

# Retirement Education Webinar

Hosted by BD Total Rewards

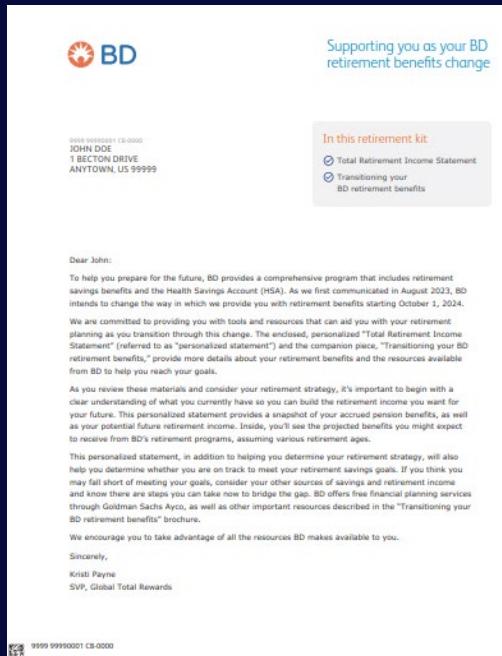
For eligible U.S. associates

April 2024



This presentation and the Retirement Program Kit include information for illustrative purposes only and are not a guarantee of future benefits.

# Your retirement program kit



Dear John,

To help you prepare for the future, BD provides a comprehensive program that includes retirement savings benefits and the Health Savings Account (HSA). As we first communicated in August 2023, BD intends to change the way in which we provide you with retirement benefits starting October 1, 2024.

We are committed to providing you with tools and resources that can aid you with your retirement planning as you transition through this change. The enclosed, personalized "Total Retirement Income Statement" (referred to as "personalized statement") and the companion piece, "Transitioning your BD retirement benefits," provide more details about your retirement benefits and the resources available from BD to help you reach your goals.

As you review these materials and consider your retirement strategy, it's important to begin with a clear understanding of what you currently have so you can build the retirement income you want for your future. This personalized statement provides a snapshot of your accrued pension benefits, as well as your potential future retirement income. Inside, you'll see the projected benefits you might expect to receive from BD's retirement programs, assuming various retirement ages.

This personalized statement, in addition to helping you determine your retirement strategy, will also help you determine whether you are on track to meet your retirement savings goals. If you think you may have a gap between your current savings and the amount you will need to retire comfortably, and know there are steps you can take now to bridge the gap, BD offers free financial planning services through Goldman Sachs Ayo, as well as other important resources described in the "Transitioning your BD retirement benefits" brochure.

We encourage you to take advantage of all the resources BD makes available to you.

Sincerely,

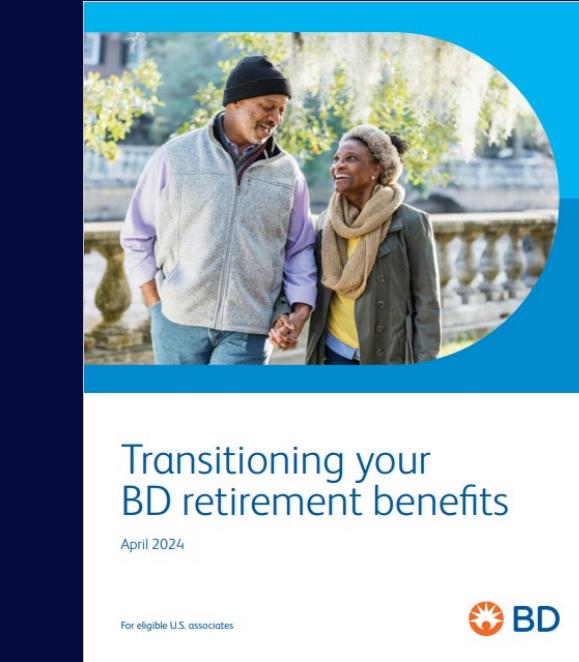
Kristi Payne  
SVP, Global Total Rewards

