

41st Annual J.P. Morgan Healthcare Conference

January 10, 2023



Tom Polen
Chairman, CEO, and President



Caution Concerning Forward-Looking Statements

This presentation contains certain estimates and other forward-looking statements (as defined under federal securities laws) regarding BD's future prospects and performance, including, but not limited to, future revenues, margins, earnings per share, leverage targets and capital deployment. All such statements are based upon current expectations of BD and involve a number of business risks and uncertainties. Actual results could vary materially from anticipated results described, implied or projected in any forward-looking statement. For a discussion of certain factors that could cause our actual results to differ from our expectations in any forward-looking statements see our latest Annual Report on Form 10-K and other filings with the Securities and Exchange Commission. BD expressly disclaims any undertaking to update or revise any forward-looking statements set forth herein to reflect events or circumstances after the date hereof, except as required by applicable laws or regulations. The guidance in this presentation is only effective as of the date given, November 10, 2022, and we are not updating or affirming guidance. Distribution or reference of this deck following November 10, 2022 does not constitute BD re-affirming guidance.

Caution Concerning Forward-Looking Non-GAAP Financial Measures

BD's expected adjusted diluted EPS for fiscal 2023 excludes potential charges or gains that may be recorded during the fiscal year, such as, among other things, the non-cash amortization of intangible assets, acquisition-related charges, spin related charges, and certain tax matters. BD does not attempt to provide reconciliations of forward-looking adjusted diluted non-GAAP EPS guidance to the comparable GAAP measure because the impact and timing of these potential charges or gains is inherently uncertain and difficult to predict and is unavailable without unreasonable efforts. In addition, the company believes such reconciliations would imply a degree of precision and certainty that could be confusing to investors. Such items could have a substantial impact on GAAP measures of BD's financial performance. We also present our estimated base business revenue growth and adjusted diluted EPS growth for our 2023 fiscal year after adjusting for the anticipated impact of foreign currency translation. BD believes that this adjustment allows investors to better evaluate BD's anticipated underlying earnings performance for our 2023 fiscal year in relation to our underlying 2022 fiscal year performance.

BD is helping reinvent healthcare, driven by our purpose of **advancing the world of health™** to improve:



Discovery and Diagnosis




Medication Delivery




Interventional Treatment

BD is an innovative med tech leader


Unmatched scale and global reach to address healthcare's most pressing challenges




