardless of their economic status. As an outcome of this approach, BD has established the company as a trusted partner in countries around the world. What began as an effort to align the company’s capabilities around the most pressing unmet health needs, particularly in sub-Saharan Africa, became a central component of BD’s strategic approach in the world’s most rapidly expanding healthcare markets in Asia, Latin America, the Middle East and Eastern Europe. This is reflected in the significant portion of the company’s global performance growth being derived from emerging markets.

In addition to BD’s commercial and social responsibility efforts that advance Global Health, we fulfill our purpose through strategic philanthropy. Every year, BD donates millions of dollars in cash and in-kind products and services to help nonprofit organizations serve patients in need throughout the world.

Our Approach to Collaboration

BD is privileged to collaborate with many of the world’s leading agencies and nonprofit organizations to address some of the world’s most fundamental unmet health needs. These collaborative activities fall broadly into three categories: strategic philanthropy, corporate social responsibility and shared value creation. While the methods vary across these categories, the initiatives we pursue are based on consistent goals. They include strengthening health and laboratory systems, supporting achievement of the Millennium Development Goals, increasing patient access to vitally needed medical and diagnostic products, increasing the pool of qualified health workers, protecting clinicians and patients from disease spread in the healthcare environment and reaching resource-limited and vulnerable patient populations.

These are some of the leading organizations with which BD engaged during 2013 in collaborative efforts to achieve these results:

American Red Cross	AmeriCares
Catholic Medical Mission Board	Heart to Heart
Project Hope	Direct Relief
U.S. Fund for Unicef	Joint Commission’s Center for Transforming Healthcare
Gheskio TB Hospital, Haiti	Accordia Global Health Foundation
U.S. Presiden’t Emergency Plan for AIDS Relief (PEPFAR)	U.S. Center for Disease Control and Prevention (CDC)
World Health Organization (WHO)	United Nations Children’s Fund (UNICEF)
GBC Health	U.S. Agency for International Development (USAID)
Bill and Melinda Gates Foundation	Stop TB Partnership
Clinton Health Access Initiative (CHAI)	African Society for Laboratory Medicine (ASLM)

In addition, several BD executives serve or have served in official leadership capacities in nonprofit organizations, such as board chair or board director, acting CEO, adviser and U.N. commissioner. In 2013 this service totaled \$467,775 and enabled nonprofits to function more efficiently and effectively. Frequently, BD leaders also are called upon as expert speakers or panelists at international congresses and forums involving global health, maternal and child health, infectious disease and health system strengthening. BD’s engagement in these official leadership capacities and forums reflect the depth and maturity of our competencies in cross-sector collaboration and the high level of external recognition for the knowledge and integrity of our leaders.

Increasing Access to Technologies

To help expand access to healthcare and medical technology to underserved populations, we seek out collaborations and opportunities to strengthen health systems and leverage product donations to communities in need.

These efforts span the globe. Examples include:

- Continuing our many years of work to help support HIV/AIDS prevention and treatment in sub-Saharan Africa, which has three-fourths of the world's HIV/AIDS burden
- Donating \$5.1 million of products to address a range of health challenges, such as diabetes, cervical cancer and immunization in the U.S., where more than 15 percent of the population lacks health insurance
- Working in collaboration with Direct Relief to provide diabetes care products such as insulin syringes, sharps containers and lancets to 150 diabetes camps across the United States. These camps provide a comforting environment where children can meet other young diabetics who face the same challenges and learn how to care for their diabetes
- Providing products to medical missions and for disaster relief and preparedness to those in need around the world

Alleviating Suffering in Emergency and Non-Emergency Settings

BD has a long tradition of providing product and cash donations to alleviate suffering from natural disasters. Moreover, we also work to ensure that key products are pre-positioned with our humanitarian partners so they can deploy needed BD product quickly to impacted areas.

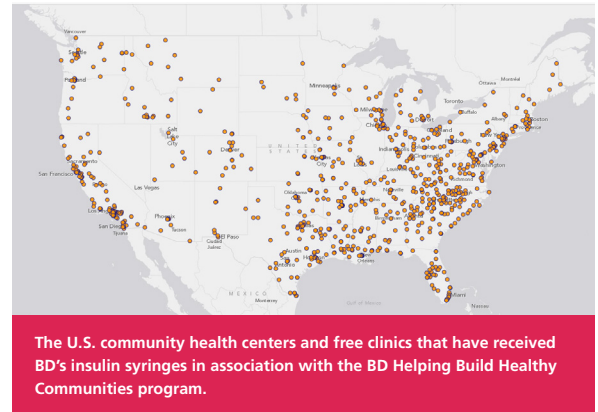
One example of these efforts is our ongoing product donations for Direct Relief's hurricane preparedness kits. These are distributed in the U.S. and other countries following a hurricane to provide basic medical supplies. For example, in 2013 Super Typhoon Haiyan struck the Philippines, where Direct Relief distributed hurricane preparedness kits with BD product to local clinics. In addition, we contributed an additional \$470,000 in cash and medical supplies working with the American Red Cross, AmeriCares, Direct Relief and the U.S. Fund for UNICEF. Our associates from around the world also made personal contributions to the relief effort, with \$38,000 in cash contributions to the U.S. Fund for UNICEF and the Philippines Red Cross. BD matched these associate donations.

Improving Care for Vulnerable U.S. Populations

Across the United States, millions of Americans lack access to high-quality healthcare. While the implementation of the Affordable Care Act is increasing access for many, 23 million Americans continue to rely on the country's network of community health centers for their care. These health centers operate on limited public funding and rely heavily on community support. Community health centers have a mandate not to turn away any patient for lack of insurance coverage or ability to pay.

To support the work of America's community health centers, in 2013 we launched *BD Helping Build Healthy Communities™*, a multiyear initiative funded by BD in collaboration with Direct Relief and the National Association of Community Health Centers. We are also working in partnership with the Clinton Health Matters Initiative (CHMI) on the program that was featured at CHMI's 2014 conference.

The four-year initiative, which includes a \$5 million cash and product commitment from BD, seeks to expand access and improve healthcare for underserved and vulnerable populations in the U.S. through an insulin-donation program and cash awards to fund innovative approaches to care in the community health center setting. The pilot year awarded innovation grants to clinics and community health centers that were implementing innovative models to address diabetes prevention and management and cervical cancer prevention. Future years will focus on HIV/AIDS and the co-morbidities often associated with diabetes and HIV.



Fighting HIV/AIDS and Tuberculosis from the Frontline

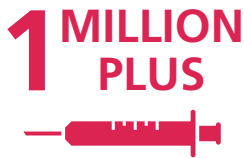
The impact of HIV/AIDS is far greater in developing regions where access to adequate healthcare can be a challenge for most of the population. This explains why HIV/AIDS is the leading disease burden in 21 countries concentrated in the four regions of Eastern and Southern Africa, Central Africa, the Caribbean and Southeast Asia. BD focuses many of its partnerships and programs for increasing access on these regions. In 2004 we signed an agreement with the William J. Clinton Foundation to expand accessibility of advanced CD4 cell-counting technology for immune system monitoring of people living with HIV/AIDS in Africa, Asia, Latin America and Eastern Europe and to provide deeply discounted pricing of nearly 75 percent. Since the program's launch, we have deployed over 5,400 CD4 analyzers to stage and monitor HIV/AIDS patients. To date, more than 70 million CD4 tests have been performed in developing regions, including over 15 million CD4 tests in 2013.

To address tuberculosis in developing regions – a highly contagious but treatable disease – BD collaborated with the Foundation for Innovative New Diagnostics (FIND) in 2004 to strengthen laboratory capabilities in diagnosing TB and providing BD liquid culture TB diagnostics at reduced prices. To date, over 1,760 BD *BACTEC™ MGIT™* instruments and associated reagents have been placed in high-burden TB countries. In 2013 BD impacted the diagnosis and management of patients in developing regions with over 5,000,000 samples analyzed on the BD BACTEC MGIT systems.

Women's Health and Cancer

With proper screening, cervical cancer is 70 percent preventable and nearly 100 percent treatable. In Peru, as in many emerging and developing countries, cervical cancer is the leading cause of death for women ages 15-64, reflecting a lack of access to screening, education and treatment. To address this challenge and to support an innovative model for prevention and treatment, BD is working with the CerviCusco Clinic in Cusco, Peru, to help address this critical health need. The collaboration leverages BD's women's health products and our expertise in cervical cancer testing by providing BD Surepath™ tests to screen up to 75,000 women for cervical cancer. Through 2013 the program screened 9,500 women. Of these, over 1,900 women were found to have abnormal results, including 16 cases of cancer. In the next phase of the collaboration, BD will send volunteers to the clinic to support the program's operations and expansion.

Vaccine Preventable Diseases



Auto-disable syringes
donated for flu
immunization campaigns in
Laos, Nicaragua and Uganda

While annual immunization against the influenza (flu) virus has become routine in the United States and Western Europe, no organized effort exists in most developing countries to immunize the population. And in countries with high prevalence of diseases such as HIV/AIDS, tuberculosis and malaria, there is heightened vulnerability to more severe consequences from influenza due to large populations with weakened immune systems. To assist countries in establishing national flu immunization campaigns, in 2013 BD donated over one million auto-disable immunization syringes, plus sharps containers and alcohol swabs to the CDC Foundation for flu immunization campaigns in Laos, Nicaragua and Uganda. In 2013 BD also started a collaboration with the CDC to test the potential deployment of the BD Veritor™ point-of-care influenza diagnostic system for flu surveillance in Kenya.

In addition to cash support for disaster relief efforts, BD's long-standing support of the American Red Cross enables the organization to immunize children against measles and rubella. To date, BD's support has helped enable the American Red Cross to vaccinate more than 1.2 billion children in over 80 countries. The result has been a 71 percent reduction in measles deaths worldwide.

Healthcare Worker and Patient Safety

The most fundamental foundation of any health system is its health workforce. To care for patients, doctors, nurses and other health workers must themselves stay healthy. Hospitals and clinics pose an inherently risky work environment due to the high percentage of patients with communicable diseases. Each health worker who is disabled or lost because of patient-to-caregiver disease transmission is a major loss to the health system. This is a particularly acute concern in resource-limited regions such as sub-Saharan Africa, which possesses 75 percent of the world's HIV/AIDS patients and 25 percent of the global disease burden, but only 3 percent of the world's health workforce.

BD engages on multiple fronts to help prevent health workers from being infected with disease at work. For over 25 years BD has taken a comprehensive approach to advancing healthcare worker safety. This includes the use of appropriate safety-engineered devices that reduce the risk of blood-borne pathogen transmission from occupational injuries. Starting in the U.S. in the late 1980s and expanding globally, BD has actively promoted healthcare worker safety. Our efforts include active engagement in policy-related initiatives in many countries. To date, the U.S., the European Union, Brazil, Russia, Taiwan and several provinces in Canada have enacted legislation or regulations to ensure that health facilities employ safety-engineered devices in place of conventional sharps devices wherever feasible. BD will continue advocating for transition to safety-engineered devices to ensure that all health workers worldwide have access to these devices.

Since 2007 BD also has collaborated with the International Council of Nurses (ICN) and PEPFAR specifically to address the health needs of clinicians in high-disease-burden countries. BD provides funding and expertise to establish Wellness Centers for Health Workers. These Centers provide a full range of testing, counseling and treatment services exclusively to nurses, doctors and other health workers and their families. Data from the first Wellness Center in Swaziland showed a major decline in nursing migration from the country once these health services became available. In 2014 the sixth Wellness Center will be established in Ethiopia. To date, BD and the ICN have supported establishment of Wellness Centers in Swaziland, Lesotho, Malawi, Zambia and Uganda.

Recently, BD saw its five-year collaboration with AmeriCares on health workforce safety reach a notable milestone at the Bugando Medical Centre in Tanzania. After the launch of a Health Workforce Safety Program there in 2009, with the goal of creating a Centre of Excellence in Health Workforce Safety, the hospital won recognition from the Ministry of Health and Social Welfare as the best hospital in the country for Infection and Prevention Control. External auditors gave Bugando a 91 percent compliance score in controlling infection and emphasizing prevention.

7,000

Health workers trained on safe phlebotomy, in 140 health facilities throughout Kenya, in collaboration with PEPFAR



Safer Blood Collection

Blood collection ranks among the riskiest procedures for healthcare workers, with potential injuries from needles posing a life-threatening infection hazard. Throughout the history of its global health initiative, BD has launched a variety of Safer Blood Collection training programs, working with partners such as PEPFAR, CDC and local government Ministries of Health to train healthcare workers in blood-drawing, specimen handling and safety measures. Most recently, through our Safe Phlebotomy Partnership with PEPFAR in Kenya, we trained 150 master trainers. They, in turn, have reached 7,000 health workers in 140 health facilities. In the sites where this training was provided, the partnership has recorded a decline in specimen quality errors from 9.25 percent to 0.25 percent.

In collaboration with CDC Kenya and the Ministry of Health, BD set up a center of excellence at the Kenya Medical Training Center. The center provides training to 80 percent of Kenyan healthcare workers. Now, for the first time, it has introduced a structured training in phlebotomy.

Center of Excellence in Phlebotomy

In countries with a high burden of disease, maintaining a robust and effective healthcare workforce proves a challenge. Injury risks associated with the job, along with lack of proper training opportunities and healthcare infrastructure, can make the profession less appealing. We understand the benefits that a qualified healthcare team can have on patient outcomes. Consequently, we sought to establish the first Center of Excellence in Phlebotomy in Mumbai, the largest city in a country that has seen disease rates run abnormally high from increasingly drug-resistant infections. The program comprises a two-day certification course that includes intensive training on fundamental principles of safe blood collection, specimen handling and reporting.

Additional Partnerships

We are engaged in a series of inspiring collaborative initiatives in countries that include India, China, Indonesia and Vietnam.

Together with the Indian National Accreditation Board of Hospitals (NABH), BD launched Safe-I to implement best practice in infection control in tier-two facilities around India. Nearly 50 facilities have registered for the program, which was initiated via cooperative BD/NABH town hall sessions. By year's end, facilities in Kerala, Punjab and Maharashtra had completed the rigorous process and achieved accreditation. The results have been significant decreases in infections and an increase in patient confidence in the newly accredited facilities.



