# **Global External Funding Policy**

Effective: 01 October 2019

## **Purpose**

In order for BD to achieve its purpose of *advancing the world of health*, we must do what is right. This policy provides the principles and rules for providing funding and in-kind support for charitable contributions, educational grants, commercial sponsorships to qualified organizations.

This policy complies with all applicable laws and regulations.

## Scope

This policy applies to Becton, Dickinson and Company, its divisions, and majority-owned or controlled subsidiaries ("BD").

All BD associates and agents who provide or are involved with providing external funding or in-kind (e.g., products) support must adhere to this policy. This includes all BD associates who provide or are involved in providing support in the form of charitable contributions, commercial sponsorships, educational grants, and research grants or investigator sponsored studies. BD sponsored educational events such as safe and effective use training or speaker events are not considered educational grants for the purposes of this policy.

If a country has laws that impose stricter standards, the stricter standards should govern activities of BD associates. Local BD policy should be developed and implemented to ensure that BD associates are familiar with the stricter standards.

# **Key definitions**

**Charitable Contributions** includes both civic and healthcare contributions to a charitable organization for bona fide charitable purposes, without the expectation of receiving any tangible promotional or other benefit other than recognition of the donation. Charitable Contributions can be made to non-profit organizations recognized as charitable organizations (*e.g.*, 501(*c*)3 or equivalent).

**Commercial Sponsorship** means any full or partial funding or support (*in cash or in-kind*) provided by BD for a program, event or project (*e.g., healthcare related conventions, conferences and projects supporting healthcare*) in return for advertisement or promotion of BD, BD products, medical and scientific information, including but not limited to, Commercial Sponsorships, booths, exhibit space, advertisements, memberships, signage rights, naming rights, subscriptions and/or mentioning that the program, event or project was sponsored by BD.



**Educational Grant** means support for any scientific, educational or professional program, meeting or event that is organized, controlled, and conducted by an independent third party, including but not limited to, Accredited and Non-Accredited Continuing Medical Education ("CME" and "non-CME") for Healthcare Professionals ("HCPs") and/or patients, disease awareness, or medical conferences.

**Investigator Sponsored Studies**, also referred to as research grants or investigator-initiated studies, are developed and sponsored by an independent investigator which are designed to address meaningful scientific and/or clinical objectives. The external investigator maintains all regulatory, ethical, and applicable legal responsibility for the studies or projects and solely controls patient safety, protocol content, and data collection, analysis, and reporting. BD sponsored studies are not Investigator Sponsored Studies. Please refer to the Global Human Subject Research Policy for additional information about BD sponsored research.

# Policy

### **General external funding requirements**

BD may provide external funding in the form of Charitable Contributions, Educational Grants, and Commercial Sponsorships to third parties to further the commitment of advancing healthcare and patient well-being.

BD associates may never offer or provide external funding to encourage or reward the recommendation, purchase, prescription, or use of BD products or services.

### Free of Sales and Marketing control or undue influence

Decisions related to healthcare Charitable Contributions, Educational Grants and Investigator Sponsored Studies must be made without control or undue influence from Sales and Marketing. Sales and Marketing associates may, upon request, provide input to the committee responsible for review and approval of the funding request about the requestor or proposed program but may not exercise any control over funding decisions.

#### Written agreement/acknowledgement

External funding must only be provided to organizations (*not individuals*) and must be documented in writing prior to committing any funding or in-kind support. All external funding activities must be documented with written agreements/acknowledgements using a template approved by the Law Group prior to issuing payment or providing product. The written agreement/acknowledgement must contain a clear description of the payment or in-kind support provided and the purpose for the payment or support.

