



Human Rights and Environmental Standards in Supply Chains:

Basic Principles of Becton Dickinson Rowa Germany GmbH

BD Rowa Germany GmbH and its affiliated companies in Germany (hereinafter “BD Rowa” or “we”) are a part of Becton, Dickinson and Company, which is headquartered in New Jersey, USA. The company’s European headquarters are in Eysins, Switzerland. In accordance with the German Act on Corporate Due Diligence Obligations for the Prevention of Human Rights Violations in Supply Chains (LkSG), we have set high standards in our supply chains for minimizing risks related to human rights and the environment. In order to achieve our goals and comply with the LkSG, we have implemented the following guidelines, processes and internal rules.

1. Analysis and management of supply chain risks

BD Rowa has introduced a risk management system and defined the relevant internal responsibilities. We work closely with our *BD Global Responsible Sourcing Procurement Team* and other BD departments in order to gain a comprehensive overview of our production and procurement processes. In doing so, we insist on strict compliance with local laws and with the guidelines and ethical standards at our locations. We also collaborate with the *BD Global Corporate Sustainability Team* for the purpose of tracking our supply chains with special attention to the human rights and environmental standards protected by the LkSG.

BD Rowa continuously assesses risks in order to optimize its supply chains in terms of these rights and standards. This process focuses in particular on auditing our direct suppliers for potential sustainability risks as defined by the LkSG. All of our suppliers are assessed by the central administration in regard to these risks in order to gain an overall picture of risk management. For this purpose we work with a professional, specialized service provider and use *Everstream*, a software tool for evaluating suppliers on the basis of respective locations.

The risks identified by this risk management system are naturally subject to change. At the time this document was prepared, the following risk areas were identified:

BD Rowa is part of a global supply chain that is exposed to a variety of risks. In order to minimize these risks, we carefully assess our suppliers using the analysis software of a third-party service provider. This software tool determines the risk of human rights violations for each supplier according to its location. We regularly check our suppliers with this tool in order to detect changes in the risk profile. The tool takes basic human rights into account, such as child labor, employee rights and personal freedom, and it assigns a low, medium or high risk level to each supplier.

In this way we have identified countries which in terms of geography represent a medium risk for our human rights goals in the supply chain. These include countries in Asia and the Middle East. The risks that were identified are a lack of pollution prevention measures, discrimination and/or harassment in the workplace, insufficient wages and insufficient health and safety measures for employees.



We give priority to more thorough auditing of suppliers that were classified as risky on the basis of this preliminary risk assessment (or that have a supplier in one of these countries according to our mapping results). These audits are performed by an external service provider, initially by means of a *desktop audit* in order to gain an external, independent point of view. In this way we can determine whether a company has the adequate means to control the risk of human rights violations. We can also identify the most important areas in which a supplier poses a risk.

We are committed to minimizing the risks in our supply chain and satisfying the compliance requirements in the various countries. To this end we regularly carry out additional assessments of our suppliers in order to identify potential problems. When we discover problems, we help the suppliers implement corrective actions tailored to their specific situation. We expect suppliers to report their progress to us. If the corrective actions are not completed in good time, the suppliers will be subjected to an additional examination that can also include in-person audits.

2. Risk-based control measures

Our BD supplier guidelines (*BD Expectations for Suppliers*) require our direct suppliers to protect and promote their employees' human rights, defend their personal dignity and treat them with respect. In addition, these suppliers must not be involved in human rights violations. They must combat potential threats to human rights pertaining to human trafficking, slavery, child labor and forced labor, and they must comply with all statutory and regulatory provisions relating to human rights and working conditions.

The supplier guidelines are available in several languages at [Link](#). The BD Code of Conduct, also in several languages, is available at [Link](#).

The BD supplier guidelines apply to all of our direct suppliers. We expect them to introduce similar programs for their own suppliers. Our teams monitor and evaluate our direct suppliers for potential risks to human rights and environmental standards that are protected by the LkSG. Our direct suppliers must also maintain appropriate documentation as proof of compliance with the supplier guidelines and with all applicable laws and regulations.

3. Preventive measures and remedial action

If our analysis reveals a risk or a violation of the human rights or environmental standards set forth in the LkSG, BD Rowa will take appropriate countermeasures (to prevent, combat, minimize or rectify the problem). These measures can comprise training programs or audits of the suppliers. They can also result in termination of supplier contracts.

For this purpose the *Responsible Sourcing Operating Committee*, which is tasked with monitoring the process, meets at regular intervals. This body is responsible for checking supplier assessments, initiating corrective actions when necessary and monitoring them.



Our internal process to fulfill our due diligence obligations for the prevention of human rights violations in supply chains includes determining the threshold for initiating a detailed audit and deciding at what point BD Rowa should terminate a business relationship with a supplier on account of known or suspected human rights violations.

4. Complaints procedure

BD Rowa has established a process for reporting violations of the LkSG and other laws to the company. Several communication channels are available for this purpose:

- Online via a special tool, accessible at [Link](#).
- By telephone, via the Ethics HelpLine
- By email via a special email address: ethicsoffice@bd.com

This complaint mechanism is available to internal employees as well as external parties (in particular employees, suppliers, NGOs and trade unions).

5. Documentation and reporting obligations

BD Rowa continuously monitors compliance with the due diligence obligations set forth in the LkSG. In addition, in accordance with the LkSG requirements for 2024, it produces an annual report on compliance with the LkSG. This report is published on our website, where it is available to the public.

The above-named principles apply to all BD companies.

This statement of basic principles was approved and accepted by the management board of BD Rowa Germany GmbH on **December 1, 2023**. It reflects the situation on December 1, 2023.

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Dr. Torben Schüttfort
Managing Director

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Simon Seifert
Managing Director