37B +
devices made annually




190 +
countries served



31,000 +
active patents

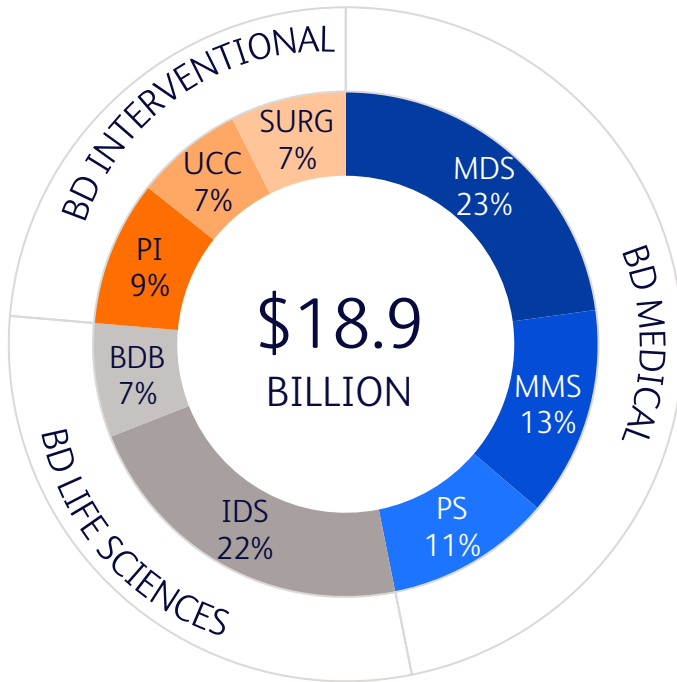


\$1B +
annual R&D spending

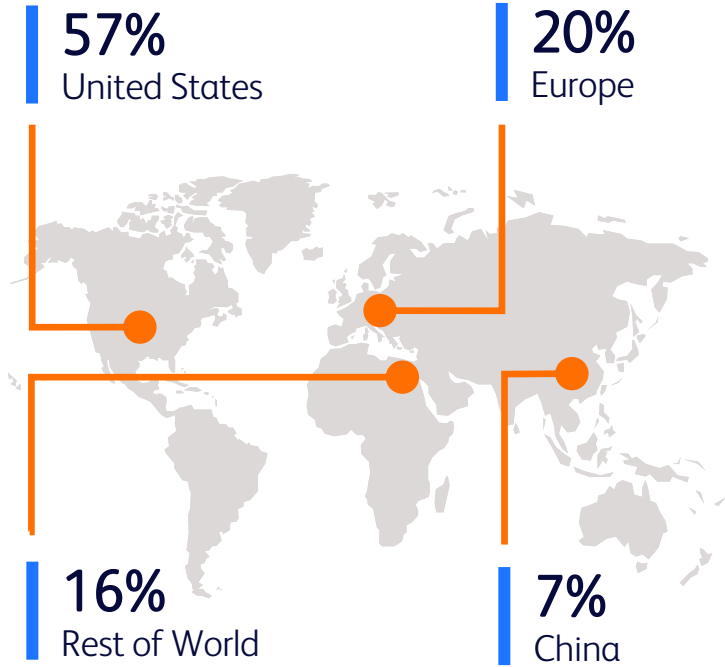


77,000
BD associates

REVENUE BY SEGMENT

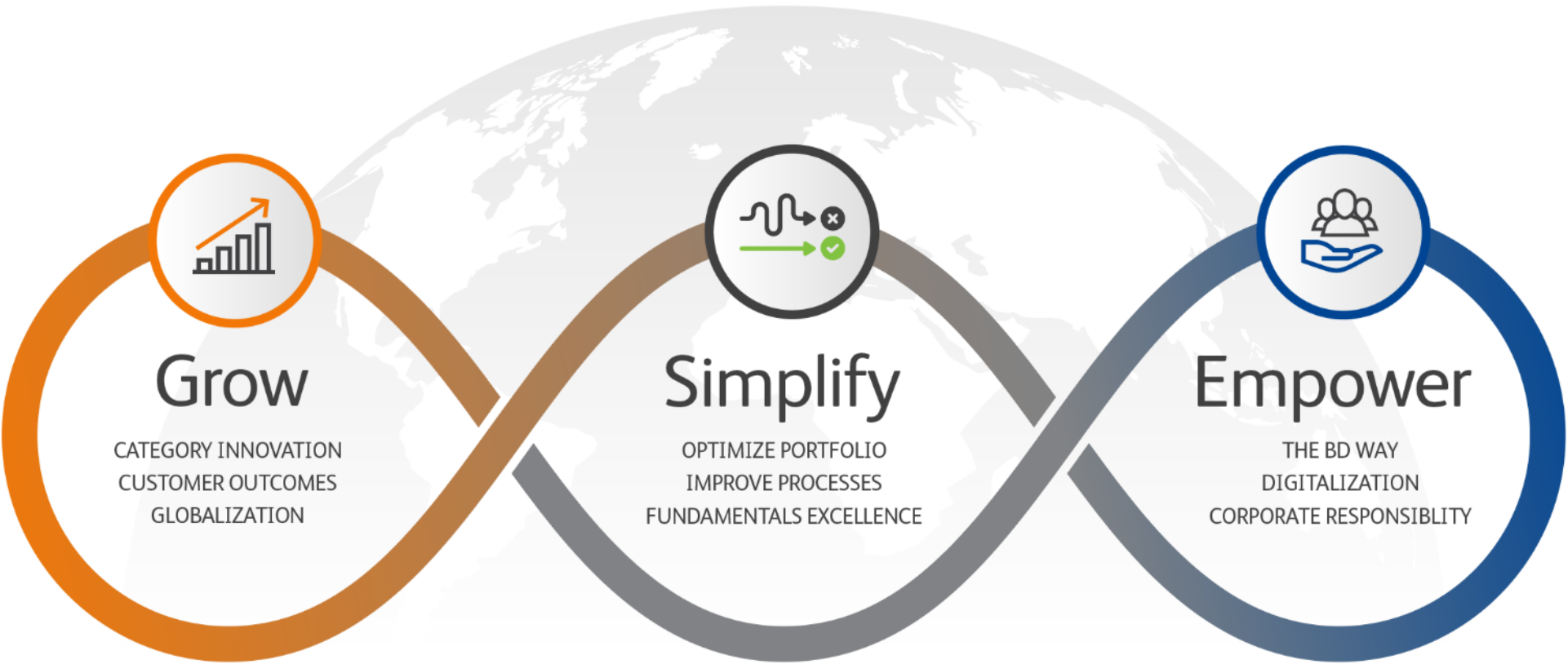


FY22 REVENUE BY REGION



Strong performance is creating momentum behind our BD2025 strategy

Accelerating durable, profitable growth in attractive end markets



FY22 results reflect BD2025 strategy 'in action'