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Cover letter



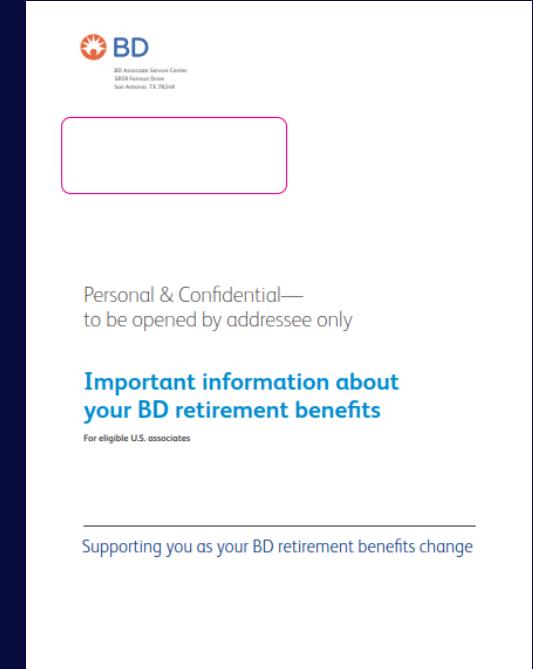
## Total Retirement Income Statement



## Your Retirement Transition Brochure



This symbol—included throughout this brochure—is associated with a specific section of your Total Retirement Income Statement. As you read this brochure, look out for this symbol to cross-reference with your personalized statement.



Envelope

# What we'll cover today

1

What to expect

2

Helping you understand  
your Total Retirement  
Income Statement

3

Understanding the  
BD retirement program

4

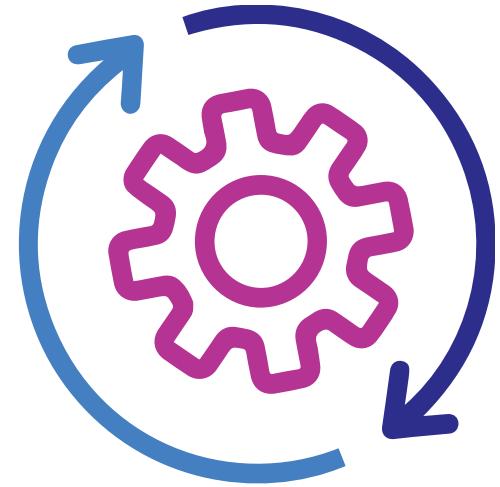
Taking the next  
step with financial  
planning services

# What to expect

# What to expect on October 1, 2024

To provide a consistent and fair approach to retirement savings for all U.S. associates, BD is:

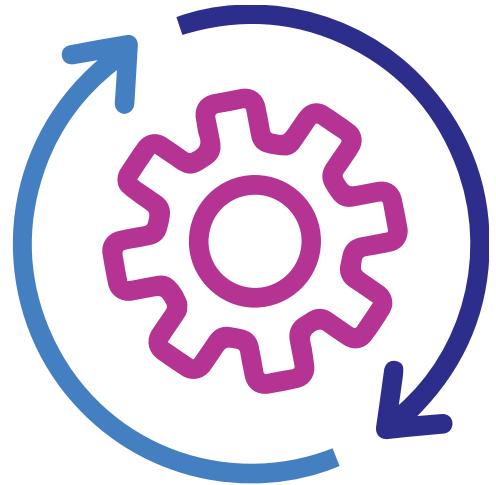
- Freezing the BD Retirement Plan (also known as the “cash balance plan”), and the BD Restoration Plan, as applicable for eligible associates
- Transitioning future retirement accruals for associates who are cash balance plan participants over to the BD 401(k) Plan



# What to expect (cont'd)

## What's not changing

- You keep your cash balance account and any legacy benefits you earned (e.g., benefits earned under the legacy Bard pension plan)
- You earn interest credits until you request payment of your benefit from your cash balance account
- You may continue to contact Benefits Direct (Pension) and Fidelity (401(k) Plan)



The BD Retirement Plan and BD 401(k) Plans will remain two separate, distinct plans and will not merge together.

# Transition timeline

1

Sept. 30, 2024

- New pay credits in your cash balance account will stop
- Continue earning interest credits in your account until retirement

2

Oct. 1, 2024 – Sept. 30, 2025

- Become immediately eligible for annual non-elective 401(k) Plan contributions
- Annual non-elective contribution percentage will be equal to your Sept. 30, 2024 cash balance pay credit percentage

3

After Sept. 30, 2025

- All ongoing annual non-elective 401(k) Plan contributions will be equal to 3% of eligible earnings

# Understanding your Total Retirement Income Statement

# Understanding your estimates

**Understanding your estimates**

To determine the estimated projected benefits shown in this statement, we used the assumptions and personal information shown below. Assumptions and examples are used for illustration purposes only and are not a guarantee of future benefits. Your actual benefit amounts may differ from the estimates shown in this statement.