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### Charitable Contributions

#### Healthcare contributions

Healthcare contributions are Charitable Contributions made to current or prospective BD customers. These include any entity that purchases, leases, recommends, uses, arranges for the purchase or lease of, or prescribes BD products, or is associated or affiliated with such an entity (e.g., charitable foundation of a hospital). Healthcare contributions are not permitted to be made to government officials. As healthcare contributions pose a higher compliance risk for BD, they require a more extensive review process before they are approved. Healthcare contributions include charitable golf or gala fundraisers for hospitals/hospital foundations. However, BD may not pay for HCP attendance or participation in a charitable event. Healthcare Contributions may only be made in response to unsolicited requests.

#### Civic contributions

Civic Contributions are Charitable Contributions made to non-profit organizations not included in the definition of healthcare contributions (*i.e.*, not current or prospective BD customers). Civic contributions should aim to improve the quality of life in local communities by providing contributions in the areas of health, education, social welfare, and arts and culture. This may include program support, scholarship programs, contributions to single disease organizations such as the American Heart Association and the American Cancer Society, universities, museums, environmental organizations, and youth development organizations.

#### **General Charitable Contributions requirements**

BD may only provide Charitable Contributions to non-profit organizations recognized as charitable organizations (*e.g.,* 501(*c*)3 or equivalent). Charitable Contributions must be consistent with the BD purpose of advancing health around the world.

BD may make Charitable Contributions to non-profit, healthcare-related organizations to support education, research, or patient care advocacy projects in fields related to BD products. However, funding provided to support fellowship programs will be considered an Educational Grant, as opposed to a Charitable Contribution. BD may also make civic contributions to benefit communities where BD has significant operations and employee populations, which do not need to be healthcare related.

Charitable Contributions must be motivated by bona-fide charitable purposes and not provided for commercial business purposes or to obtain or retain business, including the purchase or lease of BD products.

BD may not receive or be perceived to receive direct or indirect benefits from Charitable Contributions.

# Inappropriate Recipients

BD may not provide Charitable Contributions to:

- Organizations whose missions or purposes are inconsistent with BD missions or purposes
- Organizations that, to the knowledge of BD, discriminate on the basis of race, age, gender, religion, sexual orientation, or national origin as a matter of policy or practice
- Religious organizations, unless services are offered on a nondiscriminatory basis for the benefit of the general public
- Fraternal, athletic, or social clubs
- Political candidates or organizations
- Government officials

### **Inappropriate Purposes**

BD may not provide Healthcare Contributions for the following purposes:

- Capital or other infrastructure support (including equipment purchase)
- General operating expenses
- Benefit of a specific individual

# Criteria for Evaluating Requests

BD must evaluate requests for Charitable Contributions using objective criteria, such as:

- Alignment of Charitable Contributions with established BD Charitable Contribution priorities
- The charitable purposes of the requestor
- The reputation and qualification of the requestor
- The impact of the activities conducted by the requestor
- The impact of the Charitable Contributions on requestor's activities

Charitable Contributions may not be made in response to a request from HCPs unless the HCPs are authorized representatives of a charitable organization.

Charitable Contributions must be documented in writing and BD associates must obtain an appropriate acknowledgement from the recipient in a format approved by the Law Group.

#### Conflicts of interest

BD understands its associates share its commitment to charitable giving and may be involved with various charities. If a BD associate serves on the board of a charitable organization seeking a contribution from BD, the associate may not be involved in the request review or approval process. Please see the Global Conflicts of Interest policy for more information.

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#### **Contributions Committee**

The Contributions Committee is responsible for establishing the overall direction of the BD charitable activities and program oversight, subject to guidelines or principles as established by the BD Board of Directors or other relevant committee.

The Contributions Committee consists of the Chief Financial Officer, or designee, and representatives from each of the Medical Affairs, Tax and Law Group (including Ethics & Compliance) functions, and may include BD business segments. The head of each named corporate function or business segment, or the Chief Executive Officer ("CEO") if no functional head is in place, must designate a person to serve on the Contributions Committee. The Contributions Committee has the authority to nominate additional members, who must be approved by the CEO, provided that the Contributions Committee is not comprised of more than twelve (12) members. The Contributions Committee shall establish its own operating procedures and its activities shall be managed by the BD associate with managerial responsibility for the Social Investing Department (or a successor function having the same responsibilities). Contributions Committee members who propose, or whose operating unit or function proposes, a Charitable Contribution may not participate in either the deliberations or voting by the Contributions Committee on such proposal.