- ✓ Execution of BD2025 strategy is **transforming healthcare** while demonstrating **strong momentum and performance**
- ✓ **Exceeded revenue and earnings commitments** and **delivered margin goals**
- ✓ **Strong organic growth** across all three segments
- ✓ **Consistent growth of our durable core** and **accelerated investments into higher-growth transformative solutions**
- ✓ **Foresight, agility and focused execution** in a challenging environment



Executing our long-term targets and value-creation framework

1

Strengthened long-term targeted growth profile of 5.5%+ base revenue growth

2

Reshaped innovation pipeline and tuck-in M&A strategy towards higher growth markets

3

Expanded simplification programs underway driving double-digit EPS growth

4

Increased capacity for disciplined capital deployment strategy

5

Strong progress against all BD 2025 pillars

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Strong progress against all BD 2025 pillars

Strong growth profile driving differentiated performance

Continued, relentless focus on execution of BD 2025

- ✓ **Proven performance** and **continued momentum** to achieve BD2025 financial targets
- ✓ FY23 base revenue growth guidance of **5.25% to 6.25% (FXN)**; **\$11.85 to \$12.10** Adjusted EPS (implied ~9% to 11% FXN growth)
- ✓ **Strong top-line growth** targets driven by **purposeful R&D and M&A** investments in **higher-growth end markets**
- ✓ **Systematically increasing WAMGR** across the portfolio

BD's leading position driven by winning products in higher-growth end markets

Innovating and investing in our Durable Core and Transformative Solutions to deliver patient impact

Durable Core

Backbone of healthcare

- Reliable, best-in-class quality products
- Continuous innovation
- Supply chain excellence
- Comprehensive scalable end-to-end solutions



Transformative Solutions

Reinventing the future of healthcare



Smart connected care

Transforming healthcare processes, tools and treatments with a focus on AI, informatics and robotics



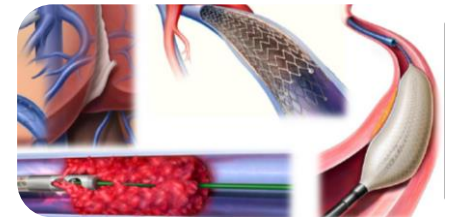
New care settings

Enabling a shift into new settings and improving patient outcomes and costs



Chronic disease outcomes

Applying medical technology to improve outcomes in chronic diseases



Our purposeful and balanced investments are driving consistent, durable growth

R&D target of ~6% of sales

investments focused on areas with higher than corporate average growth rates

CapEx target of ~\$1B annually

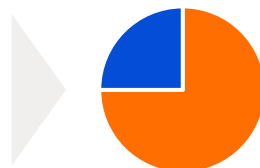
strategically deployed on value creating programs (capacity expansion, NPD, etc.)