**Assumptions we used**

- You remain continuously employed with BD to the ages shown.
- Your eligible earnings are based on a 12-month period (1/1/2023 through 12/31/2023) and are assumed to increase by 3% each year beginning in 2024. Your eligible earnings include your regular salary, overtime, bonuses, commissions and sales incentives. Note that your actual future salary increases, overtime, bonuses and/or sales incentives may vary.
- BD Retirement Plan projections assume that you will stop earning cash balance pay credits as of 9/30/2024; however, you will continue to earn interest credits until the ages shown.
- 401(k) Plan projections are based on your 1/1/2024 account balance and contribution rate and assume BD continues to make matching contributions equal to 75% of each dollar you contribute, up to 6% of pay, and your account earns annual investment returns of 6%.
- Applicable IRS limits on benefit amounts, contributions and pay apply to all plan projections.
- Projected benefits assume you do not take distributions from the plans prior to retirement and all outstanding loans will be repaid at the retirement ages shown.
- If you have a qualified domestic relations order (QDRO) associated with your benefits, the amounts shown in this statement may or may not reflect any related adjustment to your benefits (depending on the status of your asset split).
- The Social Security benefit estimates shown in this statement assume a full career from age 21 and post average annual wage increases based on historical national averages. For a more precise estimate, use the Retirement Estimator on the Social Security website at [www.ssa.gov](http://www.ssa.gov).

**Your personal information**

If any of the information below is incorrect, please call the BD Associate Service Center (ASC) at 855.234.3577.

General information	
Year of birth	1980
Hire date <sup>1</sup>	1/25/2009
BD Retirement Plan participation date <sup>1</sup>	1/25/2009
Eligible earnings (1/1/2023 – 12/31/2023)	\$75,000.00
Projected pension benefits estimate as of 9/30/2024	
Normal retirement date (age 65)	5/15/2045
Estimated total years of service	17.750
2024 BD cash balance pay credit percentage	5%
BD cash balance account <sup>2</sup>	\$54,000
Actual savings benefits as of 1/1/2024	
Your 401(k) Plan contribution rate	6%
Your 401(k) account balance (includes your contributions, company matching contributions and investment returns) <sup>3</sup>	\$1,000
New non-elective contributions to the BD 401(k) Plan <sup>4</sup>	
Estimated non-elective contributions:	
▪ 10/1/2024 – 12/31/2024 benefit	\$966
▪ 1/1/2025 – 9/30/2025 benefit	1,984
▪ 10/1/2025 – 12/31/2025 benefit	597

<sup>1</sup>This date is adjusted if you have had a break in service from any legacy company or BD.  
<sup>2</sup>Your cash balance account will be based on actual eligible earnings as of September 30, 2024 or your last day of employment with BD, if sooner.  
<sup>3</sup>Includes auto-enrolling loan balances as of 1/1/2024, if applicable.  
<sup>4</sup>If the non-elective contributions are affected by IRS limits, a portion of them may be directed to the Deferred Compensation Plan (DCP), which provides benefits in excess of those limits.

## Your personal information (page 2)

- 1 BD cash balance pay credit percentage and account balance as of Sept. 30, 2024
- 2 401(k) Plan contribution rate and account balance as of Jan. 1, 2024
- 3 Deferred Compensation Plan (DCP) deferral rate and account balance as of Jan. 1, 2024, as applicable
- 3 Estimated non-elective contributions into the BD 401(k) Plan

## Assumptions we used in your FUTURE benefits (page 2)

- Annual 3% pay increases
- No distributions before retirement
- You keep saving at the same rate and your savings\* earn a 6% return per year\*

\*Historical performance data represents past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. You may lose money on your investments. Current performance may be lower or higher than the historical performance and will depend on a number of factors, including the particular investment mix chosen.

