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**BECTON, DICKINSON AND COMPANY**  
**BOARD OF DIRECTORS ANNUAL EVALUATION**

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Each year the BD Board of Directors evaluates its performance and effectiveness. As part of this process, each director completes a Board Evaluation Form to provide feedback on specific aspects of the Board's role, organization and meetings. The collective ratings and comments are then presented by the Chair of the Corporate Governance and Nominating Committee to the full Board. As part of the evaluation, the Board assesses the progress in the areas targeted for improvement a year earlier, and develops recommendations to enhance the Board's effectiveness over the next year. Additionally, each Board Committee conducts an annual self-evaluation of its performance through a similar process.

The areas evaluated by the Board in the course of its evaluation are as follows:

**A. Role of the Board**

1. The Board discusses and evaluates management's corporate strategy, and understands the Company's strategic and operating plans.
2. The Board understands the industries in which the Company operates and the implications of competitive factors and current general economic and political trends to those businesses.
3. The Board monitors Company performance with peer company financial performance and with industry and other relevant comparative data.
4. The Board, through its Committees or otherwise, evaluates the Company's research and development funding and performance and level of commitment.
5. The Board evaluates the Company's acquisition and divestiture strategy, and reviews management's activities in these areas.
6. As needed, the Board reviews proposed acquisitions/divestitures and capital expenditures meeting certain thresholds.
7. The Board reviews the Company's capital structure, including debt or equity financing and stock repurchases.
8. The Board reviews the Company's investment of cash and cash equivalents.
9. The Board reviews the Company's dividend policy takes appropriate dividend action.
10. The Board reviews the funding levels of, and Company contributions to, the Company's U.S. retirement plan and the investment allocations and investment performance relating to such funds.
11. The Board, through its Committees or otherwise, reviews and adopts annual capital and operating budgets and monitors Company performance against them.
12. The Board, through its Committees or otherwise, reviews the adequacy of existing accounting and financial controls and the Company's public disclosures, and oversees ethical conduct and legal compliance by the Company.
13. The Company keeps directors adequately informed of changes in applicable laws, rules and regulations, as well as current trends and best practices in corporate governance.
14. The Board evaluates and reviews the performance of the Chief Executive Officer.
15. The Board, through its Committees or otherwise, reviews the Company's enterprise risk management process and crisis management preparedness.

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16. The Board, through its Committees or otherwise, reviews senior management development and compensation and considers the correlation between compensation levels and Company performance.
17. The Board reviews succession plans for the Chief Executive Officer and senior management.
18. The Board encourages and ensures open and candid lines of communication between Board members and between the Board and senior management.
19. The Chairman/Chief Executive Officer adequately follows up on goals, expectations and concerns communicated by the Board.
20. The Board, through its Committees or otherwise, monitors the Company's relations with its associates, including the Company's compensation and benefits policies.
21. The amount and nature of director compensation realistically reflects the responsibilities related to service on the Board, and is sufficient to attract and maintain quality candidates possessing desired abilities and expertise.
22. The stock ownership guidelines for directors and senior management are appropriate to align their interests with those of shareholders.

In some instances, the above functions are largely performed by a Committee of the Board.

***B. Organization of the Board***

23. The process for selecting directors is appropriate and effective.
24. The process for selecting the lead director is appropriate and effective.
25. The diversity (age, gender, background) of the Board is appropriate.
26. The Board and each of its committees have the appropriate mix of members, skills, experience and other characteristics to be effective.
27. The Company's non-management directors are independent-minded in dealing with Company issues.
28. The existing frequency of rotation of committee memberships and chairs is appropriate.
29. The Board seeks to optimally and appropriately utilize each Board member's experiences in terms of Committee appointments.
30. There is an appropriate balance between the matters reviewed by the full Board and those delegated to the Committees.
31. The Board receives meaningful and focused updates after each committee meeting.
32. The scopes of the Committee charters are appropriate.
33. The Lead Director role is effective in providing independent leadership to the Board and a liaison between the non-management directors and the Chairman and Chief Executive Officer.

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**C. Meetings of the Board**

34. There are an adequate number of regularly scheduled Board meetings held during a year.
35. There are an adequate number of non-management director executive sessions held during a year.
36. Information is provided in a timely manner to Board members prior to Board meetings, and is sufficiently complete and clear to allow for adequate preparation and informed decision-making for the meetings.
37. Information on significant matters is provided in a timely manner to Board members outside of regularly-scheduled meetings.
38. The time at Board meetings is utilized effectively, including sufficient time to consider Board agenda items.
39. The reports and presentations to the Board are of high quality and are sufficient for effective evaluation of the performance of the Company and its management.
40. Rate the process by which Board agenda topics are chosen.
41. The Board is adequately informed about the most important issues facing the Company.
42. The appropriate Company personnel and outside experts are available at meetings to provide information and answer questions, and the Board and its committees have access to the right combination and quality of outside consultants.