Capacity of ~\$2B/yr in tuck-in M&A

enhancing growth profile

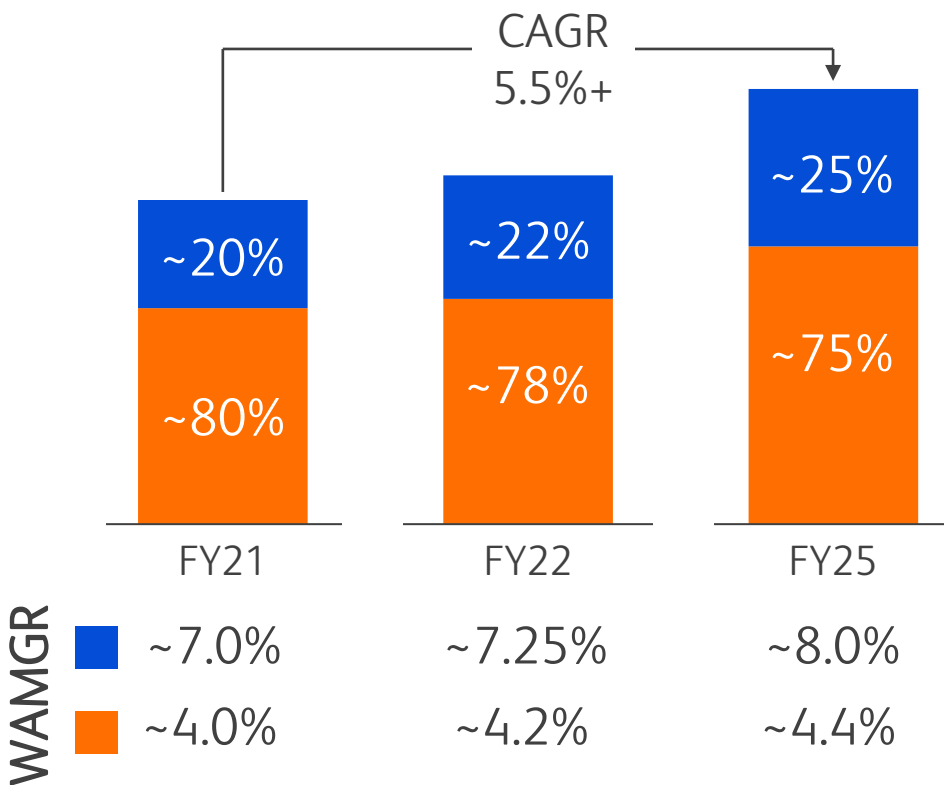


Durable core vs. transformative solutions



Shifting our portfolio mix

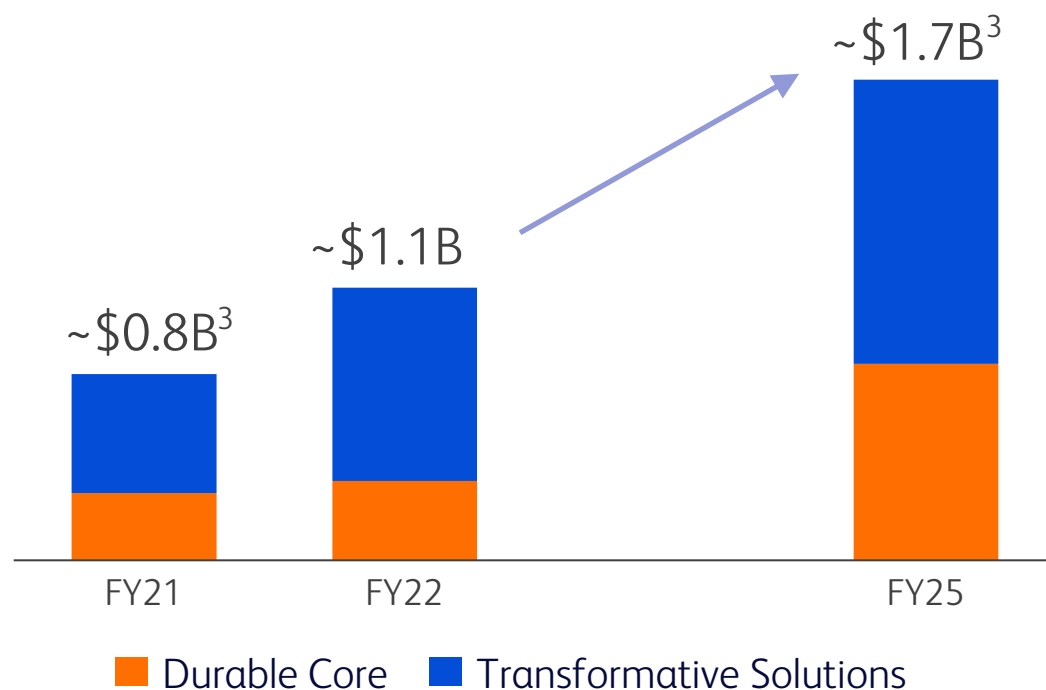
revenue contribution from transformative solutions on track toward FY25 target



■ Durable Core ■ Transformative Solutions

R&D initiatives are on track to double new product revenue by FY25

INCREMENTAL NEW PRODUCT REVENUE¹



25

New products launched in FY22

>100

New product launches expected by FY25³

















>25

New products with potential to generate \$50m+ per year^{2,3}


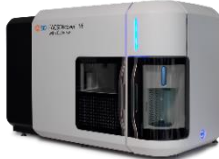









>20

New products with potential to generate \$30m - \$50m per year^{2,3}

BD Medical: making medication delivery safer, simpler and smarter

	Category Size	WAMGR	Key Products: FY22	FY24+
Vascular Access Management (MDS)  	~\$9B	~4%+	 BD Posiflush™ SafeScrub 	 China Midline PowerMe™  BD Intelliport™ System 
Medication Mgmt. Solutions (MMS)  	~\$5B	~4%	 Pyxis™ ES1.7 / C2Safe  	 EU Next Gen Infusion Pump   U.S. Next Gen Infusion Pump 
Pharmacy Automation (MMS)  	~\$1B	~10%	 BD Intellivault™	 Parata Max® 2 Central Fill  Automation Workflow
Pharma / Biotech Drug Delivery (Pharm Systems)   	~\$3B	~7%	 Effivax™  	 Libertas™   Evolve™