#### Charitable Contributions in Excess of \$50,000 (US Dollars, "USD")

The Contributions Committee must approve Charitable Contributions that are valued in excess of \$50,000 (*USD*) in a fiscal year to any entity (*and its affiliates*). The Contributions Committee, CEO, and General Counsel must approve Charitable Contributions that are valued in excess of \$100,000 (*USD*) in any fiscal year to any entity (*and its affiliates*).

The Contributions Committee may, in its discretion, authorize in advance Charitable Contributions in the form of product donations valued in excess of \$50,000 (*USD*) in a fiscal year to designated organizations that are pre-qualified by the Contributions Committee.

#### **Product donations**

BD may make Charitable Contributions in the form of product donations but may only provide them for purely charitable purposes (e.g., humanitarian or disaster relief or support of indigent care). Product donations requested as a part of a bona fide educational program qualify as an Educational Grant as opposed to a product donation. All product donations must be reviewed and approved by the appropriate level of management, in compliance with the BD Product Donations SOP.

Donated product must be either in saleable condition or not saleable solely because of cosmetic damage.

#### Reporting

BD must report all Charitable Contributions in compliance with laws, regulations, and industry codes. In order to ensure all contributions are reported correctly, all BD associates must use the appropriate accounting codes when tracking all Charitable Contributions.

#### Transparency

BD maintains a clear distinction between charitable and commercial activities and a high level of transparency in all communications that describe our charitable activities.

Routine commercial transactions often have a positive impact on human health and serve the public good even when these transactions are entered into with for-profit entities and negotiated on an arm's-length basis. There are times when, for philanthropic or other reasons, BD may enter into commercial transactions with charitable, governmental, or other organizations such as non-governmental organizations ("NGOs") at prices or profit below those which BD would ordinarily receive in a transaction with a purely commercial entity. These transactions should be considered to be commercial in nature, even if they are motivated in part by philanthropic goals, and all communications should describe BD activities accurately, transparently, and not suggest that our role, though laudable, is philanthropic in nature.

To avoid the legal and policy issues that could potentially be implicated by blurring the distinction between commercial and charitable transactions, the following rules must be followed:

- 1. BD must maintain a clear distinction between commercial and charitable activities.
- 2. BD associates must maintain a clear understanding as to whether each transaction to be entered into by BD is commercial or charitable in nature.
- 3. A high level of transparency must be exercised in all internal and external communications that relate in any way to BD charitable activities. BD must:
  - Ensure that all communications regarding BD charitable transactions are truthful and complete
  - Not characterize, expressly or implicitly, any commercial transaction as being charitable, particularly where the other party to the transaction is a charitable or governmental organization

# **Educational grants**

#### **General Educational Grants requirements**

BD may only provide Educational Grants to support specific activities that advance education of HCPs, patients, or the public. BD may provide support for the reasonable costs incurred by the grant recipient in conducting the activity supported by the Educational Grant. BD associates may never solicit Educational Grant requests from customers or prospective customers. BD must not control or unduly influence the content, faculty, materials, attendees, or venue of such programs and may only provide monetary support. If permitted by the policies and standards of the organizers of the conference or meeting and of the applicable accrediting organization (*if any*), sales and marketing associates may, upon request, provide input to the committee responsible for review and approval of the funding request about the requestor or proposed program.

BD may not receive or be perceived to receive direct benefits in return in for Educational Grants and may not provide Educational Grants to obtain or retain business, including the purchase or lease of BD products. Evaluation of support may not consider the volume or value of actual or potential business generated by the requestor.

