BD Board of Directors Approves embecta Spinoff and Declares Distribution of embecta Stock

February 2, 2022

FRANKLIN LAKES, N.J., Feb. 1, 2022 /PRNewswire/ -- BD (Becton, Dickinson and Company) (NYSE: BDX), a leading global medical technology company, today announced its board of directors has approved the planned spinoff of its diabetes care business, which will be known as Embecta Corp. ("embecta") and declared a pro rata distribution of all of the outstanding shares of embecta common stock to BD shareholders.

The board voted unanimously to approve the spinoff to occur on April 1, 2022, concluding that the separation of the diabetes care business from the rest of BD is consistent with BD's growth strategy and helps to sharpen its focus on its core innovation priorities. The separation will also enhance the ability of embecta to attract capital investment, recruit talent and allocate resources and efforts into its unique business development, innovation and product development programs to drive future growth, which ultimately benefits more people living with diabetes around the world.

"Since the announcement of our intention to spin off the diabetes care business, teams across BD have been working diligently to prepare for a successful separation of the two companies, and the Board is pleased with their progress and satisfied that embecta is ready to serve its customers and drive higher growth as an independent organization," said Tom Polen, chairman, CEO and president of BD. "We expect both BD and embecta to drive greater long-term value for shareholders while delivering impactful solutions that improve the future of health care."

"The board approval is a significant milestone, and our team is eager to build upon our nearly 100-year legacy of developing innovations that help people with diabetes live a better life," says Devdatt "Dev" Kurdikar, who will be CEO of embecta upon completion of the spinoff.

The distribution of shares of embecta common stock will be made to BD's shareholders of record as of the close of business on March 22, 2022, the record date for the spinoff. The distribution is expected to be completed on 12:01 a.m., Eastern time, on April 1, 2022, subject to the satisfaction or waiver of conditions to the distribution described in embecta's registration statement on Form 10. BD will distribute 1 share of embecta common stock for every 5 common shares of BD outstanding as of the record date. Shareholders will receive cash in lieu of fractional shares of embecta common stock.

Upon completion of the distribution, embecta will be an independent, publicly traded company focused on diabetes management, and BD will retain no ownership interest. embecta has applied to have its common stock listed on NASDAQ under the ticker symbol EMBC and expects its stock will begin trading on a "regular way" basis on April 1, 2022.

The Internal Revenue Service previously issued a private letter ruling that the contribution by BD of the assets of the diabetes care business to embecta and the distribution of embecta common stock to BD shareholders will qualify as a transaction that is tax-free for U.S. federal income tax purposes. It is important that shareholders consult their tax advisers regarding the particular consequences of the spinoff to them including the applicability and effect of any U.S. federal, state, local and foreign tax laws.

No action is required by BD shareholders to receive their shares of embecta common stock in the spinoff. The distribution agent, transfer agent, and registrar for embecta common stock will be Computershare Trust Company N.A. For questions relating to the transfer or mechanics of the stock distribution, shareholders may contact Computershare, P.O. Box 505000, Louisville, KY 40233-5000 or via phone at 877.498.8861. Holders of BD common shares are encouraged to consult with their financial advisors regarding the specific implications of selling BD common shares on or before the distribution date.

About BD
BD is one of the largest global medical technology companies in the world and is advancing the world of health by improving medical discovery, diagnostics and the delivery of care. The company supports the heroes on the frontlines of health care by developing innovative technology, services

and solutions that help advance both clinical therapy for patients and clinical process for health care providers. BD and its 75,000 employees have a passion and commitment to help enhance the safety and efficiency of clinicians' care delivery process, enable laboratory scientists to accurately detect disease and advance researchers' capabilities to develop the next generation of diagnostics and therapeutics. BD has a presence in virtually every country and partners with organizations around the world to address some of the most challenging global health issues. By working in close collaboration with customers, BD can help enhance outcomes, lower costs, increase efficiencies, improve safety and expand access to health care. For more information on BD, please visit bd.com or connect with us on LinkedIn at www.linkedin.com/company/bd1/ and Twitter @BDandCo.

About embecta

Upon the completion of the planned spinoff of BD's diabetes care business, embecta will be one of the largest pure-play diabetes management companies in the world. embecta will leverage its nearly 100-year legacy in insulin delivery to empower people with diabetes to live their best life through innovative solutions, partnerships and the passion of approximately 2,000 employees around the globe. For more information, visit embecta.com.

Forward-Looking Statements

This press release contains certain forward-looking statements (as defined under Federal securities laws) regarding BD and the planned spinoff of its Diabetes Care business, including the anticipated benefits of the spinoff and the expected timing of completion of the spinoff. All such statements are based upon current expectations of BD and involve a number of risks and uncertainties. With respect to forward-looking statements contained herein, a number of factors could cause actual outcomes to vary materially. These factors include, but are not limited to, risks relating to the impact of the COVID-19 pandemic; product efficacy or safety concerns resulting in product recalls or other actions; new or changing laws and regulations (including the imposition of tariffs or changes in laws impacting international trade) or changes in enforcement practices with respect to such laws; fluctuations in costs and availability of raw materials or adverse changes in supplier or customer arrangements and relationships; legislative or regulatory changes to the U.S. or foreign healthcare systems, potential cuts in governmental healthcare spending, or governmental or private measures to contain healthcare costs, including changes in pricing and reimbursement policies reduce demand or downward pricing pressure; changes in interest or foreign currency exchange rates; adverse changes in regional, national or foreign economic conditions, particularly in emerging markets, including any impact on access to credit markets, product demand or our supply chain; the adverse impact of cyber-attacks impacting information systems or products; competitive factors including technological advances and new products introduced by competitors; supply chain interruptions or interruptions in manufacturing or sterilization processes; pricing and market pressures; difficulties inherent in product development, delays in product introductions and uncertainty of market acceptance of new products; adverse changes in geopolitical conditions; increases in energy costs and their effect on, among other things, the cost of producing products; the ability to successfully integrate any acquired businesses; uncertainties of litigation; issuance of new or revised accounting standards; risks associated with the expected benefits and costs of the spinoff, including the risk that the expected benefits of the spinoff will not be realized within the expected time frame, in full or at all, and the risk that conditions to the spinoff will not be satisfied and/or that the spinoff will not be completed within the expected time frame, on the expected terms or at all; the expected qualification of the spinoff as a tax-free transaction for U.S. federal income tax purposes; risks associated with expected financing transactions undertaken in connection with the spinoff and risks associated with indebtedness incurred in connection with the spinoff; the risk that dis-synergy costs, costs of restructuring transactions and other costs incurred in connection with the spinoff will exceed our estimates; and the impact of the spinoff on our businesses and the risk that the spinoff may be more difficult, time-consuming or costly than expected, including the impact on our resources, systems, procedures and controls, diversion of management's attention and the impact on relationships with customers, suppliers, employees and other business counterparties, as well as other factors discussed in BD's filings with the SEC and embecta's Registration Statement on Form 10. There can be no assurance that BD's spinoff will in fact be completed in the manner described or at all. We do not intend to update any forward-looking statements to reflect events or circumstances after the date hereof except as required by applicable laws or regulations.

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