In Indonesia BD is working in partnership with the American development agency USAID to help the country tackle Multi-Drug-Resistant Tuberculosis (MDR-TB). In Indonesia, approximately 64,000 people die each year from TB, with 2 percent of all new cases and 12 percent of re-treatment cases classified as MDR-TB. The effort is focused on strengthening bio-safety protocols, as well as on expanding liquid culture diagnostic capacity, which dramatically reduces the time required to diagnose the disease and begin treatment. This \$1.5 million program is focused on establishing capacity in 18 laboratories over a three-year period. By the end of the first year, 17 technicians in four labs had been trained. Next year's plan is to expand to an additional six labs and the remaining seven in 2015.

Volunteer Service Trip

For more than a century we have been collaborating with stakeholders around the world to help address some of the world's major health needs. The BD Volunteer Service Trip program is one way that the Company is leveraging our collective experience and expertise to address these needs. Moreover, the program provides an opportunity for associates to actively participate in these efforts and help advance the company purpose globally.

We believe that our Social Investing programs are most effective when we leverage both the company's cash and product resources as well as the skills and expertise of our associates.

When BD associates volunteer their time, good things happen. They not only make sustainable contributions to society, they also *benefit personally from the experience.*



[Click here to view infographic](#)

BD's Commitment to Haiti's Earthquake Victims

After Haiti's devastating earthquake in 2010, BD began planning for its fifth Volunteer Service Trip and Haiti was the logical choice. Working in partnership with [Heart to Heart International](#), a nonprofit humanitarian medical aid organization, to support earthquake-recovery efforts, both organizations designed a three-year program to leverage the medical expertise of BD associates with the in-country knowledge of Heart to Heart's staff that would "build back better" healthcare for Haitians in the remote Southeast region.

In 2013 BD sent 14 volunteers for three weeks to build on the progress of the two previous years. The volunteers trained lab technicians and healthcare workers, built infrastructure and treated patients at medical clinics in an ongoing effort to help move the healthcare system from survivability to sustainability.

The Odon Device

In 2013 BD embarked on a collaboration with the World Health Organization and Saving Lives at Birth: A Grand Challenge for Development. BD committed to develop, manufacture and launch the Odon device, an innovative new obstetrical instrument for assisting the delivery of newborns during circumstances of troublesome labor.



The WHO estimates that about 10 million women a year experience serious pregnancy and child birth-related medical complications such as bleeding, infection and trauma; 260,000 maternal deaths occurred in 2012 alone. Ninety-nine percent of these mortalities occur in developing countries. Roughly three million newborn babies die each year, and an additional 2.6 million are stillborn, in part due to complications from prolonged, troublesome second-stage labor during childbirth. When a mother or newborn dies during childbirth, it has a devastating impact on families and communities.

Problems associated with prolonged, troublesome labor don't just impact developing countries. Devices and tools presently used to extract newborns date back hundreds of years. These devices can cause known complications to both mother and newborn. In many countries, when mothers experience troublesome labor, a cesarean-section (C-section) procedure will be performed. This option is not available in many developing world settings that lack access to surgical facilities and skilled clinicians.

Invented by Jorge Odon, an automotive technician inspired by the concept of removing a lost cork from a wine bottle, the Odon Device specifically assists in the delivery of newborns during circumstances of prolonged second-stage labor. BD will utilize its core competencies in medical device design, quality systems, process design and manufacturing to develop the Odon Device and establish high-scale, low-cost production. These development activities will be accomplished at the Company's technology center in Singapore. BD will deploy the Odon Device through its global organization and offer affordable access pricing in developing countries. The device will initially be introduced in priority countries with a large burden of maternal mortality as determined by the WHO.

[Click for the full press release](#)

Looking Forward

Addressing unmet health needs globally – in industrialized, emerging and developing countries, and among all populations regardless of economic status – is a central tenet of BD's purpose and global strategy. We anticipate expanding the array of new innovations that address unmet health needs with particular focus on expanding access to diagnostic testing and enabling effective prevention and treatment of infectious and chronic diseases.

One area of focus is shared value creation. BD is an early practitioner and leader in shared value, which applies business models to address unmet societal needs. This strategic approach enables companies to create social value and business value simultaneously with no limit on the potential scale of impact. Working in conjunction with Michael Porter, Ph.D., of the Harvard Business School and FSG, a nonprofit consulting firm he co-founded, BD is the first company to establish an executive curriculum and workshop on shared value creation, under the auspices of BD University. BD's most senior leaders participated in this executive training, and the workshop is being rolled out globally within BD. The curriculum also is being shared with other companies and organizations to stimulate further expansion of private-sector efforts to achieve societal value creation.

In the other sections of our 2013 Sustainability Report, BD will illuminate how its approach to sustainability across our entire business and operations helps our company meet its core mission. This purpose is not exclusive to our efforts to strengthen labs and healthcare clinics or increase access to technologies. It also illustrates how we run our company, promote safety, protect the environment and treat our associates.

Primary Areas of Impact



Collaborating with public and private organizations



Fostering access to state-of-the-art medical technologies and services



Increasing healthcare system capacity and improving quality of care



Investing in new technologies

Accomplishments in 2013



1

MILLION +
auto-disable immunization syringes donated for flu immunization campaigns in Laos, Nicaragua and Uganda



1,760 BD BACTEC™ MGIT™ instruments and associated reagents deployed in high-burden TB countries

7,000

health workers trained on safe phlebotomy, in 140 health facilities throughout Kenya, in collaboration with PEPFAR



\$13 MILLION

provided in cash and in-kind donations



Inaugurated the first Center of Excellence in Phlebotomy in Mumbai, India

Launched BD Helping Build Healthy Communities,

a \$5 million, four-year commitment to expand access and improve care for underserved and vulnerable populations in the U.S.



Announced a commitment to develop and launch the Odon Device, an innovative new obstetrical instrument used to assist newborn delivery during troublesome labor

BD executives serve or have served in official leadership capacities in nonprofit organizations, such as board chair or board director, acting CEO, adviser and U.N. commissioner. In 2013, this service totaled

\$467,775



BD donated more than
\$5.1 MILLION
of products in 2013

These are some of the leading organizations BD engaged with during 2013 in collaborative efforts to achieve these results:

- American Red Cross
- AmeriCares
- Catholic Medical Mission Board
- Heart to Heart
- Project HOPE
- Direct Relief
- U.S. Fund for UNICEF
- Joint Commission's Center for Transforming Healthcare
- Gheskio TB Hospital, Haiti
- Accordia Global Health Foundation
- U.S. President's Emergency Plan for AIDS Relief (PEPFAR)
- U.S. Centers for Disease Control and Prevention (CDC)
- World Health Organization (WHO)
- United Nations Children's Fund (UNICEF)
- GBCHealth
- U.S. Agency for International Development (USAID)
- Bill and Melinda Gates Foundation

Ensuring Good Governance

BD 2013 Performance Highlights

- Reinforcement of Compass, BD's anti-corruption program
- Continued "Doing What is Right" compliance training in 2013

BD believes that to sustain growth and deliver shareholder value, we must conduct business ethically and in compliance with all applicable laws worldwide. Achieving this enables us to realize consistent financial performance. It also provides a solid basis from which to pursue our purpose of *Helping all people live healthy lives*. Our [Core Values](#) underpin this:

- We treat each other with respect
- We do what is right
- We always seek to improve
- We accept personal responsibility

We embed these values in what we do and they form the foundation for our sustainability program, serving as guideposts for the social and environmental work to which we commit.

Governance Principles

Since our founding in 1897, we have endeavored to follow the highest standards of business conduct. Our [Corporate Governance Principles](#) embody our commitment to this principle through good corporate governance and ethical practices and conduct. They describe how we hold ourselves accountable to our associates, shareholders and stakeholders.

The "Three Greats"

- Great performance for customers and shareholders
- Great contributions to society
- Great place to work

Board Composition

The [Board of Directors](#) governs BD, and the 15 directors are appointed to serve on four operating committees that oversee:

- Audit
- Compensation and Benefits
- Corporate Governance and Nominating
- Science, Marketing, Innovation and Technology

At year-end 2013, all but one of the 15 directors were independent. The board included three women and two African Americans.

Executive Compensation

BD's compensation program supports our business strategies to deliver superior, long-term shareholder returns. BD's Compensation and Benefits Committee has adopted several compensation principles to meet this objective:

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

Sustainability Governance

The Management Committee oversees BD's sustainability program, maintaining a dialogue with our stakeholders, businesses and associates about issues relevant to each group. The Board, or through its committees, oversees several sustainability-related issues:

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

In addition, the Corporate Governance and Nominating Committee oversees matters that involve BD's image and reputation and our standing as a good corporate citizen.

Ethics and Compliance

BD ensures that business practices, including our social and environmental efforts, adhere to the highest ethical standards. A number of policies and programs guide associates and help ensure that BD sustains its excellent reputation.

Code of Conduct

BD's [Code of Conduct](#) provides the framework for the expected ethical behavior and conduct of every associate. These are the Code's key elements:

- The Basics (BD Core Value, Expectations of Associates and People Managers and Voicing Questions and Concerns)
- Conflicts of Interest
- Integrity within the Company
- Integrity in Dealing with Others

The Code is available in 17 languages, with Urdu the most recent addition.

Interactions with HealthCare Professionals

BD complies with all applicable laws, regulations and industry codes that govern the interactions of medical technology companies and healthcare professionals in the many countries in which BD does business. To help ensure compliance, BD has adopted various industry codes, including the [Advanced Medical Technology Association \(AdvaMed\) Code of Ethics](#) in the U.S. and the [Eucomed Europe Code of Ethical Business Practice in the E.U.](#) Our BD Rx associates in the U.S. also abide by the [PhRMA Code on Interactions with Healthcare Professionals](#). Applicable codes, as well as corresponding FAQs, are available to associates through BD's intranet.

Training

When hired, BD associates receive required training related to our Code of Conduct, called "Doing What is Right" compliance training, including an annual Code of Conduct course and other compliance courses depending upon job function and location. The training reinforces BD's expectation that associates should raise concerns, ask questions and seek guidance. Associates are required annually to review and reaffirm the Code.

BD encourages associates to report any potential ethical or compliance concerns through a 24/7 BD Ethics Helpline or to management. In 2013 associates reported more than 250 ethics questions and concerns worldwide. BD investigates all reports and takes appropriate action.

298,979

Course units of "Doing What is Right" Code of Conduct training completed since its launch in 2006

"Doing What is Right"

Covering a multitude of business ethics, compliance and other related topics, the annual "Doing What is Right" ethics and compliance training became annual in May 2013. This training involves a Code of Conduct course, assigned to our roughly 30,000 associates worldwide, and includes a certification. The Code course is translated into 14 languages. In addition to this training, courses in Protecting the Company Through Technology, Global Competition, and Privacy and Data Protection for Global Companies also were released. BD Rx associates also completed a PhRMA Code course. Associates have completed 298,979 course units of "Doing What is Right" since its launch in 2006.

1,174

Distributors that participated in BD training programs in FY'2013

COMPASS Drives Distributor Meetings

Compass, BD's anti-corruption program, focuses on the ethics and procedures that ensure compliance everywhere we operate. It delivers tools and processes more efficiently and enhances third-party, due-diligence activities, new policy standards and scenario-based training. The Compass program assists BD to "win business the right way."



Photo taken at the 2013 Middle East Distributor Meeting

In addition to associate training, BD meets with distributors worldwide on a variety of training topics. These sessions combine required anti-corruption training with information about our overall strategy, progress updates for each business segment and new products. We also communicate with each of our distributors to better understand their needs and topics for future gatherings. For example, distributor meetings in 2013 occurred in several BD locations, including the Middle East and South Africa. A meeting in Johannesburg drew 32 distributors from 18 companies and nine countries to receive Compass anti-corruption training. The distributors also participated in demonstrations of new BD products and services. In FY 2013, 1,174 distributors participated in BD training programs.

Sustainable Procurement

BD's *Expectations for Suppliers* (EFS) is BD's code of conduct designed specifically for our thousands of suppliers. We review and update the document as needed, enhancing it with input from external stakeholders, associates and suppliers across the globe. We expect all suppliers to review the expectations and act accordingly.

As part of a 2013 pilot program to verify compliance with these expectations, BD conducted on-site sustainability audits at two facilities in China and Thailand with a third-party corporate social responsibility (CSR) auditor. Throughout the process, involving local, independent auditors allowed for familiarity of the customs and culture of the audited suppliers. The relationship manager from BD Global Procurement also helped maintain a positive and continuous-improvement relationship. Subsequently, we gathered insights on the practicalities of auditing for inclusion in our *Expectations for Suppliers Guide* (EFS). The pilot program will include a follow-up audit to check progress on corrective actions, as well as at least three more supplier audits in FY14.

Conflict Minerals

BD uses minerals such as tantalum, tungsten, tin and gold in components of some products. Historically, some of these minerals have been mined in the eastern provinces of the [Democratic Republic of the Congo](#) during conditions of armed conflict and human rights abuses. As a result, they are referred to frequently as “conflict minerals.” At the beginning of 2013 we formed a cross-functional team to ensure full compliance with existing regulation and maximum transparency on the four covered minerals.

As Conflict Mineral Program lead Windy Aphayrath explains, “We have a responsibility to our customers, to the patients who use our instruments and devices and, because we are a global company, to society as a whole. When it comes down to it, we need to be aware of what is going on in the world around us and being aware will help us make an impact, do the right thing and make positive change in the world.”

BD believes it has made notable progress. For example, by the end of 2013 the team made a significant impact on educating our supply base around the U.S. Conflict Minerals Rule and our compliance program. It contacted suppliers representing an estimated 99 percent of our direct material outlays. This helps create the knowledge, basis for action and transparency needed.

Human Rights

Our human rights policy outlines our commitment to protecting the rights of individuals affected by our business. In all of our operations:

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

An excerpt of our human rights policy can be found in our [Code of Conduct](#).

Looking Forward

Although a strong commitment to ethics lies at the heart of BD’s decisions and actions, we consider ways each year to improve our training, programs and processes. In 2014 we will continue working with our distributors and suppliers to engage them through annual meetings and other external trainings and audits. Our long-term sustainability depends on an unwavering commitment to the highest ethical standards .