We do what is right • We are authentic • We are all accountable • We improve every day • We help each other be great • We do what is right • We are authentic • We are all accountable • We improve every day • We help each other be great • We do what is right • We are authentic • We are all accountable • We improve every day • We help each other be great • We do what is right • We are authentic • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We improve every day • We help each other be great • We do what is right • We great • We do what is right • We great • We do what is right • We great • We do what is right • We great • We do what is right • We great • We do

We do what is right • We are authentic • We are all accountable • We improve every day • We help each other be great • We do what is right • We are authentic • We are all accountable • We improve every day • We help each other be great • We do what is right • We are authentic • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other be great • We do what is right • We are all accountable • We improve every day • We help each other

#### Independence

BD may not attempt to control or unduly influence supported activities directly or indirectly. Responsibility for and

### Criteria for evaluating Educational Grants

BD must evaluate requests for Educational Grants using objective criteria such as:

- · Organizations whose missions or purposes are consistent with BD missions or purposes
- Alignment of the request with the established direction for Educational Grants
- The requestor (e.g., reputation, qualifications, debarment, and ability to operate effectively)
- The impact of the activities conducted by the requestor
- The impact of the Educational Grant on requestor's activities

control over the selection of content, faculty, educational methods, materials, attendees, and venue for a third-party sponsored conference or meeting must remain with the organizers of the conference or meeting and be in compliance with their policies and standards.

#### **Fellowships**

BD may provide support for fellowship programs at non-profit hospitals. This support is considered an Educational Grant, not a Charitable Contribution.

#### **Booths and advertising**

Funding for booths and advertising not combined with an educational purpose is considered a Commercial Sponsorship. Please refer to Commercial Sponsorships section below. Funding for booths and advertising combined with a request for Educational Grant funding must meet the requirements for both Commercial Sponsorships and Educational Grants.

#### **Faculty**

If permitted by the policies and standards of the organizers of the conference or meeting, the applicable accrediting organization (*if any*), and applicable industry code, BD may select and send faculty to the conference or meeting to speak on the Company's behalf, provided that the faculty member is engaged pursuant to BD policy and appropriate disclosure is made to attendees that the faculty is presenting of behalf of and paid by BD.

#### **Permitted support**

Financial support must be given directly to a training institution or a third-party educational conference sponsor and may be used only for the following permitted purposes:

- To reduce overall conference costs for all attendees
- To cover reasonable honoraria, travel, lodging, and modest meals for HCPs who are bona fide conference or meeting faculty members
- Except for HCPs in training located in Massachusetts and Vermont, to provide financial assistance for scholarships or other educational funds to permit medical students, residents, fellows, and other HCPs in training to attend carefully selected educational conferences or meetings so long as the selection of attending individuals is made by the conference sponsor or training institution. "Carefully selected educational conferences or meetings" are

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generally defined as the major educational, scientific, or policy-making meetings of national, regional, or specialty medical associations.

#### **Prohibited support**

Financial support may not be provided for the following prohibited purposes:

- Costs of travel, lodging, or other personal expenses of non-consultant customers, either directly to the individuals
  attending the conference or meeting or indirectly to the sponsor (except as described above regarding
  scholarships)
- Compensation for the time spent by customers attending the conference or meeting

If the conference or meeting is sponsored by a customer, BD may support the conference or meeting as described in this policy, provided that:

- 1. The conference or meeting is for the benefit of any potentially interested clinicians in the community (not just those on staff at the customer's institution)
- 2. As a condition of receiving the support, the customer commits in writing to market and publicize the conference or meeting to such clinicians within the community
- 3. The support from BD is not provided in exchange for securing or maintaining the customer's business

# **Commercial Sponsorships**

#### **General Commercial Sponsorship requirements**

BD may provide Commercial Sponsorships to support events involving HCPs, Healthcare Organizations ("HCOs"), patients, or the public. BD may pay for booths and exhibits at third-party conferences to promote or demonstrate BD products, as well as corporate memberships to industry organizations. BD must have a legitimate business reason for

## Commercial Sponsorship approval

Requests for Commercial Sponsorship must be approved by the appropriate level of BD management in advance of an event and before any commitment is made to an event organizer regarding support by BD.

