

Embecta Modern Slavery Statement for year ended 30 Sept 2022

embecta is one of the largest pure-play diabetes care companies in the world. Empowered by nearly 100 years of innovation, we are singularly focused on our mission: **to develop and provide solutions that make life better for people living with diabetes.**

Our Values

- Integrity
- External focus
- Results oriented
- Hungry mindset
- Innovative
- Team players
- Authentic and Inclusive

embecta employees are expected to follow these values in all aspects of business, including dealings with suppliers, customers and other stakeholders. We see the modern social and environmental challenges our world faces as opportunities to make a difference while strengthening our company.

The UK Modern Slavery Act of 2015 requires certain organizations carrying out business in the United Kingdom to publish a statement regarding human trafficking and modern slavery. The following describes embecta's efforts in this regard and covers our programs and activities for our fiscal year ending on September 30, 2022 (FY2022).

1. Organization, Business Structure and Supply Chains

embecta is the leading producer of diabetes injection devices, manufacturing around 8 billion units annually for an estimated 30 million patients. embecta is working to advance the standard of care in insulin delivery through strong community partnerships, innovative technology and comprehensive care resources.

On April 1, 2022, embecta completed a spinoff from BD, previously comprising the diabetes care business within that company. embecta currently operates a series of Transition Services Agreements (TSAs) that enables the utilization of select BD systems and policies as it builds its own. These TSAs are in place through March 2024.

embecta operations comprises three manufacturing facilities (Ireland, US and China), a research and development facility (US) and various commercial offices globally. In FY2022, warehousing and distribution of embecta products was executed through BD.

embecta has approximately 2,000 employees serving over 100 countries and working with about 2,500 suppliers globally that provide both goods and services.

The company is headquartered in Parsippany, NJ (USA), and is publicly listed on The Nasdaq Global Select Market under the symbol "EMBC."

2. Policies in Relation to Modern Slavery and Human Trafficking

embecta is committed to acting in compliance with all applicable laws and embecta's ethical standards, and to ensuring that no instances of modern slavery or human trafficking occur in any part of our own businesses or our supply chain. To that end, embecta maintains several policies that reflect our core values which embecta associates are expected to follow in all aspects of business, including dealings with suppliers, customers and other stakeholders. These include:

- The embecta Code of Conduct - includes our position on human rights, outlines requirements to uphold labor and employment laws, prohibits forced labor, child labor, etc. and specifically extends these expectations to our suppliers. Included within the Code of Conduct is embecta's approach to speaking up, with details of our ethics helpline and online reporting tool, ethics office, etc. embecta associates are encouraged and expected to speak up about any actual or suspected violations of laws, regulations, the embecta Code of Conduct, embecta policies, or relevant industry codes. Those that speak up in good faith are protected against any form of retaliation or discipline.
- The embecta Global Human Rights Policy - which outlines our commitment to protect human rights, preserve the integrity of our workforce, and to integrate human rights principles into our business processes and practices.
- Under TSA with BD, embecta continued to apply the BD Expectations for Suppliers (EFS) (updated in FY2021) - which prohibits the use of involuntary labor of any kind, including slave labor, indentured/debt labor, forced labor, or prison labor by embecta / BD suppliers. For future fiscal years, embecta will have its own published EFS.

3. Due Diligence Processes

For our own operations, including our manufacturing sites, embecta maintains robust Environmental, Health, and Safety (EHS) and Ethics & Compliance programs that foster a culture of compliance with the embecta Code of Conduct and local laws, whichever are more stringent.

For the purposes of supplier risk management in FY2022, embecta relied upon continuation of BD processes and systems (being part of BD as the diabetes care business for the first six months of the fiscal year and having TSAs in place for the second six months).

Within our supply chain, where our highest risk of slavery and human trafficking exists, suppliers are evaluated annually using a third-party platform to understand human rights risk which includes modern slavery risk factors. We recognize that our highest-risk suppliers are likely to be found in countries and industries cited for having the highest prevalence of modern slavery and human trafficking rights violations. Those suppliers that are highest risk are prioritized for more detailed assessment via a third-party administered desktop audit, review by BD's Responsible Sourcing Operating Committee, and the embecta team members comprising of Sr Director, Procurement; Sr Director Sustainability & EHS; Manager, Supplier Responsibility & Diversity. These desktop audits specifically address key labor and human rights practices and ask suppliers to show documentation that these practices are put in place effectively. As suppliers are identified as high risk, we work (currently through BD) to engage across the company to support the review and remediation of risks or known issues identified within the identified supplier. If a supplier receives an unacceptable score on their desktop audit, results are evaluated and the best path for further engagement is determined. This may include the assignment and review of corrective actions, in-person human rights focused audits, or remediation as necessary.