Our Core Values



We treat each other with respect



We do what is right



We always seek to improve



We accept personal responsibility

The Three Greats



Accomplishments



298,979

course units of "Doing What is Right" Code of Conduct training have been completed since its launch in 2006.

1,174

distributors participated in BD training programs in FY 2013.



BD's code of conduct is available in **17 languages.**



32 distributors from **18** companies attended the South African Distributor Partners Meeting in Johannesburg, South Africa. Nine countries were represented in total.

Safeguarding Product Safety & Performance

BD 2013 Performance Highlights

- Launched BD Rx Inc.'s BD Simplist line of prefilled injectables
- Expanded the College of American Pathologists (CAP) partnership in China and India
- Acquired Cato Software Solutions
- Introduced BD Innovation System to support new solutions for growth

With the health and safety of millions of people in our hands each day, we realize the importance of providing high-quality products and our responsibility to the environment in which they are used. We work to improve social and environmental outcomes across the entire life cycle, from development to disposal. BD's strategy for healthcare worker and patient safety contributes greatly to our overall growth.

In 2013 we continued to expand our expertise in patient and healthcare safety with the launch of new products such as BD Simplist™ prefilled injectables that help clinicians increase accuracy during the injection sequence. This expansion also encompassed our strategic acquisitions, such as Cato Software Solutions, which supports streamlined workflow and increased accuracy in hospital pharmacies.

Further, we contribute our expertise toward new alliances and partnerships with organizations such as the College of American Pathologists that lead to further advances in laboratory quality for improved patient outcomes in China and India. The BD Innovation System underlies these activities, challenging us to extend our knowledge and experience in areas beyond our core. By focusing relentlessly on product safety and quality management, we earn and maintain the trust of our healthcare partners, propel growth and generate added value for our business and society.

Regulatory Affairs and Quality

As we strive to improve healthcare around the world, our Regulatory Affairs and Compliance program ensures that our products meet or exceed the highest standards. Regulatory Affairs closely monitors and handles all regulation and compliance issues, dealing directly with the U.S. Food and Drug Administration (FDA), as well as health-and-safety authorities outside the U.S. to ensure that our quality systems, product performance and promotional materials meet global regulatory standards. Our Quality and Regulatory teams work internally to make certain that our departments follow the required regulatory procedures.

Strategic Global Regulatory Plan Update

2013 was the third and final year for implementation of a strategic global regulatory plan. It comprised three pillars:

- 1) Facilitate timely worldwide product launches by shortening regulatory document preparation and review times.
- 2) Increase engagement of our global regulatory leaders with government regulators on pre-submission meetings and for discussions on regulatory science.
- 3) Foster effective compliance programs and a culture of regulatory compliance.

Over the strategic plan period, the BD Regulatory Affairs team decreased time to market by employing electronic systems for international regulatory planning and making regulatory documents readily available to our Global Regulatory Associates for use in their government submissions. BD regulatory leaders in all regions engage in meaningful dialogue with their regulators and trade associations to seek further improvements in regulatory requirements and processes. This allows BD to improve regulatory review times and decrease time to market. In addition, during this period BD regulatory leaders continued to maintain our history of strong compliance with regulatory requirements and voluntary ethics codes in the design, labeling, manufacturing, marketing and advertisement of our products.

Quality Management Systems and Training

In 2013 we made substantial progress implementing our five-year Quality Management strategy introduced in 2011. We are standardizing and unifying the Quality Management systems that provide oversight into our product design, manufacturing and distribution processes. Consolidating and streamlining these systems enables us to be more transparent and dynamic as we continue to increase efficiency, improve quality standards and coordinate proactively with regulatory agencies. These activities further position us as a responsible partner to our various stakeholder groups. In 2013 we made progress on this strategy in these ways:

"My rule has always been to put quality first. If we don't have a quality product, process or system, we won't have a happy customer. I always put quality and the customer first."

- Pierre Boisier, Senior Vice President
Quality Management

- Thirty-two of our 50 manufacturing sites now use the new BD calibration software, which helps create a single enterprise-wide calibration process and enhances our compliance. It delivers more accurate and precise data collection. We saved \$150,000 in costs across six BD sites in North Carolina where we began our regional Centers of Excellence (COEs), and we intend to continue rolling out the software in the coming year.
- We harmonized our risk-management policy, allowing us to apply consistent risk-management practices.
- We synchronized our procedure for validating processes and rolled it out across our operations globally.
- Our major U.S. distribution centers (Hub-1) now fall under the umbrella of BD Corporate function ISO13485 certification, a rigorous and comprehensive set of quality management-system requirements for designing and manufacturing medical devices.

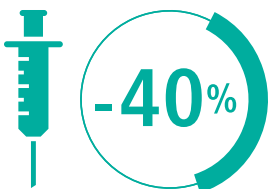
- We combined 30 separate processes that apply to corrective and preventive action into a single procedure and standardized it across the enterprise. We also devised a software tool to support the process globally. This allows associates to identify similar quality issues across the network, catch potential issues and resolve them collaboratively. In addition, BD can communicate quality-control results quickly and comprehensively to the FDA and other regulatory agencies.
- We started a multiyear journey of handling complaints at the global level and expect to deploy a single software worldwide by 2016. We consider it critical to capture customer complaints and feedback on our products and marketing. This information helps improve our products and further strengthens our customer relationships.
- We released 13 instructor-led training modules, seven e-learning and 10 external quality videos through our Quality Academy, which associates can access via our intranet. Quality Academy serves as a platform where we develop, share and deploy quality regulation and medical device directives virtually.
- We created a central training repository in 2013 that encourages local sites to share best practices across the enterprise by posting content on specific activities or programs.

We are on track to complete implementation of BD’s five-year Quality Management strategy. The unified quality-and-compliance management system will help us proactively track and mine for valuable data by 2016. This will speed responses to stakeholder and customer inquiries and improve their accuracy. Increased visibility and traceability also will benefit our internal teams by catching errors sooner, using our shared expertise to find solutions and sharing that knowledge across our expansive network.

Advancing Product Safety Solutions

A product is only effective if it is used properly and safely by healthcare professionals, or patients who administer it themselves. In 2013 we introduced several new products and solutions that help create better, more efficient and safer healthcare processes, including:

- Launching BD Rx Inc. and the BD Simplist line of pre-filled injectables
- Offering solutions through the BD Cato™ system
- Partnering with College of American Pathologists in China and India



BD Simplist™ reduces steps for injections from 20 to 12 (or by 40%)

Launch of *BD Rx Inc.*'s BD Simplist line of prefilled injectables

In 2013 BD took an important step into the pharmaceutical industry with the introduction of BD Simplist, a line of ready-to-administer, prefilled injectables that improve patient care and safety by decreasing the number of steps in the traditional vial- and-syringe injection sequence.

Clinicians perform up to 20 steps in a traditional sequence, which creates the potential for medication error. BD Simplist prefilled injectables reduce the injection sequence to a dozen steps, improving efficiency and accuracy.

Offering Solutions Through the BD Cato System

In 2013 BD acquired Cato Software Solutions, a suite of comprehensive medication-safety solutions for pharmacies' preparation of intravenous medication, physician therapy planning and nurse bedside documentation. The rebranded BD Cato system creates and shares data to help reduce human error, standardize practice, streamline workflow and increase efficiency from medication preparation to delivery, in both pharmacy and clinical drug-delivery settings.

Medication errors are a top concern for healthcare providers today, and the BD Cato system prevents potential medication errors and controls costs by:

- Detecting wrong dose/drug errors in real time
- Managing drug remnants to control drug waste
- Introducing best practices and standardizing pharmacy workflow
- Providing automated documentation

College of American Pathologists Partnership in China and India

BD Diagnostics partnered with the College of American Pathologists, the world leader in laboratory quality assurance and improvement, to launch a strategic alliance that advances laboratory quality in China and India. As emerging markets around the world enhance their focus on healthcare, BD helps patients and healthcare professionals achieve higher quality across the entire spectrum of care.

Laboratories play a critical role in diagnosing and treating disease for the more than 2.5 billion people who live in China and India. Together, BD and the College of American Pathologists are furnishing education to improve awareness of global practice standards and training. This helps laboratories achieve their quality-improvement goals and, ultimately, improve health and save lives.

Product Life Cycle

We strive to reduce the resource intensity and environmental impact of our products, while concurrently making sure that quality and performance remain high. Establishing transparency throughout the product lifecycle provides the key to making ongoing improvements. Our Product Stewardship team made impressive strides in 2013, building a global system to capture, store and retrieve material chemical-composition information. The new system supports our dangerous-goods management, report generation, compliance monitoring and, where applicable, analysis capability. This global solution tracks substances, such as materials of concern (MOCs), and their volume in BD products. It also lets us monitor and ensure compliance across various global environmental regulations, drive MOC elimination programs and respond to the growing number of customer requests for information on the presence or absence of specific chemicals in our product portfolio.

Chemical Review Board

The implications of a changing landscape around Materials of Concern (MOCs)* among our customers, regulatory bodies and advocacy groups continue to increase for BD. To identify and address the changes that most directly affect our product portfolios, we established a Chemical Review Board. This group, chaired by BD's Director of Global Product Stewardship, interprets how the company should anticipate and respond to new MOCs and manages the guidance and tools provided to each business. We can now gather broader and more efficient feedback from across our business and are able to be respond more proactively to external stakeholders, industry associations and customers. Through this collaboration, we also can provide consistent answers when responding to our stakeholders about MOCs.

The group's key responsibilities include:

- Monitoring new MOCs being listed by regulators, interpreting their relevance to BD's product portfolio and determining the level of participation needed in the consultation process
- Acting as a liaison within their business or function to raise MOC-related issues with leadership
- Assessing and providing guidance on potential alternative materials
- Enabling the sharing of best practices on new materials and leveraging our expertise on various subjects across our businesses

* BD defines MOCs as chemicals or substances that stakeholders, such as customers, healthcare purchasing organizations and regulators, have identified as having the potential to cause long-term or chronic indirect effects on humans or the environment.



1,793

Tons of waste will be avoided from landfill as a result of BD PosiFlush shelf pack change from plastic to carton

As part of our efforts to reduce the environmental footprint of our products, we focus on packaging improvements. For example, in 2013 we changed packaging material for the [BD PosiFlush™ Saline Syringe](#) shelf pack from plastic to carton. This change:

- Decreases the potential for landfill waste by 1,793 tons annually
- Uses a new packaging material derived from 100 percent recycled content



Mirroring our focus on addressing chemicals of concern, our BD Diagnostics - Preanalytical Systems business removed Di(2-ethylhexyl)phthalate (DEHP) from the formulation of rubber stoppers in our BD Vacutainer® blood-collection tubes.

BD also works closely with suppliers across the supply chain to reduce waste. These examples illustrate how we worked with suppliers to make improvements with environmental benefits, in 2013:

- Flextronics, an equipment manufacturer, supports BD in manufacturing and shipping 17- and 19-gallon sharps containers to our distribution centers. BD worked with Flextronics to ship the sharps containers in a three-layer pallet configuration to three of our North American distribution centers.

The change will reduce the number of trailer loads required to ship these products by more than 100. In addition, we will realize more than \$2,500 of transportation savings per trailer load and reduce our diesel fuel consumption by 45,200 gallons per year, avoiding 125 metric tons of CO2 emissions annually.

- Henkel is the global supplier for RTV silicone, which is used in a finished product for global testing of tuberculosis. Previously purchased in cartridges, the RTV silicon now comes in a foil pouch and a reusable pail, allowing us to reduce landfill waste, warehouse space and cost. This new system also improves the safety of our associates by reducing the potential for repetitive motion injury because they no longer have to manually evacuate the cartridges. Henkel earned recognition in 2013 by BD's Supplier Recognition Program award under the sustainability category for this [achievement](#).



Value created through sustainable procurement programs

Sustainable Supply Chain

In 2013 BD created a model to assess our supply base for the risk of gaps in social, environmental, ethical or governance structures. By applying this approach across our entire supply chain, we are able to identify high-risk suppliers where verification of their compliance to our [Expectations for Suppliers](#) (EFS) Guide through an audit is necessary to mitigate the risk.

We also have made progress on our sustainable procurement formulae, which allow Procurement associates to incorporate the value of sustainability into sourcing decisions. Because these formulae supply Procurement associates with the information necessary to make sustainable sourcing decisions they are focusing more on sustainable procurement. In 2013 more than \$8 million of value was created through sustainable procurement programs.

Supplier Diversity Program

In 1992 BD introduced the BD Supplier Diversity Program to ensure we source materials, supplies and services from small businesses across the company's operations in the U.S. and Puerto Rico.

We remain steadfast in our efforts to increase the number of our diverse suppliers, and we are proud of their success. Our largest minority- and women-owned business supplier, Agile1, was a second-time award winner in 2013 as part of Global Procurement's Supplier Recognition program.

Since becoming a BD supplier in 2011, Agile1 has managed over 1,400 workers across BD sites located in the U.S. and Puerto Rico in areas including general staffing, temporary staffing program management, talent acquisition services and recruiting process outsourcing. Agile1's solutions have helped reduce BD's contingent labor cost by nearly \$6 million annually.

Agile1's founder and CEO, Janice Bryant Howroyd, is recognized nationally as a leader in the African American and women-in-business communities. As the largest minority- and women-owned business in the U.S., with annual revenues exceeding \$2 billion, Agile1 has a policy of supporting other minority- and women-owned businesses. Through its "Mentor-Protégé Program," Agile1 provides opportunities for numerous small and traditionally disadvantaged suppliers that otherwise may have difficulty staffing for large corporations. The program provides these suppliers with an equal opportunity to participate in major contracts without having to invest in the resources or technology normally required for a relationship with large, decentralized companies.

"Our mission is to select and manage a supply base that minimizes its own and BD's environmental footprint and protects BD's reputation through corporate social responsibility. We make sure we are aligned with company core values while concurrently meeting all other business requirements. We have to be sustainable. Our core values are very important."