#### Field sales involvement

BD field sales associates may not serve on a committee responsible for the review or approval of Commercial Sponsorship requests, but may, upon request, provide input to the committee about the requestor or proposed sponsorship.

providing a Commercial Sponsorship and must receive a tangible benefit for the support (e.g., exhibit, booth, advertising, or promotional space at the conference).

Sponsored events must be open to the public or members of the scientific or healthcare industries and may not be for the benefit of a single customer.

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### Written requests

Conference organizers must provide BD with written requests detailing:

- The amount requested
- The purpose of the conference, event or membership
- The agendas and materials that will be made available to conference attendees

### Legitimate need

BD must have a legitimate business reason for providing Commercial Sponsorships and must meet these requirements:

- BD must receive tangible benefits, including advertising or promotion opportunities
- BD must need the benefits
- The benefits cannot be obtained without Commercial Sponsorship of the event

#### Fair market value

Payment for Commercial Sponsorships must represent a commercially reasonable free/fair-market-value for the marketing and promotional benefits received. Payment for Commercial Sponsorships must be at published rates for an event, if available, consistent with fees associated with similar events and consistently applied to all sponsors.

Commercial Sponsorship funding must be consistent with the promotional value of the event (e.g., size of audience, publicity derived, total estimated cost of the activity) and any other benefits received by BD.

#### Booths, displays, and exhibits

Commercial Sponsorship of advertising, exhibits, displays, or booth space is only allowed at events related to BD products and at which potential BD customers or users of BD products will be present (e.g., major scientific conventions, regional conferences, local hospitals, and medical centers).

All materials associated with exhibits, displays, or booths must be approved through the Ad Prom or Copy Approval process, on-label, and appropriate for the event and audience.

#### Satellite events and symposia

BD may sponsor or organize presentations or seminar sessions, also called satellite events or a symposium, in connection with third-party conferences. Presentations given at these satellite events must relate to the topics on the program or agenda set by the conference organizer and contain fair, balanced, and scientifically rigorous information. BD is responsible for the content of satellite events and BD associates must ensure the content is approved through the Ad Prom or Copy Approval process. The agenda for the event must clearly reflect that BD is the organizer of the satellite event and is responsible for determining content and selecting faculty.

BD may engage an HCP to serve as faculty on its behalf at a satellite event. BD may cover the HCP's relevant conference registration fees (*limited*, as appropriate, and aligned with local codes, to the time necessary to speak at the satellite event) as well as modest and reasonable travel and lodging expenses. BD may also compensate the HCP faculty at fair-market-value for services.

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This prohibition does not preclude BD from paying for modest and reasonable travel and lodging expenses for an HCP to attend a separate, unrelated BD-organized safe and effective training or BD-conducted advisory board.

### Prohibition on direct Commercial Sponsorship

BD prohibits direct Commercial Sponsorship of HCPs to attend educational events. Direct Commercial Sponsorship includes funding HCP travel, lodging, or registration fees to attend third-party medical educational or scientific conferences as delegates or attendees.

