

## **Becton, Dickinson and Company**

### **Policy Regarding the Granting of Equity-Based Compensation Awards**

#### **Background**

The Compensation and Management Development Committee of the Board of Directors (the “Committee”) of Becton, Dickinson and Company (“BD”) believes that equity-based compensation is an important component of BD’s overall compensation structure. It has been the Committee’s practice to approve a broad-based grant of awards to BD associates on an annual basis. As part of the annual grant and in accordance with the Committee’s charter, any equity award to the Chief Executive Officer of BD is recommended by the Committee and submitted for approval by the full Board of Directors (excluding the non-independent members of the Board).

In addition to this annual grant, the Committee has delegated to the Chief Executive Officer of BD the authority (subject to certain limitations) to make other grants (referred to herein as “off-cycle grants”) in situations where BD is seeking to attract a senior level hire, recognize associates for certain achievements or in other special circumstances.

Recently, there have been widespread allegations of option backdating and other practices designed to provide “built-in” value for an equity award from the date of grant. Given the importance to investors and other of maintaining the integrity of BD’s equity award process, the Committee has adopted this policy.

#### **General Statement of Policy**

It is the policy of this Committee that neither the Committee nor any member of BD management shall backdate any equity grant, or manipulate the timing of the public release of material information or of any equity award with the intent of benefiting a grantee under an equity award. In furtherance of this policy, the Committee has adopted the specific practices described below.

#### **Annual and Off-Cycle Grants**

The Committee believes that establishing fixed grant dates for the award of equity grants, to the extent possible, is an important measure to ensure the integrity of the award granting process. Accordingly, each annual grant and off-cycle grant of equity-based compensation shall be awarded on a pre-determined date, as follows:

*Annual Grant.* The annual grant of equity-based compensation awards shall be approved by the Committee (and, with respect to any grant to the Chief Executive Officer included in the

annual grant, also by the Board) at its November meeting and each year the Committee shall set November 26 as the grant date of such awards.

*Off-Cycle Grants.* Off-cycle grants shall be approved in writing by the Chief Executive Officer, and shall be granted on pre-established fixed dates throughout the year. Off-cycle grants approved by the CEO shall be reported to the Committee at its next regular meeting.

*Other Awards.* With respect to awards other than the annual grant or off-cycle grants, the date the Committee acts to approve an award, or such later specified date as the Committee shall designate in the approval, shall be used as the grant date of the award for purposes of BD's equity compensation plans. If action is taken by written consent in lieu of a meeting, the date of the Committee action shall be the date that the last Committee member has executed the consent.

### **Establishing Fair Market Value**

In no event shall the exercise price or value of an award be determined by reference to the fair market value of the BD stock on a day other than the grant date of the award. The fair market value of BD stock on a grant date shall be the closing price for a share of BD common stock on such day as reported on the New York Stock Exchange Composite Tape.

### **Timing of Public Announcements**

BD shall not purposely accelerate or delay the public release of material information in consideration of a pending equity grant in order to allow the grantee to benefit from a more favorable BD stock price. The Committee notes, however, that a release of information by BD in close proximity to an equity grant could create the appearance of an effort to time the announcement to a grantee's benefit, even if no such benefit was intended. Accordingly, BD's management shall advise the Committee whenever it is aware that material non-public information is planned to be released to the public in close proximity to the grant of an equity-based compensation award.

### **Publication**

This Policy shall be posted on the "Corporate Governance" page of BD's website.