- Judy Panayos, Supplier Relation Management Leader

Working with Our Suppliers to Encourage Sustainability Solutions

As part of our BD Supplier Recognition Program, we added a sustainability category in 2012 to recognize those suppliers whose initiatives support our own goals. Criteria used to evaluate award entries in many categories include the supplier's efforts to reduce its carbon footprint and to increase its contribution to the local community and causes that benefit others. In 2013, BD received 12 supplier nominations for the sustainability category. More information on the sustainability aspects used to evaluate candidates may be found in [BD's Expectations for Suppliers](#) (EFS).

2013 Launch of BD Innovation System

The global healthcare ecosystem is evolving rapidly, and BD also must evolve to keep our products and solutions relevant and important to our customers and patients. With that in mind, we kicked off the BD Innovation System in 2013 to encourage and drive growth and new product development through innovative thinking and programs. This formalized, multiphase project provides a clear path for BD to cultivate innovations beyond our core. We start with our deep understanding of healthcare systems and patient needs and work to create solutions that deliver real value for our business, consumers and patients.

As an integral component of our overall corporate growth, BD's Innovation System searches for opportunities, encourages idea generation and taps innovations for the greatest possible impact.

The BD Innovation System embeds a fresh accountability structure, new behaviors and culture and a rigorous yet dynamic multistage innovation process built for speed, efficiency and fact-based decision making. In 2013 progress included:

- Establishing the collaboration process for all participating groups (Innovation Leads, BDX Innovation Council, Business Functions, Corporate Strategic Innovation Group)
- Founding a cross-company functional leadership change network (Step 5 Coalition) to drive system implementation and provide continuous improvement feedback
- Training 700 senior leaders in our Leading Growth and Innovation framework
- Defining a flexible, constructive challenge process aligned to project investment and risk
- Appointing Dr. Ellen Strahlman to the new position of Senior Vice President, Research and Development and Chief Medical Officer, a role with the enterprise accountability for driving the Innovation System for BD

“ There is a patient at the end of everything we do and the BD Innovation System is a holistic approach to addressing patient and healthcare system needs, taking on the challenges we face as a global healthcare company. We operate in a rapidly evolving global environment with many challenges to the delivery of healthcare and the conduct of biomedical research. Our Innovation System is designed to ensure that our products and programs remain valuable and relevant as the world changes, allowing us to leverage and shift resources to areas with the greatest potential for breakthroughs and contribution to the people who use them. ”

- Dr. Ellen Strahlman,
Senior Vice President, Research and Development and Chief
Medical Officer

Looking Forward

Our unwavering focus applies to improving product performance and safety. Our basic mission lies with developing innovations in technology, processes and training throughout the entire product life cycle. It also serves as a critical element of our competitive advantage. We intend to make further strides to ensure the highest level of performance and safety, coupled with, but never compromised by, minimal possible environmental impact. These are ongoing challenges. However, with a steadfast faith in our purpose, coupled with our highly motivated and talented staff, we will continue to provide our customers with the highest levels of quality and service.

Regulatory Affairs and Quality

307

BD holds 307 current US safety-related patents as of the end of 2013

334

334 quality systems assessments conducted for key suppliers in 2013

20

20 total quality compliance training modules available for BD associates



Protecting Patients and Healthcare Workers

BDSimplist™ reduces steps for injections from 20 to 12 (or by 40%)

Supplier Collaboration

Packaging changes to supplied materials from Henkel:



Reduced packaging waste by 94% through use of a new reusable pail



Decreased deliveries from 12 to 5 per year (eliminating 2,660 travel miles)



Reduced the time required to dispense the materials by 83 hours per year



Sustainable Packaging:

1,793 TONS

of waste will be avoided from landfill as a result of BD PosiFlush™ shelf pack change from plastic to carton

16%



Supplier Diversity Program:

In 2013, increased spending on minority and women-owned businesses by 16% compared with 2012



Sustainable Procurement:

\$8 million of value was created through sustainable procurement programs

Protecting the Environment

BD 2013 Performance Highlights

- Achieved 80 percent of our 2015 sustainability targets ahead of schedule
- Helped grow wind energy production in Nebraska and secured a 20-year agreement to purchase renewable electricity credits for our Columbus and Holdrege, Nebraska, plants
- Inaugurated a “State of the Art” molding facility in San Agustin, Spain

As a global manufacturer and distributor of medical technology, BD recognizes the necessity of improving our operational efficiencies and reducing the environmental footprint of our products along our entire value chain. As resources grow scarcer worldwide, this is simply the right thing to do and it makes clear business sense. Below is a summary of our 2013 progress and the challenges we continue to address.

2015 Targets and Beyond

As of 2013, BD already has met or exceeded four of five Corporate Sustainability Targets.

2015 Sustainability Targets	Progress Against Targets (status FY 2013, from FY 2008 baseline)
Reduce energy consumption from operations by 30%	Reduced by 15%
Increase renewable energy by 25%*	Achieved 33% of total*
Reduce hazardous waste generation by 10%	Reduced by 48%
Reduce non-hazardous waste generation by 15%	Reduced by 15%
Reduce water consumption by 25%	Reduced by 29%

Progress against targets from FY 2008 baseline, restated in 2012. All performance data normalized to cost of goods sold with the exception of renewable energy, which is absolute.

** Total Energy (Renewables = 33% of Total Energy)*

By setting aggressive site and business-level goals and sharing best practices across the company, we have achieved 80 percent of our 2015 targets ahead of schedule. While we are pleased with this progress, we still have much more to do, particularly in reducing our energy consumption. Myriad factors affect performance, including growth of existing operations and the acquisition and divestiture of assets. From an environmental perspective, we consider our significant increase in renewable energy to be especially rewarding because it shrinks our overall greenhouse gas emissions.

We will continue to focus our efforts on meeting and exceeding our 2015 goals while aligning our business around a new set of goals to guide performance to 2020. We plan to set a greenhouse gas reduction target and new targets for water, waste and energy.

Environmental Management at BD: Office of Global Sustainability

Established in 2009, the Office of Global Sustainability, led by the Vice President of Sustainability, oversees product stewardship, environmental health and safety, sustainable operations and supply chain, stakeholder engagement and reporting.



The Steele Flats Wind Farm in Nebraska can generate 75 megawatts of electricity from its 44, 1.7- megawatt turbines.

Opening Nebraska for Wind Energy Production

Forty percent of the electricity that BD purchases in the U.S. is in Nebraska. To help us meet our renewable energy target, BD, working with the Nebraska Public Power District, has established a system to buy renewable wind energy from Nebraska wind farms for our plants in the state.

In 2013 we signed a 20-year agreement that meets our energy requirements and also provides us a hedge against rising electricity costs in the future. Not only did we increase our renewable energy portfolio, but we also created a model for others pursuing wind energy development in Nebraska, thereby providing a service to our neighbors and, in effect, the planet.

Steve Sichak, Senior Vice President, Integrated Supply Chain, notes, "Our collaboration is benefiting the community and the environment. Our commitment to renewable energy aligns well with our company values and also enhances our operational efficiency."

BD is also pursuing other renewable and alternative energy options. Globally, we seek appropriate wind, solar, co-generation, wood gasification, biomass, combined heat and power, renewable energy certificates and other avenues for ensuring the long-term sustainability of our power use.

Climate Change

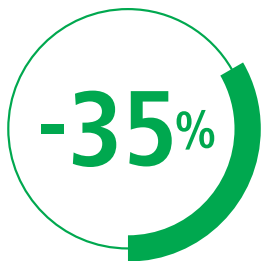
Climate change holds the potential to increase the spread of diseases and trigger extremes in temperature and precipitation with implications for global health. Strengthening health systems through new solutions aligns with BD's purpose, and we will continue to respond to emerging global concerns. BD commits to minimizing our contribution to climate change by reducing our greenhouse-gas emissions (GHG) through actively managing energy and water consumption, emissions and waste generation, and transportation efficiency. Finally, we acknowledge the importance of disclosure and believe disclosing greenhouse gas emissions encourages reduction. As a result, we have been a longtime responder to the Carbon Disclosure Project (CDP).

Tracking and Reducing the Impact of Business Travel

In 2013, we held a business travel supplier summit to address the issue of sustainable business travel. We are encouraging our suppliers to begin collecting and submitting their Scope 3 emissions data.

Ten of our travel suppliers attended and each shared their sustainability efforts. Afterward, American Express Business Travel, which manages nearly 90 percent of BD's spending on travel, provided us with our [Category 6 Business Travel carbon-emissions data](#). This includes emissions from global air travel, hotel stays as well as Northeast U.S. and European rail travel. Our expense-management tool, called Concur, recorded employee business travel by automobile, while Hertz provided global emissions from rental cars. Our two New Jersey-based ground transportation companies provided emissions per trip.

As a result, BD better understands and, subsequently, can manage our indirect emissions with the goal of minimizing our climate impact.



Absolute reduction in GHG emissions in FY'13, from 2008 baseline

Emissions

Through various measures, BD works continuously to reduce our emissions.

Greenhouse Gas Emissions: In 2013 we achieved a 35 percent absolute reduction in emissions, including our purchase of [renewable energy certificates, or RECs](#).

Ozone-depleting Substances: Hydrochlorofluorocarbons (HCFC) are used by BD in our process for lubricating needles. We have, however, developed an alternative lubricant that doesn't require HCFCs, and we're in the final stages of qualifying the alternate material and process. In the U.S. and Europe our operations are already HCFC free. We have also reduced significantly the amount of [HCFC141b](#) that we use in Latin America and Southeast Asia by improving processes and using on-site recycling methods. It is our aim to remove all HCFC 141b from our operations no later than 2020.

Volatile Organic Compounds/Hazardous Air Pollutants: We are employing new technologies to reduce the use of volatile organic compounds in manufacturing. We have substituted nonhazardous substances for a number of solvents, and we have eliminated several solvents in parts marking and printing operations. Further, we installed emission-control devices for a number of operations to reduce the volatile compounds and hazardous emissions from manufacturing and sterilization.

Waste

Our facilities generate both nonhazardous and hazardous waste. We're striving to reduce all waste to a minimum and substitute, when possible, nonhazardous materials for those that produce hazardous waste.

Non-hazardous: Plastic, glass, metal, paper, wood, media, assembled finished product and subassemblies.

Hazardous: Various chemical wastes, depending on the manufacturing operation.

Our efforts to minimize waste follow the hierarchy of reduce, reuse and recycle. Some examples from our operations around the world include:

- **Reduce:** In Bawal, India, a change in how Ethylene Oxide cylinders are disconnected is reducing Ethylene Glycol byproduct waste. This saves roughly \$2,700 a year and decreases the risk and time required to handle and store hazardous waste.
- **Reuse:** In Canaan, Connecticut, we rerouted rinse water from the syringe stopper wash process previously discharged to the sewer for use in flushing toilets. The project saves nearly 312,000 gallons a year, and plans are afoot to include additional bathroom facilities as part of the improvement project.
- **Recycle:** In Heidelberg, Germany, the past two decades, the BD team has collected polystyrene waste (Petri dishes) and sold it to a local Heidelberg company to be recycled into clothing hangers.

In BD's Juncos, Puerto Rico, location, 100 percent of wooden pallets, plastic and metal waste from manufacturing is recycled through local vendors

Logistics are a fundamental aspect of a sustainable supply chain. For the second year in a row, BD was ranked third by analyst firm Gartner in its annual [Healthcare Supply Chain Top 25](#)

Electronic Asset Program Plan

As a user and maker of electronic devices and instruments, BD complies with regulations that relate to proper disposal. Regulatory requirements that apply to electronic waste management continue to evolve globally. In 2013 BD launched an Electronic Asset Program to assist and streamline efforts to comply with worldwide electronic waste regulations, improve our environmental footprint, maximize value and protect BD's reputation. The program, expected to be in place globally by the end of 2015, centers on end-of-life management of BD-owned electronic assets.

Water

Water, so vital to our manufacturing processes, is a resource under increasing stress around the world. We use water for sanitation, sterilization, processing, cooling and manufacturing, and water conservation is an essential element of all our operations. We evaluate our water supplies, which helps us determine their availability and the impact of our operations locally and regionally. We also develop programs dedicated to identifying opportunities to reduce water consumption.

Reverse Osmosis in Mexico

At the BD Medical-Pharmaceutical Systems facility in Cuautitlan, Mexico, the products it produces require high-quality purified water. BD uses reverse osmosis and vapor distillation processes to achieve this level of purity. But, because the purity levels of the water required are extremely high, the production process often rejects a great deal of water. Facilities/ Maintenance Manager Cesar Bustamante and his team devised a simple, low-cost system that saves more than 7.4 million gallons a year – the equivalent of nearly three Olympic-sized pools. With a mere \$1,000 investment, the team rerouted the rejected water, which is still of an extremely high quality, to a reserve tank used for other purposes, such as hand-washing and toilet-flushing. This solution saves over \$36,000 a year and reduces BD's water footprint.



Percentage of US manufactured goods shipped by SmartWay carriers

Logistics

With operations and customers in more than 50 countries, BD understands how critical it is to deliver our products to the right place at the right time. Concurrently, transporting products over long distances requires energy. By maximizing load efficiency, favoring less energy-intensive forms of transport (such as train over truck) and working with suppliers to ensure the best timing and coordination, we deliver our products in a timely and responsible manner. This minimizes both the economic and environmental cost of transport.

Investing in the Future: BD's Supply Chain Development Program (SCDP)

It takes highly skilled managers to ensure efficient and increasingly sustainable logistics. BD searches for the best people and develops their leadership skills to achieve excellent performance in logistics. In the U.S., we work with [Rutgers University](#), [Pennsylvania State University](#) and [Rider University](#) to identify and hire top graduates interested in supply chains. Interns in the SCDP program spend six months in five rotations among departments.



Left to right: Larry Smith, vice president for global supply chain; Mary Groskin, supply chain development associate; Devin Maguire, supply chain project manager; Ewald Parolari, senior director for supply chain operations.

Participants follow the flow of a product as it moves through the supply chain – starting in customer service, then moving to distribution, transportation and either the master data area or the planning area. For each function, associates gain experience in transactional, day-to-day operations and systems, and also handle continuous-improvement projects.

“Many associates who complete the program eventually will be holding high-level management positions,” says Ewald Parolari, BD’s Senior Director for Supply Chain Operations. “They’re already better decision makers, and they understand the impact on customer service, or downstream on transportation. It’s no longer a silo – it’s more holistic business decision-making.”