## **Investigator Sponsored Studies**

#### **General Investigator Sponsored Study requirements**

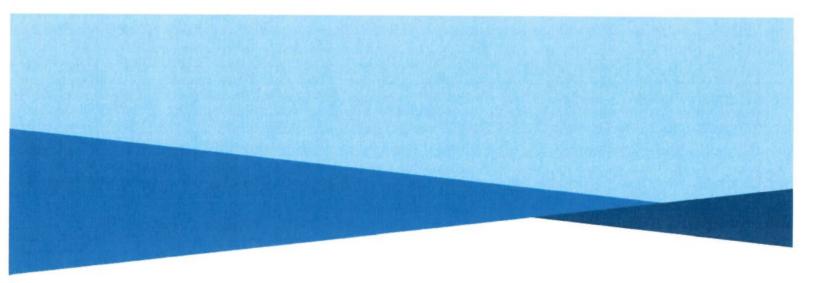
BD supports independent research to advance scientific and clinical knowledge related to our products, technologies, and therapies. Decisions to support Investigator Sponsored Study requests may never take into account the volume or value of actual or potential business generated by the requestor.

Investigator Sponsored Studies are studies developed and sponsored by an independent investigator and are designed to address meaningful scientific and/or clinical objectives.

The external investigator (also referred to as a Sponsor-Investigator) maintains all regulatory, ethical, and applicable legal responsibility for the studies or projects and solely controls patient safety, protocol content, and data collection, analysis, and reporting.

Investigator Sponsored Study support must only be provided for legitimate research activities. Any monetary support must represent fair market value for the research work to be performed and should be provided pursuant to a milestone payment schedule. Grant recipients must be an organization or institution. Payments to individual HCPs are not permitted.

Decisions about Investigator Sponsored Study grants are the responsibility of the BD Medical Affairs organization, with input from relevant non-commercial functions. BD commercial teams are prohibited from participating in the preparation of proposals, review and decisions related to proposals (*unless their input is requested by Medical Affairs*), or their support is necessary for contractual execution of Investigator Sponsored Studies. Investigator Sponsored Studies will not be given in order to reward HCOs or HCPs for using, purchasing, recommending, or prescribing BD products and solutions, or to persuade them to do so. Please refer to the Global Investigator Sponsored Studies policy for additional information on how these studies must be handled.



# **Approval**

Author:

Approver:

By: Michelle T. Quinn

Name

Title: SVP, Chief Ethics & Compliance Officer,

Chief Regulatory Counsel

By: Vincent A. Forlenza

Name: Unicarta Perlenge

Title: Chairman & Chief Executive Officer

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# Obligation to report non-compliance

Except as prohibited by applicable law, BD associates have an obligation to report non-compliance with BD policy, both their own non-compliance or the non-compliance of another BD associate or a third party, to their supervisors, Human Resources, the Law Group and/or the Ethics & Compliance Department. The BD Ethics Helpline allows for anonymous reporting of non-compliance except to the extent such anonymous reporting is not allowed by law. You can reach the Ethics Helpline through the phone numbers or website identified on the Ethics & Compliance page on the Maxwell intranet site. You can also report matters via email: <a href="mailto:ethicsoffice@bd.com">ethicsoffice@bd.com</a>.

Any BD associate who fails to meet the standards and expectations of this policy or the Code of Conduct, may be subject to discipline. Such discipline shall be reasonably designed to deter wrongdoing and to promote compliance with this policy and the Code of Conduct, and may include without limitation, corrective actions up to, and including, termination of the individual's employment.

# **Exceptions and changes**

Any exception to this policy must be approved in advance and in writing by an authorized individual in the Ethics & Compliance Department.

### References

- Global Standards for Interactions with Healthcare Professionals, Healthcare Organizations, and Government Officials
- AdvaMed Code of Ethics on Interactions with Health Care Professionals
- U.S. Charitable Contributions SOP
- U.S. Product Donations SOP
- U.S. Educational Grants SOP
- U.S. Commercial Sponsorships SOP
- Global Antibribery & Anticorruption Policy
- Global Conflicts of Interest Policy
- Global Investigator Sponsored Studies Policy

# **Revision log**

Rev	Description of Changes	Changed By	Approved By	Date
1.0	New	Ethics & Compliance	Chief Executive Officer	10/01/19

This policy and its requirements supersede and replace all other BD, C.R. Bard and CareFusion policies related to External Funding.