BD Life Sciences: from sample collection and discovery to diagnostics and beyond

	Category Size	WAMGR	Key Products: FY22	FY24+
Single Cell Analysis (BDB) 	~\$3B	~5.5%	 FACSDiscover™ S8 Cell Sorter \$\$	 FACSDuet™ Premium \$\$  RealBlue™ & RealYellow™ Dyes
Microbiology (IDS) 	~\$4B	~5%	 Synapsys™ ID/AST	 BD Kiestra™ Truly Modular Track (TMT)  Next Gen BACTEC™ \$\$
Molecular Diagnostics (IDS) 	~\$4B	~9%	 BD MAX™ PLUS ✓ \$\$	 BD COR™ & BD MAX™ Respiratory Panels ✓ \$\$  BD COR™ Assays <ul style="list-style-type: none"> • Onclarity HPV / ext genotyping ✓ • CT/GC/TV2 ✓ • Vaginal Panel • RVP • Enteric Panels \$\$
Point of Care (IDS) 	~\$3B	~25%	 BD Veritor™ At Home COV/Flu \$\$	 BD MiniDraw™ \$\$  BD Elience™ POC Molecular \$\$

BD Interventional: transforming solutions for chronic disease management

	Category Size	WAMGR	Key Products: FY22  FY24+			
Peripheral Vascular Disease (PI) 	~\$5B	~6%	 Rotarex™ Small Vessel	 Low Profile Arterial StentGraft \$\$	 Next Gen DCB \$\$	
Oncology (PI) 	~\$3B	~6%	 Bone Biopsy	 Multi-Modality Vacuum Assisted Biopsy	 IO Bead \$\$	
Incontinence (UCC) 	~\$2B	~9%	 PureWick™ Male 	 Global Intermittent Self Catheter Premium	 Next Gen PureWick™ Hospital & Home \$\$	
Advanced Repair and Reconstruction (Surgery) 	~\$5B	~4%	 Phasix™ Umbilical	 Robotic Optimized Ventral Mesh	 Lumpectomy 3D Resorbable Scaffold \$\$	

Our framework to drive profitable growth and value creation

Strong recurring revenue

- **Consistent, durable and reliable growth profile** underpinned by the 'backbone of healthcare' and **~85% recurring revenue stream**



Purposeful portfolio shifts

- Strategically **investing in higher-growth end markets** expanding WAMGR
- Organic and inorganic investments through **R&D innovation pipeline** and **tuck-in M&A**



Improving margin profile

- Strong execution, enhanced simplification programs and continued supply chain excellence **delivering long-term margin expansion goals**



Disciplined capital deployment strategy

- Increased capacity to **allocate capital toward strategic M&A** while managing to a **2.5x long-term net-leverage target** and **full investment grade credit ratings**



5.5%+ base revenue growth and double-digit EPS growth¹

Thank You



Advancing the
world of health™



Appendix

Basis of Presentation

All dollar amounts presented are USD (\$) in millions, unless otherwise indicated, except per share figures.

Continuing Operations - On April 1, 2022, the Company completed the spin-off of its Diabetes Care business as a separate publicly traded company named Embecta Corp. (“Embecta”). The historical results of the Diabetes Care business that were attributed to Embecta in the spin-off are now accounted for as discontinued operations. Financial information presented in this release reflects BD’s results on a continuing operations basis, which excludes Embecta. Prior periods have been recast to conform to this presentation.

Certain financial information, described as FXN (defined below), excludes the impact of foreign currency translation.

Revenue year-over-year change comparisons are on a FXN basis unless otherwise noted.

Base revenue denotes total revenues less estimated revenues for COVID-19 only diagnostic testing.¹

COVID only diagnostic testing includes COVID only assays on our BD Veritor™ and BD Max™ platforms (with related collection, transport, and swabs included in the prior year).

FXN denotes currency neutral basis. We calculate foreign currency-neutral percentages by converting our current-period local currency financial results using the prior period foreign currency exchange rates and comparing these adjusted amounts to our current-period results.