BD PARTNER: Improving Transport Efficiency through Partnership

Sending out a truck half full is wasteful. But how do you increase loads when deliveries are so time-sensitive? During a 2011 review meeting, BD and the United Kingdom's National Health Service collaborated to realize efficiencies and cost savings in their supply chains. The BD PARTNER (Predictable & Reliable Transport Network Europe Region) initiative makes this possible.

Once an operational analysis, data review and pilot program were conducted, the real work to improve transport efficiency began in early 2013. The benefits:

- A collaborative supply chain approach that strengthened a relationship with one of our largest European accounts, a \$70 million-a-year organization serving England's health service.
- A "win-win" situation for both parties – an annual freight-cost reduction, improved shipment quality and sustainability outcome that realizes 20 percent fewer road miles annually.

BD 2013 Sustainability Impact Award



In 2012 the Office of Global Sustainability introduced the BD Annual Sustainability Impact Award to recognize a BD associate or team that made an outstanding contribution to advancing sustainability through our business.

The inaugural winner of this award, Jason Saft, Sustainability Programs Manager at BD Medical - Medical Surgical Systems, demonstrates passion for sustainability in his role. In addition to his role within BD's Signature Solutions Customer engagement group, Jason leads the BD Medical Surgical Systems ATLAS (Green) Team, which works to translate operational efficiencies and product improvements into the environmental savings that result. He engages closely with sustainability leaders at some of our most important hospital customers, and he understands their challenges as well as the expectations they have of suppliers such as BD.

 x 13

Number of BD LEED certified buildings worldwide

Facilities Achievements

We take pride in the places we work. As it relates to the environment, this means securing the highest performance standards. We pursue improvements continuously through our internal environmental management system – the Performance Verification Process. In addition, 12 BD locations hold ISO 14001 certification for environmental management systems.

As of 2013 we have 13 LEED-certified buildings in our portfolio, 23 sites have registered for the U.S. Environmental Protection Agency's Energy Star *Challenge for Industry* and nine sites have received the recognition, including our BD Medical facility in Suzhou, China.

Building Efficiency: BD Phaseal System Molding Project, San Agustin, Spain

In 2013 BD built a state-of-the-art molding addition at our facility in San Agustin. This manufacturing space covers 3,130m² – equivalent to more than seven basketball courts – and contains 15 new molding presses and support equipment.

Equipment selection and the design of the facility reflected proven energy-efficiency measures. The equipment included electric molding presses, high-efficiency mold heaters and controllers, and localized environmental controls (ISO 8.0 classified area) in product-processing areas.

Facilities design included energy-efficient HVAC, chilled water, material handling and lighting systems. We reduced the ISO 8.0 manufacturing area required to support operations by applying localized environmental controls on the equipment. This achieved the required level of quality with lower capital and operating cost.

As a result, San Agustin embedded all aspects of energy efficiency and total cost of ownership into the design of the equipment and facility. This type of project was a first at BD, delivering high-efficiency equipment selection and facility design. It also required a deep level of collaboration between several departments, including Manufacturing, Quality Assurance, Regulatory, Global Real Estate and Construction, Procurement, Molding Technology and the Office of Global Sustainability.

Savings included more than \$300,000 in upfront capital costs and an ongoing reduction of nearly \$120,000 a year from decreased resource use, made possible by lifecycle engineering. The project demonstrates how sustainability can be embedded in equipment and facility design while maintaining the highest product quality, improving productivity, and reducing capital and operating costs.

Making a Difference: Recognizing BD's Top Sustainability Performers

BD's success in improving environmental performance and meeting our 2015 goals is because of the dedication of individuals and teams that improve our operational efficiency and actively share best practices with BD sites worldwide. In 2013 BD recognized:

Doron Deutsch, Facilities/EHS Manager, BD Biosciences, Miami

Doron and the Miami Sustainability team identified a chance to reduce water consumption related to the site's Water for Injection system. This improvement decreased overall water consumption by 78 percent (7 million gallons), saving over \$127,000 annually.

Vanesa Martin Torres, Environmental Technician, BD Medical, San Agustin, Spain

Vanesa leads the BD Medical Surgical System ATLAS (Green) Team for Europe. Under Vanesa's leadership, our sites in Europe identify and execute projects that support BD's 2015 goals by fostering a highly effective collaborative environment. The team structure put in place by Vanesa is setting an example in best practice sharing for other regions.

Cesar Bustamante, Facilities/Maintenance Manager, BD Medical-Pharmaceutical, Cuautitlan, Mexico

Since 2008 the Cuautitlan Team led by Cesar has completed over 20 major projects that have yielded more than \$1.5 million in cost savings related to energy reduction.

Looking Forward

By reducing our environmental impact, we invest in the future. By shrinking waste, paring operational costs and improving overall efficiency, we enhance our competitiveness and improve the health of our planet. We look continually for ways to operate more efficiently, and we recognize that while some opportunities possess a longer payback period, they offer significant returns.

BD will continue its strong efforts to reduce our environmental footprint. We are taking a holistic perspective that considers long-term trends of rising resource costs and early investments to keep us ahead of the curve. We intend to focus on setting goals, measuring impacts and training and empowering our associates to keep progressing.

Sustainability Targets

2015 Sustainability Targets	Progress against Targets (status FY 2013, from FY 2008 baseline)
Reduce energy consumption from operations by 30%	Reduced by 15%
Increase renewable energy use to 25%	Achieved 33% of total
Reduce hazardous waste generation by 10%	Reduced by 48%
Reduce nonhazardous waste generation by 15%	Reduced by 15%
Reduce water consumption by 25%	Reduced by 29%

Buildings

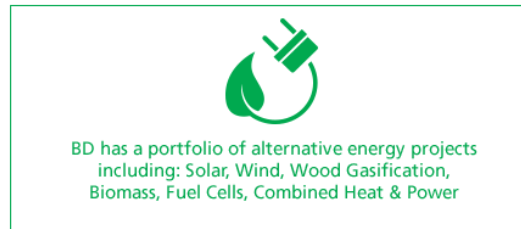
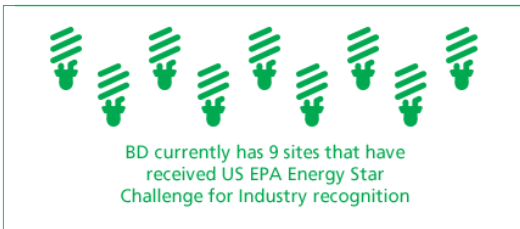
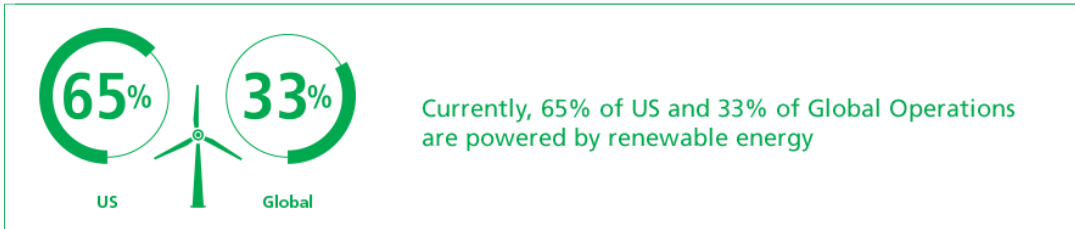


All new building projects costing more than \$1 Million must pursue LEED Certification



BD has 13 LEED Certified Buildings around the world and counting

Energy



Logistics



Waste



Making BD an Even Better Workplace

BD 2013 Performance Highlights

- Deployed the Serious Potential Outcome (SPO) tool to identify and mitigate potential workplace accidents
- Launched iConnect, a worldwide online mentoring, collaboration and knowledge-sharing tool
- Established the Women's Initiative Network (WIN) to create a best-in-class work environment that leverages gender diversity at all levels of our organizations
- Donated \$35,000 to 16 nonprofit organizations around the world as part of the annual Henry P. Becton Volunteer Impact Awards

Working at BD means having the opportunity to apply passion and expertise to address some of the world's greatest health challenges. Each of our nearly 30,000 associates across more than 50 countries commits to our purpose of *Helping all people live healthy lives*.

Our workplace enables associates to contribute both a business and societal impact. By showing associates how our work comes to life through Volunteer Service Trips, fostering continuous career development and maintaining very high health and safety standards in each of our facilities, BD strives to create a working environment that reflects our values and mission.

Environment, Health and Safety

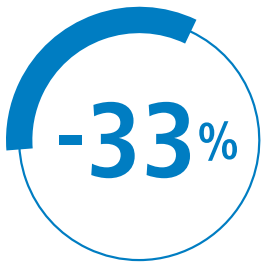
At BD, health and safety is a core value, not just a set of activities used in our offices and facilities. We work to integrate health and safety into everything we do so it is firmly engrained in our culture. We meet and often exceed industry and corporate standards and regulations through a combination of policies and guidelines, associate training on potential risks and deployment of Environment, Health and Safety (EHS) professionals at each manufacturing site.

This is reflected in our Safety and Environmental Policy, updated in 2012 and signed by our CEO. [Read the policy here.](#)

Over the past year, we progressed in developing and deploying best-practice EHS tools. Highlights include:

- **Serious Potential Outcome (SPO):** Developed in 2012 by a global EHS team, SPO is a proactive tracking program that identifies work tasks or conditions that possess a serious risk of injury. We track how many incidents meet these criteria and, with this data, we are developing more effective intervention approaches to prevent future incidents.

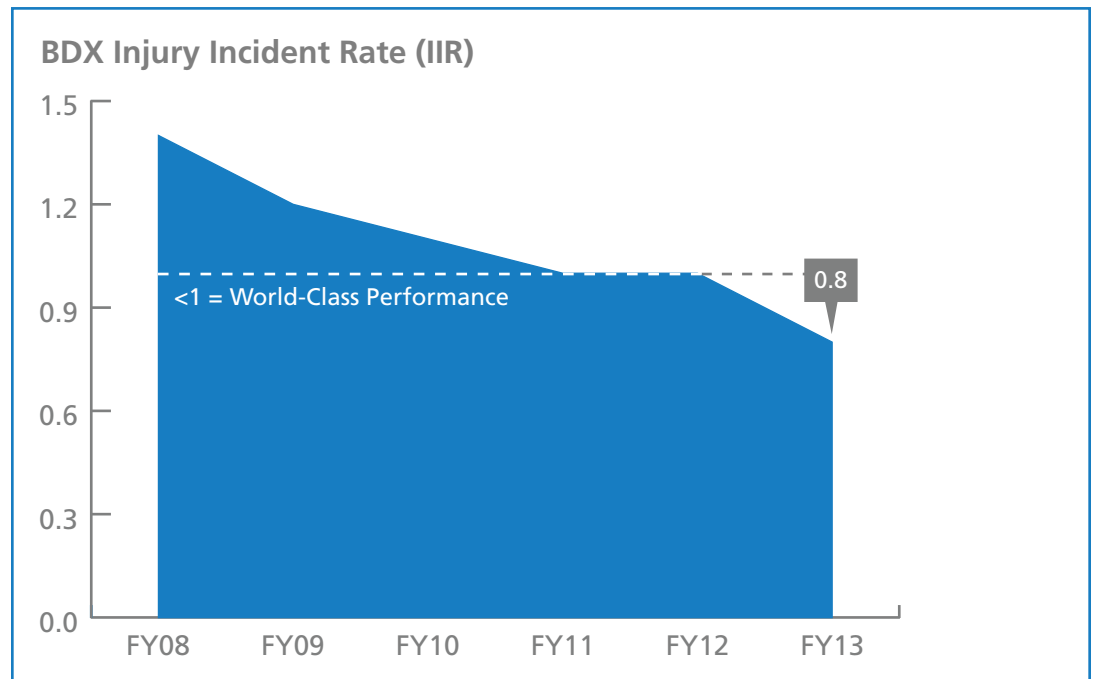
- Performance Verification Process (PVP):** In 2012 BD introduced PVP, a system that augments onsite EHS performance audits by enabling sites to advance initiatives independently. The process has fostered more collaboration at our sites among EHS and Facilities teams and also has helped to integrate EHS issues into the site's overall operations. Participants report that successful use of the PVP model requires significant resources. But their sites benefit from a more systematic and sustainable EHS program that results from the effort. Since being deployed at two North American manufacturing facilities (BD Medical in Canaan, Connecticut, and BD Biosciences in San Diego), three additional sites have gained recognition for achieving the first level of performance. They include BD facilities in Sandy, Utah; Sumter, South Carolina; and Research Triangle Park, North Carolina. Plans are afoot to continue the rollout of PVP to at least four additional sites in North American and Europe in 2014.
- Major Office EHS program:** A significant number of BD associates work in nonindustrial settings and have been underserved traditionally with comprehensive health-and-safety programs. To address this, we have formalized a major office EHS program. We have identified champions in these locations, developed a series of templates and training modules and introduced a streamlined approach to enhancing our EHS activities in these work locations.



Despite the increase in the size and scale of BD's operations, we have continued to decrease the IIR over the past decade by more than 33 percent

Since its inception, all BD "near miss," first aid and recordable incidents have been evaluated through the lens of SPO to identify potential trends. These data indicate a higher incidence of potentially serious events associated with pedestrian and vehicle interactions in the plants and unintentional contact with energy sources. Consequently, we are targeting interventions more carefully to increase their effectiveness.

Execution of these and other tools and engagement techniques has contributed to a significant reduction in our illness and injury rate over the last 10 years. In 2013 our injury and illness rate was 0.8 per 200,000 employee hours worked. Despite the increase in the size and scale of our business, we continue to reduce our injury and illness rate. Over the past decade, our Injury Incident Rate (IIR) has declined by more than 48 percent. Although many recognized authorities consider an incident rate of one or below to be of world-class performance for a multinational manufacturing company, and we are proud of this progress to date, BD still sees significant room for improvement.



Wellness

The health, safety and wellness of our associates contribute integrally to our sustainability performance. We believe that mitigating potential risks in the workplace and encouraging healthy lifestyle choices contribute to our associates' overall well-being and create the long-term conditions for a successful and profitable business. We know that *Helping all people live healthy lives* begins with our efforts to enable our associates to live healthier lives by integrating fully their wellness into the workplace.