# A look at your BD retirement benefits

Review the total value of your retirement benefits

- Reflects projections of **FUTURE** benefits

Understand the value of those benefits at different retirement ages

- The ages shown depend on how old you are

If your age is:

- Younger than 55
- Older than 55 and younger than 62
- Older than 62

You will see projections:

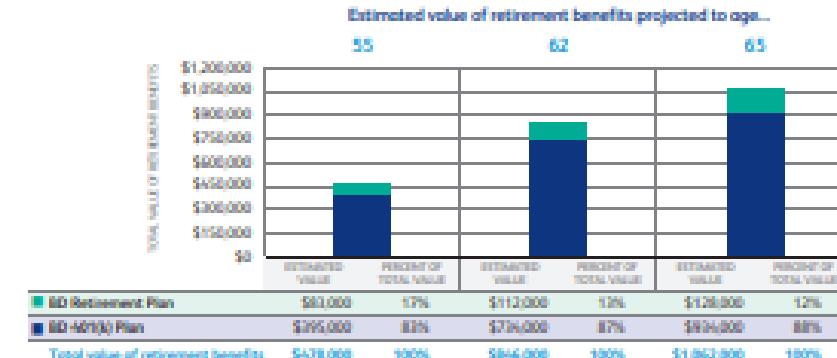
For ages 55, 62 and 65

For ages 62 and 65

Age 65 OR if older than 65, your age as of January 1, 2027

## A look at your retirement benefits

Using the assumptions and information shown on the previous page, the estimates below show the amount you may expect to receive from all your retirement benefits combined if you retire from BD at certain ages, including benefits earned under the BD Retirement Plan and the BD 401(k) Plan. Of course, the amount you actually receive when you retire will depend on your actual compensation and years of service at the time your employment ends, the interest rates and mortality table in effect at the time you retire, as well as your actual 401(k) contributions and investment returns, which are not guaranteed. If you have a legacy retirement benefit, it is reflected in the projections below. For more information, see the enclosed "Transitioning your BD retirement benefits" brochure.



### How much annual retirement income can you expect?

Here is an estimate of the income you would have each year from your BD retirement benefits plus Social Security, if you took the total values above and converted them into lifetime annual income.<sup>1</sup> Note: Your pension benefits are payable as annuities (lifetime monthly payments) or lump sums. However, your BD 401(k) benefit is payable only as a lump sum. If you choose to receive all your benefits as lump sums, you may have more or less annual retirement income than the amount shown here.

Estimated lifetime annual income payable at age...

	55	62	65
Annual equivalent of the total value of retirement benefits	\$32,160	\$64,280	\$86,100
Social Security benefits	N/A <sup>2</sup>	\$21,670	\$24,830
Total	\$32,160	\$85,950	\$110,930

<sup>1</sup> The conversion of BD Retirement Plan benefits to an annual income was calculated using the interest rate and mortality tables defined by the plan.

<sup>2</sup> If you retire from BD at 65, BD's contributions to Social Security will end when your employment ends, and you will not be eligible to start receiving your Social Security benefit until you turn 66.

# How much annual retirement income you can expect

This chart estimates the annual retirement income you can expect:

- Based on all your benefits combined, including estimated Social Security benefits
- By taking the total amounts shown on the previous slide and converting them to lifetime annual income  
(For illustration only – Your 401(k) benefit is payable only as a lump sum)

## Estimated lifetime annual income payable at age...

	55	62	65
<b>Annual equivalent of the total value of retirement benefits</b>	\$32,180	\$64,280	\$86,100
<b>Social Security benefits</b>	N/A <sup>2</sup>	\$33,670	\$44,930
<b>Total</b>	<b>\$32,180</b>	<b>\$97,950</b>	<b>\$131,030</b>

<sup>1</sup> The conversion of BD Retirement Plan benefits to an annual income was calculated using the interest rate and mortality tables defined by the plan.

<sup>2</sup> If you retire from BD at 55, BD's contributions to Social Security will end when your employment ends, and you will not be eligible to start receiving your Social Security benefit until you turn 62.

# How much income you will need

Experts say you'll need 70% to 90% of your pre-retirement income when you retire.

Pre-retirement income = income in the year before you retire

## How much money will you need when you retire?

The general rule of thumb is that when you retire, you'll need between 70% and 90% of your pre-retirement annual income. For example, if your pay before retirement is \$50,000, you might aim for \$40,000 (80% of \$50,000) a year after you retire to maintain your standard of living.

If your income before you retire is...	Your income replacement target might be...		
	Annual pay	70% (Annual pay x .7)	90% (Annual pay x .9)
\$50,000	\$35,000	to	\$45,000
\$100,000	\$70,000	to	\$90,000
\$200,000	\$140,000	to	\$180,000
\$300,000	\$210,000	to	\$270,000

# So, how are YOU doing?

This chart shows how you are tracking toward your retirement income goals.

