



**Part II** Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See attachment

Blank lined area for listing Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ See attachment

Blank lined area for providing information on resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See attachment

Blank lined area for providing other necessary information.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 5/2/2022

Print your name ▶ Antoinette Segreto Title ▶ Senior Vice President, Tax

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

**Becton, Dickinson and Company**

**EIN: 22-0760120**

**ATTACHMENT TO FORM 9937 – PART II**

**REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES**

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***CONSULT YOUR TAX ADVISOR***

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”). This attachment includes a general summary regarding certain U.S. federal income tax laws and regulations relating to the effects of the Distribution (as defined below) on the tax basis of shares of Becton, Dickinson and Company (“BDX”) common stock, and the allocation of tax basis among shares of BDX common stock and Embecta Corp. (“EMBC”) common stock following the Distribution (as defined below). The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. Neither BDX nor EMBC provides tax advice to its shareholders. The example provided below is illustrative and is being provided pursuant to Section 6045B of the Code as a convenience to shareholders and their tax advisers when establishing their specific tax position. You are urged to consult your own tax advisors regarding the particular consequences of the Distribution to you, including the applicability and effect of all U.S. federal, state, and local tax laws and foreign tax laws. We urge you to read the Information Statement, dated and filed with the Securities and Exchange Commission on February 11, 2022, noting especially the discussion therein under the heading “Material U.S. Federal Income Tax Consequences”. You may access the Information Statement at [www.sec.gov](http://www.sec.gov).

This information does not apply to shares of BDX common stock sold, exchanged, or otherwise disposed of prior to the Distribution.

**Line 14 Describe the organizational action and, if applicable, the date of the action or the date against which the shareholders’ ownership is measured from the action**

On April 1, 2022, at 12:01 EDT, pursuant to the terms and conditions of the Separation and Distribution Agreement dated March 31, 2022, by and between BDX and EMBC, BDX distributed to holders of BDX common stock, on a pro rata basis, all of its shares of EMBC common stock (the “Distribution”). Pursuant to the Distribution, each holder of BDX common stock as of the close of business on March 22, 2022 received one (1) share of EMBC common stock for every five (5) shares of BDX common stock. Fractional shares of EMBC common stock were aggregated and sold in the market by the distribution agent on behalf of the BDX shareholders who were otherwise entitled to receive such fractional shares in the Distribution. The Distribution is intended to qualify as a distribution described in Section 355 of the Code.

**Line 15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis**

As a result of the Distribution, BDX shareholders will be required to allocate the aggregate tax basis in their shares of BDX common stock held immediately prior to the Distribution between such shares of BDX common stock and the shares of EMBC common stock received with respect to such BDX common stock in the Distribution (including any fractional shares deemed received and sold for cash). This allocation is made in proportion to the relative fair market values of the BDX common stock and EMBC common stock. Shareholders that acquired BDX common shares at different times or different prices will need to separately calculate their tax basis in each block of BDX common stock and then allocate a portion of that tax basis to the shares of EMBC common stock received with respect to such BDX common stock.

**Line 16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market value of securities and the valuation date**

U.S. federal income tax laws do not specifically identify how to determine the fair market values of BDX common stock or EMBC common stock. One method for determining such fair market values is to utilize the New York Stock Exchange volume weighted average price on April 1, 2022 (the first trading day after the Distribution) for BDX common stock and the Nasdaq Global Select Market volume weighted average price on April 1, 2022 for EMBC common stock.

Using this method, the fair market value of one share of BDX common stock on April 1, 2022 was \$261.65 and the fair market value of one share of EMBC common stock on April 1, 2022 was \$30.71. Based on these fair market values and the distribution ratio of one share of EMBC common stock per five shares of BDX common stock held, shareholders' pre-Distribution tax basis in their BDX common stock should be apportioned 97.706% to their BDX common stock and 2.294% to their EMBC common stock.

The following is an illustrative example of how the previously-described approach to basis allocation would be applied:

Assumptions:

- Shares of BDX common stock owned immediately prior to the Distribution: 5
- BDX shareholder's aggregate tax basis (assumed to be \$100.00 per share): \$500
- Shares of EMBC common stock received in the Distribution (5 shares of BDX common stock multiplied by the distribution ratio of 0.2): 1

Tax Basis Allocation:

	<b># Shares Owned</b> <b>(A)</b>	<b>Beginning Tax Basis</b> <b>(B)</b>	<b>Price</b> <b>(C)</b>	<b>FMV of Shares Owned Post Distribution</b> <b>(A) x (C)</b>	<b>% of Total FMV</b> <b>(D)</b>	<b>Allocated Tax Basis</b> <b>(B) x (D)</b>
BDX Common Stock	5 <sup>1</sup>	\$500 <sup>2</sup>	\$261.65 <sup>3</sup>	\$1,308.25	97.706% <sup>5</sup>	\$488.53
EMBC Common Stock	1		\$30.71 <sup>4</sup>	\$30.71	2.294% <sup>6</sup>	\$11.47
Total				\$1,338.96	100.00%	\$500

<sup>1</sup> Number of BDX common shares owned immediately prior to the Distribution.

<sup>2</sup> Aggregate tax basis in the BDX common stock owned immediately prior to the Distribution.

<sup>3</sup> Volume weighted average price of BDX common stock on April 1, 2022.

<sup>4</sup> Volume weighted average price of EMBC common stock on April 1, 2022.

<sup>5</sup> \$1,308.25 / \$1,338.96

<sup>6</sup> \$30.71 / \$1,338.96

**Line 17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based**

The applicable Internal Revenue Code sections upon which the tax treatment is based are Section 355, Section 358, and Section 368(a)(1)(D).

**Line 18 Can any resulting loss be recognized?**

BDX intends for the Distribution to qualify as a “reorganization” under Sections 355 and 368(a)(1)(D) of the Internal Revenue Code. Assuming this characterization is respected, BDX shareholders generally will not recognize any loss on the Distribution for U.S. federal income tax purposes (except to the extent that a loss may be recognized with respect to any cash received in lieu of fractional shares of EMBC common stock).

**Line 19 Provide any other information necessary to implement the adjustment, such as the reportable tax year**

The Distribution occurred on April 1, 2022. As a result, the basis adjustments in the shares of BDX common stock and EMBC common stock should be reported in the taxable year that includes this date. In the case of shareholders who are calendar year taxpayers, the Distribution is reportable in the tax year ending December 31, 2022.