We deploy our associate wellness efforts through an award-winning global program, BD Healthy Lives. It integrates wellness into everyday routines at work and home. Through this program, we seek to improve the overall health, well-being and productivity of our associates. The global program centers on the power of prevention by educating BD associates about:

- Conditions that may affect performance
- Healthy, nutritional alternatives
- Stress management
- Smoking cessation
- Chronic condition management
- Recognizing the benefits of physical activity

To encourage active participation, we provide various tools and programs in different countries. Some facilities offer on-site exercise classes and fitness centers, HIV awareness sessions, ergonomic workshops, biometric health screenings, health fairs, cafeterias with healthy food choice options, condition-management programs, weight-management programs and lifestyle coaching support. In 2013 we expanded health assessments from the U.S. and introduced them in Singapore, Canada and Mexico. We will expand the assessments in other countries to ensure maximum associate engagement.

Leadership Development

At BD, our Leadership Development strategy centers on accelerating the development of key talent at multiple levels. We're preparing this talent for future senior and global leadership roles. We have segmented our high-potential population of talent into General Management, Functional Leadership, Mid-Career Leaders and Early-Career Leaders. Programming has been designed and implemented to enable accelerated development through a combination of experiences, including:

- Assessment for Development (GM, Functional, Mid-Career)
- Development coaching and planning
- Career Planning
- Mentoring
- Visibility among, instruction/networking with BD leaders and executives
- WW Business and Regional Immersion (ECE)
- Strategic Action Learning projects on real BD business challenges and through technology enabled business simulations
- Instructor-led learning on topics including Professional Presentation Techniques, Executive Presence and Executive Dialogue

Performance Management

Our Performance Management Process (PMP), a comprehensive professional development, coaching and feedback program, enables associates to create annual development plans and impact goals to map their progress.

PMP includes a year-end review, a technology platform and a process for obtaining stakeholder input. The process places a strong emphasis on the quality of dialogue between manager and associate and demonstrates BD's commitment to coaching and performance management.

The PMP:

- Ensures that associates know what is expected of them
- Engages associates in ongoing performance and developmental coaching
- Provides associates with opportunities to grow and develop their capabilities
- Provides associates with a thoughtful performance review, including a written assessment, at least once a year.

BD University

1,832

Number of associates that participated in the 67 BD University programs offered in 2013

BD University (BDU), our flagship companywide learning system, furnishes associates with the opportunity to strengthen their skills and knowledge of our business, as well as relevant learning modules for career development. In 2013 BDU offered 67 programs counting a total of 1,832 participants. We also totaled nearly 3,000 active users of Harvard ManageMentor® – an online learning and support resource that offers learning modules on 44 topics faced by new and experienced managers – with which BD has an on-going collaboration. New this year is the implementation of iConnect (see box).

iConnect

In 2013 we launched iConnect, our newest learning program. The interactive online program provides associates with mentoring and access to collaboration and knowledge-sharing tools that promote maximum engagement and learning. The program, available to every associate, is offered in five languages. Since its launch in August 2013, we have held 10 collaborative learning groups and engaged more than 1,400 users from BD sites around the world.



303

Number of associates enrolled in leadership accelerator programs in 2013

Leadership Accelerator Programs

BD's Leadership Accelerator programs fast track development of high-potential talent at various levels of the organization. These programs enable selected, high-potential associates from all BD businesses, regions and functions – at the early-career, mid-career and general manager levels – to participate in a combination of assessment, mentoring and development experiences.

- **GM Accelerator:** Hastens development of top talent in preparation for senior-level leadership roles, such as general manager of a business, region or country, or leader of a worldwide function
- **Mid-Career Accelerator:** Develops candidates for leadership team roles within a worldwide business, region or function
- **Early-Career Experience:** Accelerates through a 24-month leadership experience the career development and networking of talented, early-career associates
- **Functional Leadership Accelerator:** This program, new this year, accelerates the development of leaders for senior-level global leadership roles within each of BD's functions.

At year-end 2013, 303 associates had participated in these leadership accelerator programs. Since the programs' inception, approximately 45 percent of associates in the initial three accelerated development programs have earned promotions or significant job expansions.

The Leadership Standard

BD leaders align with the company purpose: *Helping all people live healthy lives*. We believe our higher ambition to help achieve integrated health solutions for society distinguishes us from many other companies and makes leading at BD a special responsibility. In support of this purpose, a successful BD leader demonstrates a certain set of leadership capabilities.

In 2013 we introduced the BD Leadership Standard, a competency model that embodies what it means to be an effective and successful leader at BD.

"The world is changing and our business is responding. We need leaders who are able to adopt and develop new competencies to help them champion the innovation, geographic expansion and growth of our businesses around the globe. Our new Leadership Standard is designed to enable their ability to accomplish these important business objectives.

– Deb Wijnberg, Senior Director, Worldwide Leadership Development and Succession

Diversity and Inclusion

As a global company addressing unique health challenges in diverse communities, BD works to maintain a diverse and inclusive associate base that understands and reflects the many customers and cultures we serve. From our associates to our leadership team, we seek to be representative of all people and diversity paths – by tracking categories such as gender, race and country, as well as categories focused on career track and industry background. This is why we integrate fully our Diversity and Inclusion strategies.

Diversity is the mix; Inclusion is making the mix work.

Diversity refers to differences in culture, age, gender, language, national origin, race, physical ability, regional origin, religion, sexual orientation, function and other factors.

Inclusion is a sense of belonging: feeling respected, valued for who you are, as well as feeling a level of supportive energy and commitment from others so that you can do your best work.

We have set ambitious goals to increase the representation of women and people of color in our leadership population globally. In addition, we will continue to employ global mentoring and networking programs, promote continuous learning, and expand and facilitate development of associate resource groups.

To ensure this approach's effectiveness, we have adjusted the way we track metrics for diversity and inclusion by following hires, promotions, job openings, growth of business units, resignations and more – just as we would with a financial performance report.

Women's Initiative Network (WIN)

In 2013 BD established the Women's Initiative Network (WIN), an associate-led initiative to drive activities that support our goal to build greater gender diversity at all levels of our organization. This global, dedicated and focused resource seeks to prepare women with the skills, knowledge and experience to help advance their careers.

McKinsey & Company's [Women Matter 2013](#) report revealed that an equal employment rate for women would close the shortage of 40 million highly skilled workers projected by 2030, and that companies with top-quartile representations of women on executive committees would perform significantly better than companies without women at the top. BD continues its commitment to diversity and inclusion in the workplace. For BD, ensuring opportunity for diverse associates is the right thing to do – and studies amplify that it is also good for business.

To support our three-year diversity goals, we are deploying WIN on a wider scale in 2014. We consider ours to be a robust program, thanks to the core team – our CEO Vince Forlenza and Group President Linda Tharby as Executive Sponsors – and sub-teams that coordinate leadership engagement, events, communication, professional development, and external relations.

Associate Engagement & Volunteerism

At BD, our associates aim to make a measurable and global impact against sickness and disease. Dedicating one's career to this mission attracts truly passionate people. We offer a variety of volunteer opportunities that empower our associates to carry their efforts well beyond the workplace.

Regional Volunteer Activities

- [Surfing for a Cure](#): A team of BD associates participated in the first Paddle for the Cure, hosted by The Puerto Rico Surfing Federation and Susan G. Komen Foundation, to raise money to support the fight against breast cancer in Puerto Rico
- [Singapore Children's Cancer Foundation](#): Sixty BD associates, including three women, from BD's Greater Asia region shaved their heads to raise awareness and funds for Singapore Children's Cancer Foundation
- [Tour de Cure](#): BD associates from Raleigh, North Carolina, participated in the American Diabetes Association Tour de Cure, raising \$14,470 in support of the organization's efforts to fight diabetes

Henry P. Becton Impact Awards

The Henry P. Becton Volunteer Impact Awards Program honors the late BD Director Henry P. Becton Sr.'s lifelong commitment to community and our legacy of community service. The program recognizes the outstanding philanthropic efforts of associates and retirees by making financial contributions in the winners' names to the organizations where they volunteer. For volunteer work performed in 2013, BD awarded \$35,000 in grants to 16 nonprofit organizations from four countries. These grants are in addition to the Company's nearly \$1 million in matching grants in 2013 for contributions from BD associates to qualified charitable organizations.

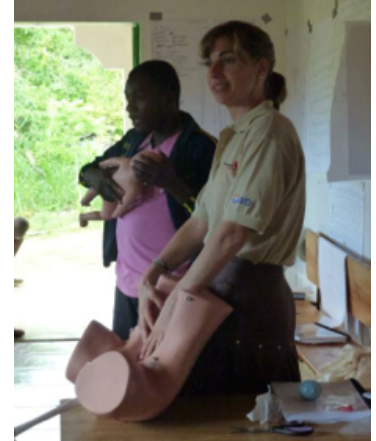
Recipients of the award were:

ORGANIZATION NAME	BD ASSOCIATE	BD LOCATION
Engineers Without Borders USA	Sarah Peterson	North Carolina
Mirno more, Verein für sozialpädagogische friedensprojekte	Tamara Penz	Austria
The Barretstown Camp Fund Ltd	Marzena Szwed-Kolinska	Poland
Carman Lay Foundation	Tricia Lay	Sparks, Maryland
Missoula Youth Football, Inc.	Michael Leary	Sparks, Maryland
Raider Robotix Parent & Mentor Association	Venkat Shan	Franklin Lakes, New Jersey
Youth Achievers' Committee	Nasir Uddin	Franklin Lakes, New Jersey
1p36 Deletion Support & Awareness	Karen Bess	Franklin Lakes, New Jersey
Parents Music Club of the Portsmouth Public School	Marc Vogt	Billerica, Massachusetts
Children's Aid Foundation of Halton	Catherine McArthur	Ontario, Canada
Evas Village	Cindy Smith	Franklin Lakes, New Jersey
Leukemia & Lymphoma Society – Massachusetts	Andrew Haglin	Billerica, Massachusetts
Leukemia & Lymphoma Society – New Jersey	David Mayell	Franklin Lakes, New Jersey
Song of Atlanta Show Chorus	Janice Goldbach	Retired
Stella Maris, Inc	Mary Doris Piasecki	Retired
Wellington Garden Club	Twig Morris	Retired

Associate Profile: Volunteer Service Trip to Haiti

Since becoming a maternal child nurse in Montreal, Vicky Ouimette has been passionate about helping others in need of care. Since 2010 she has been a Safety I.V. Specialist for BD in Quebec and also volunteered her time and skills to helping patients.

Vicky was among 13 BD volunteers from seven countries tapped for BD's annual Volunteer Service Trip program, which in 2013 was held in Haiti, the poorest country in the Western Hemisphere. Haiti has been particularly hard hit from both a catastrophic earthquake and hurricane in 2010 that left as many as 250,000 dead and one million homeless. These natural disasters were followed by a cholera outbreak that killed more than 450,000 people. Recovery has been slow and medical care in many parts of Haiti remains limited or nonexistent.



For three weeks, Vicky worked with community healthcare workers in Cascade Pichon, a remote mountain village in Southeast Haiti, training them in maternal and child health practices.

"The participants were so engaged and appreciative of the training," says Vicky. "They asked a lot of questions and were eager to learn new techniques with new tools. Families from the village also showed an eagerness to come to the health center while we were there."

A major challenge for Vicky and her fellow BD associate trainers involved addressing feelings of guilt by healthcare workers that they didn't possess the assets or expertise to provide effective treatments. "Easing that sense of blame was very rewarding, and the visual tools and the facts we shared all helped," she explains.

To measure the program's effectiveness, local healthcare participants filled out assessments before and after each week-long training session. All groups displayed improved knowledge in maternal and child health treatment. For a community seven hours from the nearest major city or hospital, this training provided by BD associates like Vicky can prove to be the difference between life and death.

"BD stands by its purpose of *Helping all people live health lives*," concludes Vicky. "To live by that charge, you must extend healthcare to those who can't access or afford it. With its Volunteer Service Trip, BD is doing just that."

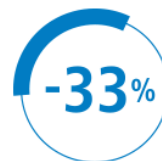
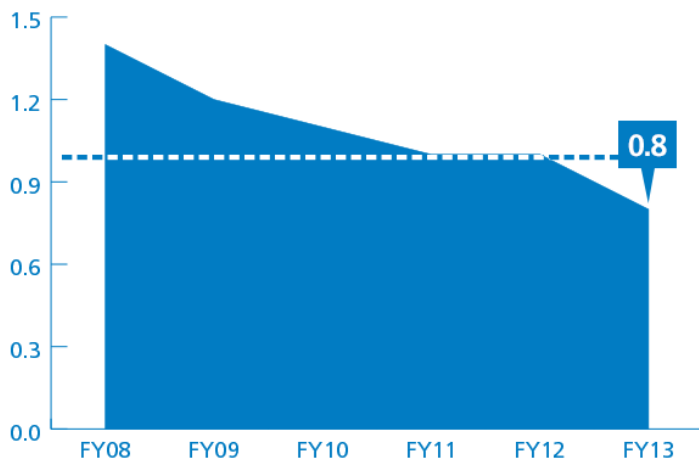
To learn more about BD's Volunteer Service Trips program, visit the [Unmet Health Needs section of this report](#).

Looking Forward

The strength, abilities, health and welfare of our associates correlate directly to the long-term success of BD. Just as our associates give their best to BD every day, we see it as our reciprocal responsibility to give our best to them. Developing skills, fostering leadership, recognizing outstanding performance and supporting our associates at work and at home are part of an ongoing, dynamic process and one for which continuity is a requirement. As we look toward the future, we see the returns of our past investments and remain dedicated to allocating the necessary resources to ensure the well-being and appreciation of our most vital asset – our people.

Worker Health and Safety

BDX Injury Incident Rate (IIR)



Despite the increase in the size and scale of BD's operations, we have continued to decrease the IIR over the past decade by more than 33 percent

BD recorded an injury and illness rate of 0.8 per 200,000 employee hours worked in 2013.