## So, how are YOU doing?

Here, you can see whether your projected retirement income from your BD retirement benefits plus your Social Security benefits is hitting that 70% to 90% target. If your projected income in retirement is too low, one of the easiest ways to increase it is to save more in the BD 401(k) Plan. Keep in mind—you may see higher results when you combine these benefits with any other available prior employer benefits, your personal savings/investments and/or your spouse's or partner's benefits.



<sup>1</sup> This column shows your estimated pay in the year before you retire. To estimate your future pay, we took your eligible earnings and increased it by 3% each year up to the year before the retirement age.

<sup>2</sup> This column shows the estimated annual equivalent of your retirement income from BD retirement benefits + Social Security benefits.

# Understanding the BD Retirement Program

# The BD Retirement Plan: a solid foundation

Your cash balance benefit provides a secure source of income for your future.

Here's how it works:

-  Every month through September 2024, a pay credit equal to a percentage of your eligible earnings is added to your account
-  Your account also grows with monthly interest credits, even after September 2024
-  Because you're fully vested in your cash balance account, it will be yours to keep, even if you leave the company



## What are eligible earnings?

Your eligible earnings for your cash balance account include your regular salary, overtime, bonuses, commissions, and sales incentives. You can see your eligible earnings from Jan. 1, 2023 to Dec. 31, 2023, on page 2 of your Total Retirement Income Statement under "Your personal information."

# Transitioning from the BD Retirement Plan

- Your vested BD cash balance benefit is yours to keep
- After you leave BD, you have 3 choices for what to do with your account balance:
  1. Leave the money in the account
  2. Roll it over
  3. Cash it out

## **BD shifts primary source of retirement benefits to the 401(k) plan**

- More flexible investment and tax management options
- Good growth opportunities, historically yielding a 6% annual growth rate\* (vs. a 3.79% interest rate under the BD Cash Balance Plan)

\* Historical performance data represents past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. You may lose money on your investments. Current performance may be lower or higher than the historical performance and will depend on a number of factors, including the particular investment mix chosen.

# Pay credits – through September 2024

Every month through September 2024, a pay credit, equal to a percentage of your eligible earnings is added to your cash balance account. The percentage is determined based on your age and years of service, as shown below:

If your total age plus years of service as of Dec. 31, 2023 was...	Your pay credit percentage is... (of eligible pay)
Less than 40	3%
40 – 49	4%
50 – 59	5%
60 – 69	6%
70+	7%

# How the BD 401(k) Plan works

# The BD 401(k) Plan at a glance

1. Convenient payroll deductions
2. Save from 1% to 60% of eligible pay:
  - Pre-tax/Roth: up to \$23,000 in 2024
  - Catch-up: up to \$7,500 in 2024
  - After-tax contributions
3. BD matching contribution:  
\$.75 on the dollar, up to 6% of your eligible pay
4. NEW! Annual non-elective contributions
  - Oct. 1, 2024 – Sept. 30, 2025: equals your CB percentage as of Sept. 30, 2024
  - Starting Oct. 1, 2025: equals 3% of your eligible earnings
5. Investment choice
6. Flexibility
7. Portability

**Don't leave free  
money on the table!**

Contribute at least 6% of  
your eligible pay to  
maximize the BD match.

# Two ways to invest your 401(k) Plan contributions

There are no changes to your investment options. BD's matching and non-elective contributions will be invested the same way as your payroll contributions.

## Invest it for me: Target date funds

- Choose the BlackRock LifePath® index fund that's closest to the year you expect to retire (2025 – 2060)
- Each fund includes a mix of investments automatically managed to gradually become more conservative over time
- The investment risks of each target date fund change over time as the asset allocation changes.

## Do it myself: Core investment options

- Choose from among different investment classes (stocks, bonds, stable value)
- Investments range from conservative to aggressive to help you choose the best portfolio for your investment horizon
- Monitor and rebalance your portfolio as needed to support your investment objectives

**Not sure which investments to choose?**

Goldman Sachs Ayco and Fidelity can help you decide the best investment approach.