As embecta stands up its own independent processes, newly acquired operations and new suppliers will be prioritized for review to ensure that they meet our expectations and policy requirements. Our supplier onboarding processes include details on management of human rights in supply chain, and we are committed to maintaining and enhancing these as we move forward.

We maintain a reporting/grievance mechanism through our Ethics Helpline, a third-party-led monitoring and oversight mechanism that is available both internally for embecta employees and externally for all stakeholders. This system allows for anonymous (where permitted by law) and/or confidential reporting of all matter of ethics concerns, including known or suspected human rights abuses both within embecta and in our wider supply chain. It is available online or via telephone in a number of languages.

4. Assessing and Managing Risk

The human rights commitments in our Code of Conduct are integrated across our operations through a number of oversight systems and processes. Our embecta Manufacturing & Supply Chain (including Operations, Supply Chain, Procurement and Sustainability/EHS) and Human Resources functions ensure compliance with our policies prohibiting forced labor, human trafficking and modern slavery across all of our operations. At the manufacturing and distribution level, our Global Manufacturing and Supply Chain teams ensure continued compliance through several layers of risk management, such as regular internal audits that include desk-based and on-the-ground risk and EHS audits.

Additionally, embecta employees are trained to report concerns around Code of Conduct violations to the Ethics Hotline. embecta suppliers are also encouraged to report concerns through the same process. Such reports may trigger additional risk assessments until identified risks are adequately managed by appropriate follow-up actions where necessary. BD's EFS was first published in 2009 and since that time BD and embecta have worked to communicate the EFS to suppliers and confirm their compliance. This document details the minimum standards that all our suppliers must meet with regards to human rights in addition to other topics. Compliance has been evaluated primarily through written acknowledgements and through periodic audits based on the level of risk. We include language in the EFS document that requires its suppliers to represent, warrant, and/or certify that they comply with the EFS and all relevant laws (including labor laws) in our contracts, purchase orders and supplier terms and conditions, among others, where failure to comply could be a breach of contract and result in contract termination, payment of damages and other consequences and/or remedies depending on the terms of the agreement.

Within our supply chain, suppliers identified as high priority (via the process outlined in the section above) may be asked to complete an in-depth third-party-led desktop audit, the results of which may trigger site inspections and/or in-person audits or guide our remediation efforts if deemed necessary.

embecta maintains the right to conduct site inspections and audits of suppliers by itself or through a third party.

5. Measurement and Effectiveness of Steps Taken

As embecta decouples from BD processes, we will ensure that we assess management effectiveness through periodic program reviews. We intend to develop and implement Key Process Indicators (KPIs) to validate effectiveness, and we aim to report progress on these in our annual Environment, Social and Governance (ESG) publications.

We also participate in industry working groups where we learn best practices that have been implemented by companies across sectors and we seek to apply those where they add value to our programs.

6. Training on Modern Slavery and Human Trafficking and Capacity Building

embecta takes steps to educate employees and third parties so they can identify modern slavery and other human rights abuses and take steps to eliminate them, both in our own operations and within our supply chain. These steps include:

- For our own operations, including our manufacturing sites, embecta maintains robust EHS; Ethics and Compliance and Labor Standards programs that foster a culture of compliance. These programs include relevant training and guidance as appropriate. Additionally, all embecta associates are trained annually on our Code of Conduct and all other embecta policies. We maintain SA8000 certification at two of our three manufacturing facilities, with plans to complete the third.

- embecta uses online training “Slavery and Human Trafficking in Supply Chains” developed by a third party and administered online annually. This course explains that forced labor, also known as modern slavery, still exists in the world and prompts the learner to consider ways of identifying and preventing it in the supply chain. It also trains employees to report known or suspected human rights abuses via our Ethics Helpline. This course is delivered to employees that interact directly and indirectly in sourcing or that manage, advise, or are otherwise involved with our suppliers, including our leaders and our employees in the following departments: Environment, Health and Safety, Procurement, Supply Chain, Quality, R&D, Operations, Human Resources, and our Legal Group.

embecta strives to continuously improve its programs to ensure compliance with applicable laws and embecta's ethical standards and to meet the expectations of our customers, shareholders, associates, communities and other stakeholders.

This statement was approved and adopted by the embecta Board of Directors on March 27, 2023.



Devdatt (Dev) Kurdikar
President and Chief Executive Officer