Leadership



BD University offered 67 programs counting a total of 1,832 participants in 2013

303

associates participated in the leadership accelerator programs in 2013

Diversity and Inclusion

Diversity

refers to differences in culture, age, gender, language, national origin, race, physical ability, regional origin, religion, sexual orientation, function and other factors.

Inclusion

is a sense of belonging: feeling respected, valued for who you are, as well as feeling a level of supportive energy and commitment from others so that you can do your best work.



In 2013 BD established the Women's Initiative Network (WIN), an associate-led initiative to drive activities that support our goal to build greater gender diversity at all levels of our organization. This global, dedicated and focused resource seeks to prepare women with the skills, knowledge and experience to help advance their careers

Continuously Improving Performance

Financial Performance

Click to see an overview of [BD's 2013 Financial Performance](#)

Awards

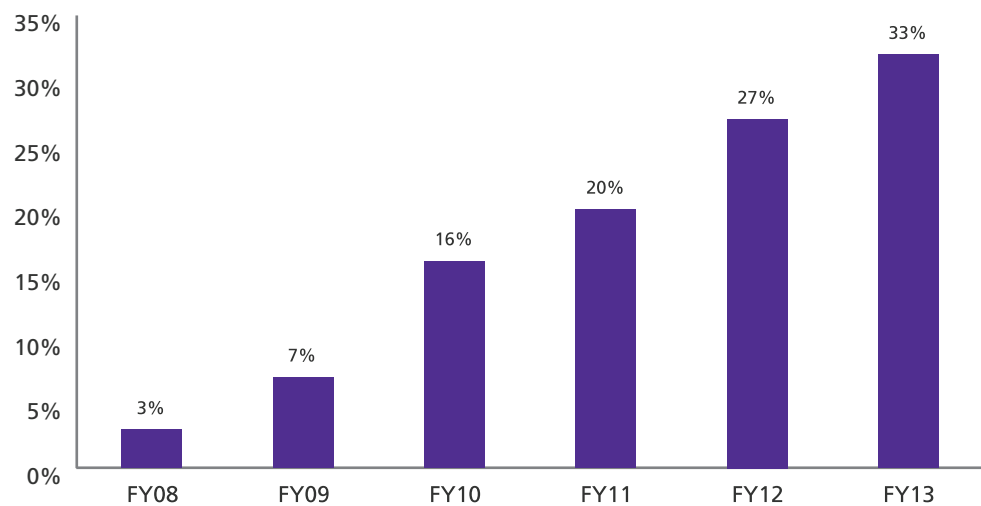
Click to see an overview of [Awards received by BD in 2013](#)

Environmental Performance



Renewable Energy

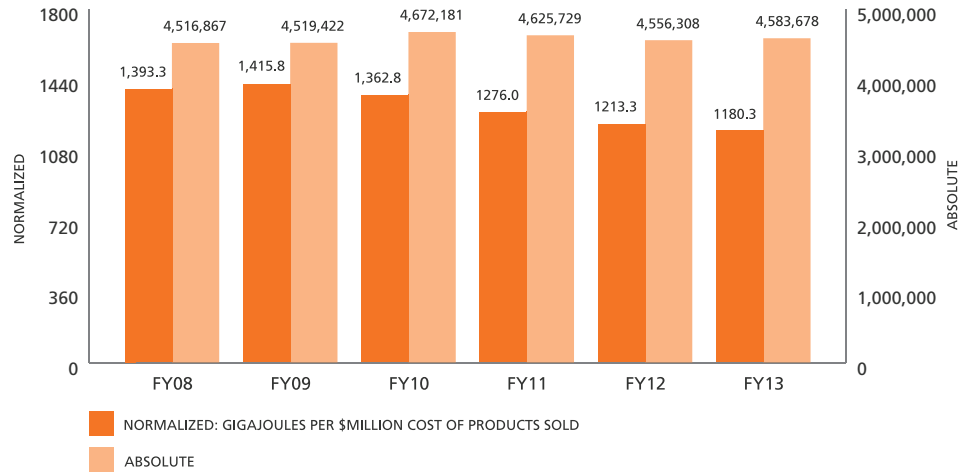
(As a Percentage of Total Energy Consumption)



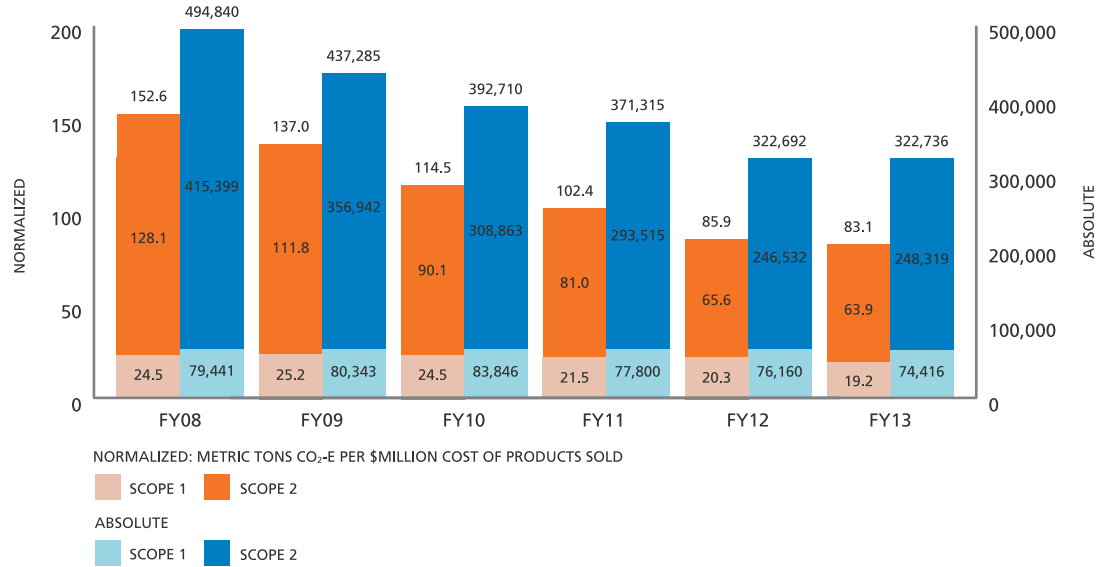
DATA REPRESENTS SCOPE 1 (DIRECT) AND SCOPE 2 (INDIRECT FROM ELECTRICITY) ENERGY SOURCES. INCLUDES PURCHASE OF RENEWABLE ENERGY CREDITS (RECS) AND ON-SITE GENERATION.

As we improve quality-assurance capabilities in our tracking and performance system, environmental data reported in previous years may be restated.

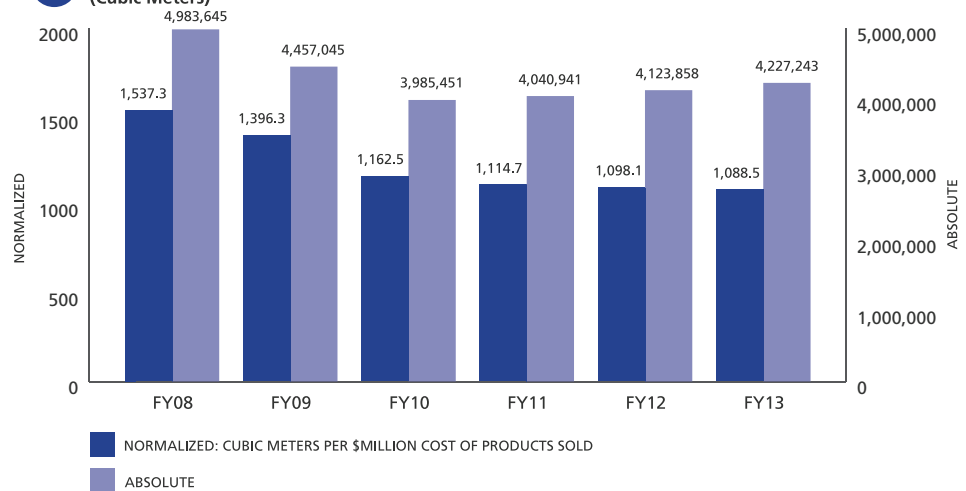
Total Energy Consumption
(Gigajoules)



Total Greenhouse Gas Emissions
(Metric Tons CO₂ Equivalent)

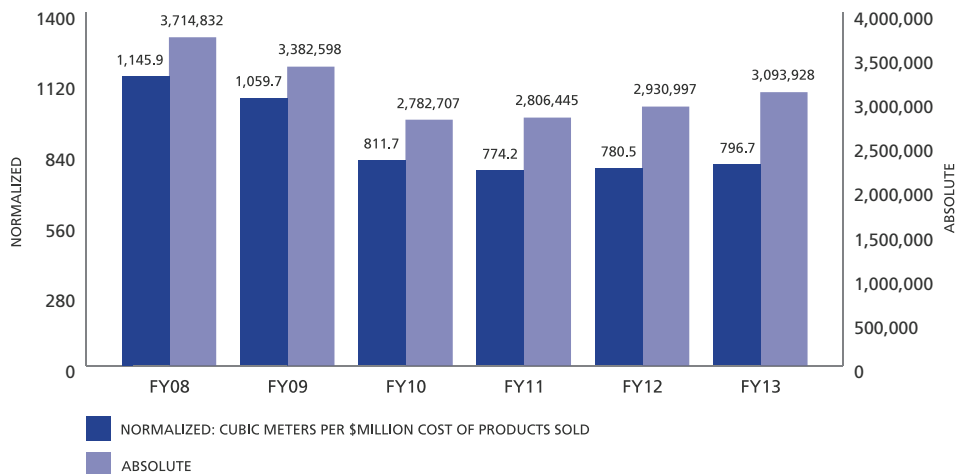


Total Water Consumption
(Cubic Meters)

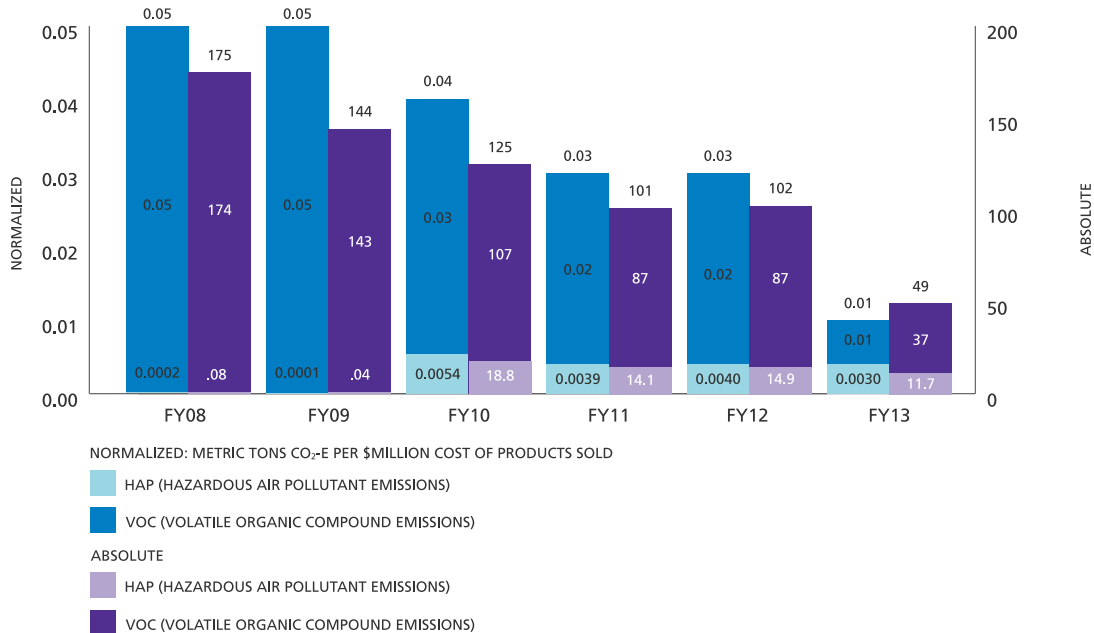


As we improve quality-assurance capabilities in our tracking and performance system, environmental data reported in previous years may be restated.

Waste Water
(Cubic Meters)

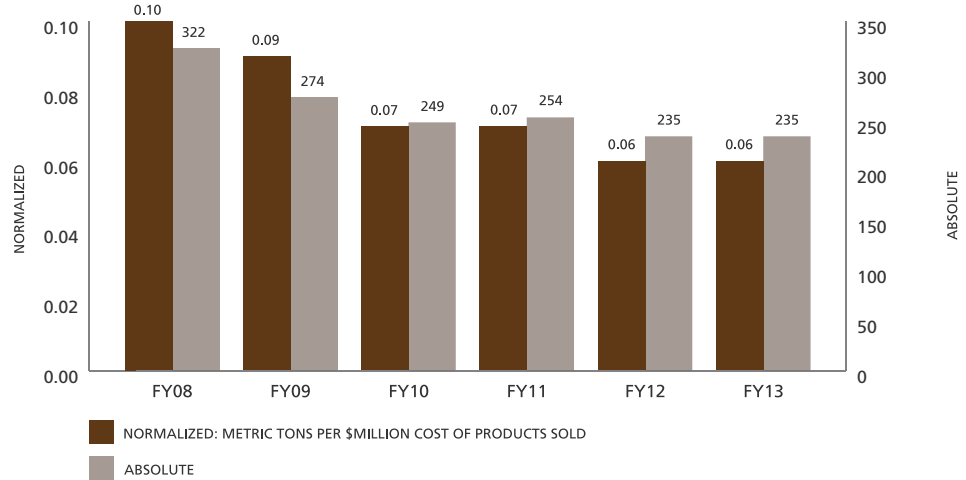


VOC and HAP Emissions
(Metric Tons)

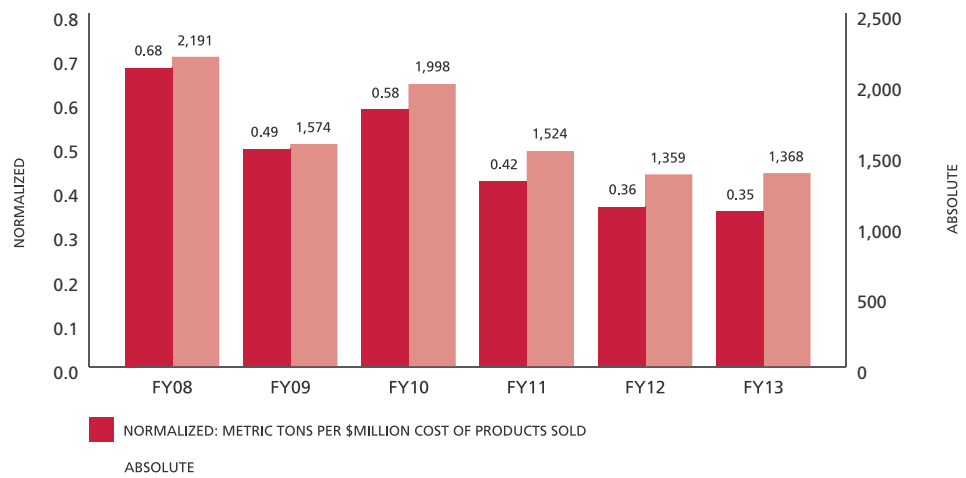


As we improve quality-assurance capabilities in our tracking and performance system, environmental data reported in previous years may be restated.