Glossary

Acronym	Defined Term	Acronym	Defined Term
AI	Artificial Intelligence	MDS	Medication Delivery Solutions
B	Billion	MMS	Medication Management Solutions
BDB	Biosciences	NPD	New Product Development
CT/GV/TV2	Chlamydia/Gonorrhea/Trichomonas	PI	Peripheral Intervention
DCB	Drug Coated Balloon	POC	Point of Care
CAGR	Compounded Annual Growth Rate	PS	Pharmaceutical Systems
CapEx	Capital Expenditures	R&D	Research and Development
EPS	Earnings Per Share	RVP	Respiratory virus panel
FY	Fiscal Year	SFA/BTK	Superficial femoral artery/below the knee
HPV	Human papillomavirus	SURG	Surgery
IDS	Integrated Diagnostic Solutions	UCC	Urology and Critical Care
M	Million	WAMGR	Weighted Average Marginal Growth Rate
M&A	Mergers and Acquisitions		

Supplemental Non-GAAP Reconciliation – FY2023 Outlook Reconciliation

	Full Year FY2022	Full Year FY2023 Outlook	
	(\$ in millions)	FX Neutral % Change	Reported Revenues
BDX Reported Revenues from Continuing Operations	\$ 18,870		
Less: COVID-19-only Diagnostic Testing Revenues	\$ 511		
Base Business Revenues from Continuing Operations	<u>\$ 18,358</u>		
FY2023 Base Business Revenue Growth		+5.25% to +6.25%	
FY2023 COVID-19-Only Diagnostic Testing Revenues			~\$125 to \$175 million
Illustrative Foreign Currency (FX) Impact, based on FX spot rates			(~450) basis points
Total FY 2023 Revenues from Continuing Operations			\$18.6 to \$18.8 billion

Note - Base Business Revenues denotes total revenues less estimated revenues for COVID-19 only diagnostic testing

Supplemental Non-GAAP Reconciliation – FY2023 Outlook Reconciliation

	Full Year FY2022 from Continuing Operations	Full Year FY2023 Outlook Total Company
Reported Fully Diluted Earnings per Share	\$ 5.38	
Purchase accounting adjustments (\$1.431 billion pre-tax) ⁽¹⁾	4.98	
Integration costs (\$68 million pre-tax) ⁽²⁾	0.24	
Restructuring costs (\$123 million pre-tax) ⁽²⁾	0.43	
Separation and related costs (\$20 million pre-tax) ⁽³⁾	0.07	
Transaction gain/loss and product-related matters (\$174 million pre-tax) ⁽⁴⁾	0.60	
European regulatory initiative-related costs (\$146 million pre-tax) ⁽⁵⁾	0.51	
Investment gains/losses and asset impairments (\$94 million pre-tax) ⁽⁶⁾	0.33	
Impacts of debt extinguishment (\$24 million pre-tax)	0.08	
Income tax benefit of special items (\$366 million)	(1.27)	
Adjusted Fully Diluted Earnings per Share	\$ 11.35	\$11.85 to \$12.10
Illustrative Foreign Currency (FX) Impact, based on FX spot rates		(~420) basis points
FX Neutral % Change		~+9% to +11%

(1) Includes amortization and other adjustments related to the purchase accounting for acquisitions.

(2) Represents costs associated with acquisition-related integration and restructuring activities, as well as costs associated with simplification and cost saving initiatives.

(3) Represents costs recorded to *Other operating expense*, net and incurred in connection with the separation of BD's former Diabetes Care business.

(4) Includes a charge of \$72 million recorded to *Cost of products sold* to adjust the estimate of future product remediation costs, a charge of \$21 million to record product liability reserves, including related legal defense costs, to *Other operating expense*, net, and pension settlement costs of \$73 million.

(5) Represents costs incurred to develop processes and systems to establish initial compliance with the European Union Medical Device Regulation and the European Union In Vitro Diagnostic Medical Device Regulation, which represent a significant, unusual change to the existing regulatory framework. We consider these costs to be duplicative of previously incurred costs and/or one-off costs, which are limited to a specific period of time. These expenses, which are recorded in *Cost of products sold* and *Research and development expense*, include the cost of labor, other services and consulting (in particular, research and development and clinical trials) and supplies, travel and other miscellaneous costs.

(6) Includes non-cash (gains) losses recorded within *Other expense*, net relating to certain investments and a noncash asset impairment charge of \$54 million which was recorded in *Cost of products sold*.

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