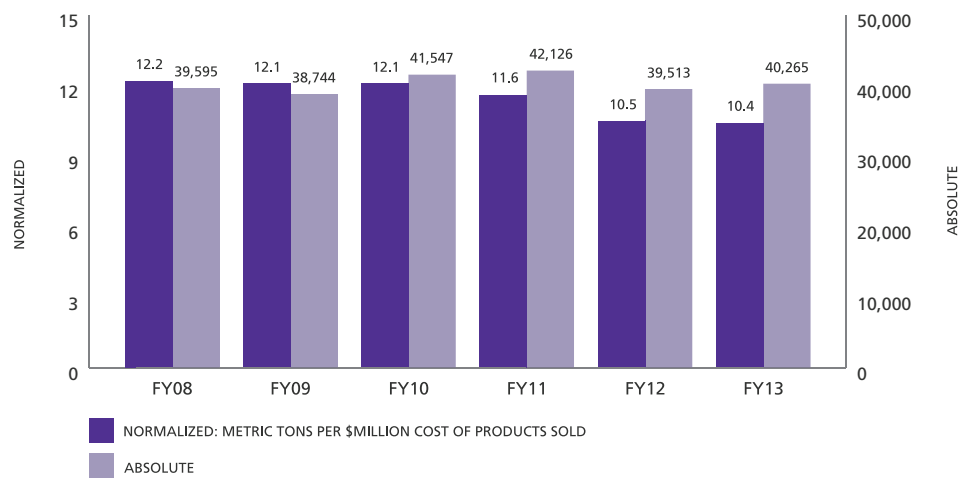
Ozone Depleting Substances Emissions (Metric Tons)



Hazardous Waste Disposal (Metric Tons)

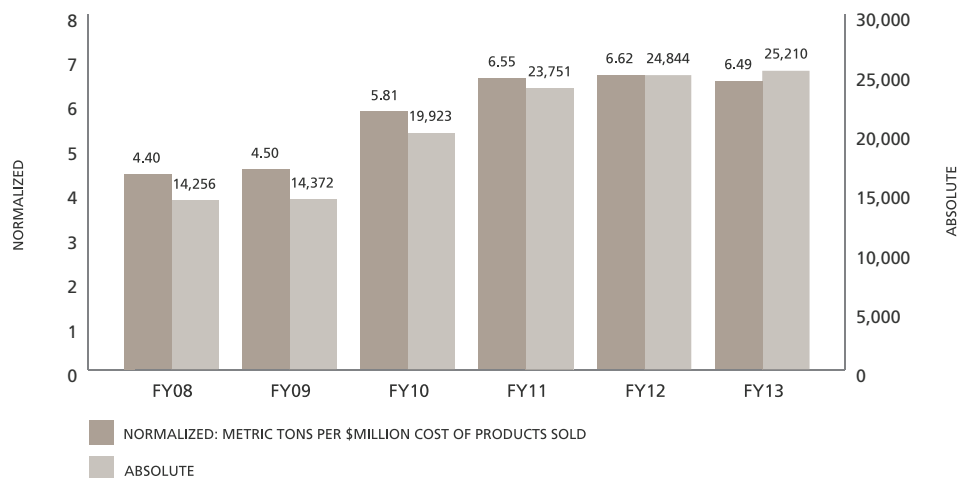


Non-Hazardous Waste Generated (Metric Tons)

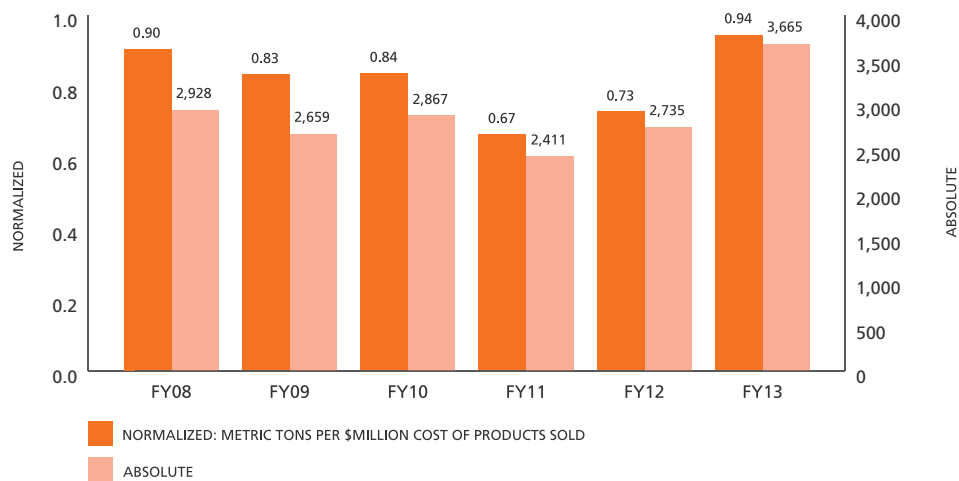


As we improve quality-assurance capabilities in our tracking and performance system, environmental data reported in previous years may be restated.

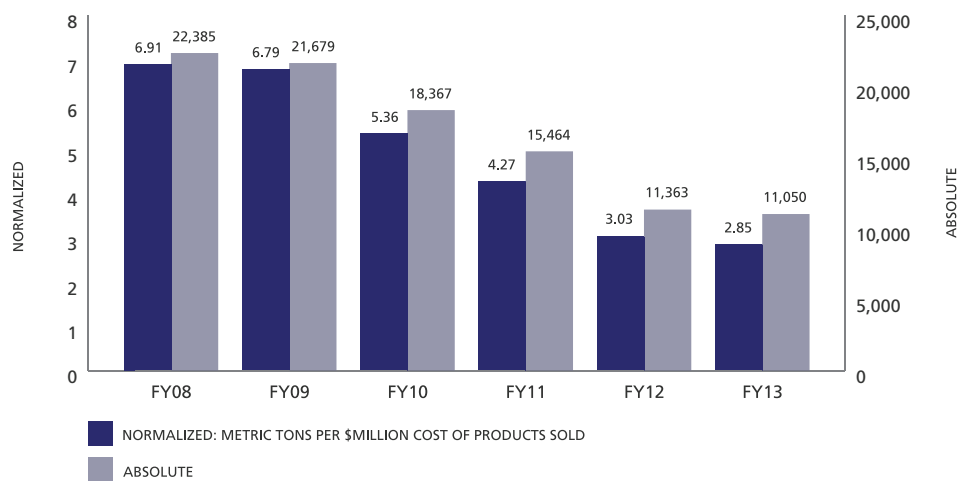
Non-Hazardous Waste Disposal - Recycled
(Metric Tons)



Non-Hazardous Waste Disposal - Incinerated
(Metric Tons)



Non-Hazardous Waste Disposal - Landfilled
(Metric Tons)



As we improve quality-assurance capabilities in our tracking and performance system, environmental data reported in previous years may be restated.

G3.1 Content Index

Standard Disclosures Part 1: Profile Disclosures

Profile Disclosure	Disclosure	Location of Disclosure
1. Strategy and Analysis		
1.1	Statement from the most senior decision-maker of the organization.	• Letter to Stakeholders
1.2	Description of key impacts, risks, and opportunities.	• Protecting the Environment • 10-K
2. Organizational Profile		
2.1	Name of the organization.	• About BD
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.	• About BD
2.5	Number of countries where the 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 (pg 2)
2.6	Nature of ownership and legal form.	• Proxy Statement (pg 3) • 10-K
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	• Annual Report • 10-K • About BD
2.8	Scale of the reporting organization.	• 10-K (pg 40) • Performance • Annual Report
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	• 10-K (pg 68)
2.10	Awards received in the reporting period.	• Awards, Recognitions & Affiliations • Annual Report
3. Report Parameters		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	• About this Report
3.2	Date of most recent previous report (if any).	• About this Report
3.3	Reporting cycle (annual, biennial, etc.)	• About this Report
3.4	Contact point for questions regarding the report or its contents.	• About BD

Profile Disclosure	Disclosure	Location of Disclosure
3.5	Process for defining report content.	<ul style="list-style-type: none"> • About BD • How We View Sustainability at BD • Stakeholder Engagement
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	<ul style="list-style-type: none"> • About this Report
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • About this Report
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	<ul style="list-style-type: none"> • Performance
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/ periods, nature of business, measurement methods).	<ul style="list-style-type: none"> • Does not apply
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	<ul style="list-style-type: none"> • Does not apply
3.12	Table identifying the location of the Standard Disclosures in the report.	<ul style="list-style-type: none"> • This index
3.13	Policy and current practice with regard to seeking external assurance for the report.	<ul style="list-style-type: none"> • BD does not currently seek external assurance for Sustainability Reporting

4. Governance, Commitments, and Engagement

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.	<ul style="list-style-type: none"> • Proxy Statement (pg 9) • Ensuring Good Governance
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	<ul style="list-style-type: none"> • Corporate Governance Principles
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	<ul style="list-style-type: none"> • Ensuring Good Governance • Proxy Statement
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	<ul style="list-style-type: none"> • Proxy Statement (pg 15) • 10-K
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).	<ul style="list-style-type: none"> • Executive Compensation
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	<ul style="list-style-type: none"> • BD Code of Conduct
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	<ul style="list-style-type: none"> • Corporate Governance Principles
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.	<ul style="list-style-type: none"> • Letter to Stakeholders • Meeting Unmet Health Needs • Corporate Governance Principles • BD Code of Conduct

Profile Disclosure	Disclosure	Location of Disclosure
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.	• Corporate Governance Principles
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	• Ensuring Good Governance • Corporate Governance Principles
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	• Safeguarding Product Safety and Performance
4.13	Memberships in associations (such as industry 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.	• Awards, Recognitions & Affiliations • Annual Report
4.14	List of stakeholder groups engaged by the organization.	• Stakeholder Engagement
4.15	Basis for identification and selection of stakeholders with whom to engage.	• Stakeholder Engagement
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	• 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.	• 2014 Stakeholder Session • 2015 Stakeholder Session

Standard Disclosures Part 3: Performance Indicators

Indicator	Disclosure	Location of Disclosure
Economic		
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 • 10-K
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	• Protecting the Environment • 10-K (pg 34)
EC3	Coverage of the organization's defined benefit plan obligations.	• 10-K (pg 33)
EC4	Significant financial assistance received from government.	• 10-K
Market Presence		
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	• BD Expectations for Suppliers
Indirect Economic Impacts		
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	• Meeting Unmet Health Needs
EC9	Financial implications and other risks and opportunities for the organization's activities due to climate change.	• Meeting Unmet Health Needs

Indicator	Disclosure	Location of Disclosure
Environmental		
Energy		
EN3	Direct energy consumption by primary energy source.	• Performance
EN5	Energy saved due to conservation and efficiency improvements.	• Protecting the Environment
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	• Protecting the Environment
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	• Protecting the Environment
Water		
EN8	Total water withdrawal by source.	• Performance
Emissions, Effluents and Waste		
EN16	Total direct and indirect greenhouse gas emissions by weight.	• Performance
EN17	Other relevant indirect greenhouse gas emissions by weight.	• Performance
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	• Protecting the Environment
EN19	Emissions of ozone-depleting substances by weight.	• Protecting the Environment
EN20	NOx, SOx, and other significant air emissions by type and weight.	• Performance
EN22	Total weight of waste by type and disposal method.	• Performance
EN23	Total number and volume of significant spills.	• No Significant Spills
Products and Services		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	• Safeguarding Product Safety and Performance • Protecting the Environment
Compliance		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	• 10-K
Transport		
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	• Protecting the Environment
Social: Labor Practices and Decent Work		
Labor/Management Relations		
LA4	Percentage of employees covered by collective bargaining agreements.	• BD Code of Conduct

Indicator	Disclosure	Location of Disclosure
Occupational Health and Safety		
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	• Making BD an Even Better Place to Work
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	• Making BD an Even Better Place to Work
Training and Education		
LA10	Average hours of training per year per employee by gender, and by employee category.	• Making BD an Even Better Place to Work
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	• Making BD an Even Better Place to Work
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	• Making BD an Even Better Place to Work
Social: Human Rights		
Investment and Procurement Practices		
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 trained.	• Ensuring Good Governance
Freedom of Forced and Compulsory Labor		
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	• BD Expectations for Suppliers
Child Labor		
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	• BD Expectations for Suppliers
Prevention of Forced and Compulsory Labor		
HR7	Operations and significant suppliers 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.	• BD Expectations for Suppliers
Social: Society		
Local Communities		
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	• Making BD an Even Better Place to Work • Meeting Unmet Health Needs
Corruption		
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	• Ensuring Good Governance • Compass

Indicator	Disclosure	Location of Disclosure
Public Policy		
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.	• Political Contributions
Social: Product Responsibility		
Customer 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.	• Safeguarding Product Safety and Performance
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	• No instances of non-compliance
Product and Service Labelling		
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	• Ensuring Good Governance • Safeguarding Product Safety and Performance
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	• Ensuring Good Governance • Safeguarding Product Safety and Performance
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	• Introduction
Marketing Communications		
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	• AdvaMed and MedTech
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	• No instances of non-compliance
Marketing Communications		
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	• 10-K