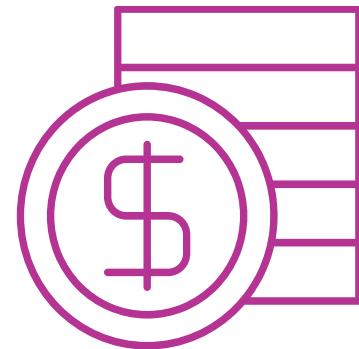
# Making the most of the match

**Alex's salary:** \$75,000

**BD match:** 75% of every dollar, up to 6% of pay

If Alex contributes	...3%	...4%	...5%	...6%
Alex adds	\$2,250	\$3,000	\$3,750	\$4,500
<b>BD adds</b>	<b>\$1,687</b>	<b>\$2,250</b>	<b>\$2,812</b>	<b>\$3,375</b>
Total:	\$3,937	\$5,250	\$6,562	\$7,875

If you don't contribute, look at what you're missing!



Try your own scenarios on [401k.com](https://401k.com)

To view your BD 401(k) Plan modeling tool:

Visit Fidelity NetBenefits® at [netbenefits.com](https://netbenefits.com)

- Go to “Your financial wellness journey”
- Select “Retirement milestone”

# New! Annual non-elective contribution

- You receive a contribution, even if you don't contribute to the BD 401(k) Plan
- You must be actively employed with BD on December 31 to receive that year's contribution
- Oct. 1, 2024 – Sept. 30, 2025: Non-elective contributions will be based on your Sept. 30, 2024 pay credit percentage
- Oct. 1, 2025: All ongoing annual non-elective 401(k) Plan contributions will equal 3% of eligible earnings

Find your non-elective contribution amount during the transition period here

## Your personal information

If any of the information below is incorrect, please call the BD Associate Service Center (ASC) at 855.234.3577.

### General information

Year of birth 1980

Hire date<sup>1</sup> 1/25/2009

BD Retirement Plan participation date<sup>1</sup> 1/25/2009

Eligible earnings (1/1/2023 – 12/31/2023) \$75,000.00

### Projected pension benefits estimate as of 9/30/2024

Normal retirement date (age 65) 5/1/2045

Estimated total years of service 15.750

2024 BD cash balance pay credit percentage 5%

BD cash balance account<sup>2</sup> \$54,000

### Actual savings benefits as of 1/1/2024

Your 401(k) Plan contribution rate 6%

Your 401(k) account balance (includes your contributions, company matching contributions and investment returns)<sup>3</sup> \$113,000

### New non-elective contributions to the BD 401(k) Plan<sup>4</sup>

Estimated non-elective contributions:

• 10/1/2024 – 12/31/2024 benefit \$966

• 1/1/2025 – 9/30/2025 benefit \$2,984

• 10/1/2025 – 12/31/2025 benefit \$597

<sup>1</sup> This date is adjusted if you have had a break in service from any legacy company at BD.

<sup>2</sup> Your cash balance account will be based on actual eligible earnings as of September 30, 2024 or your last day of employment with BD, if sooner.

<sup>3</sup> Includes outstanding loan balances as of 1/1/2024, if applicable.

<sup>4</sup> If the non-elective contributions are affected by IRS limits, a portion of them may be directed to the Deferred Compensation Plan (DCP), which provides benefits in excess of those limits.

# How the new annual 3% non-elective contribution will be paid through the transition period

For this eligible earnings period:	You must remain employed through:	Non-elective contribution percentage:	When it's credited to your 401(k) account:
Oct. 1, 2024 – Dec. 31, 2024 (3 months)	Dec. 31, 2024	Equal to your Sept. 30, 2024 cash balance pay credit percentage	During Q1 2025
Jan. 1, 2025 – Sept. 30, 2025 (9 months)	Dec. 31, 2025	Equal to your Sept. 30, 2024 cash balance pay credit percentage	During Q1 2026
Oct. 1, 2025 – Dec. 31, 2025 (3 months)	Dec. 31, 2025	3%	During Q1 2026
Each new calendar year starting Jan. 1, 2026	Dec. 31 of each new calendar year	3%	During Q1 of the following calendar year

# How the non-elective contribution is calculated

- Assume Alex has an annual cash balance pay credit percentage of 5%.
- Here's how Alex's non-elective contribution would be calculated during the transition period:
  - 10/1/24 – 9/30/25: Alex will receive 401(k) non-elective contributions based on her cash balance pay credit percentage as of Sept. 30, 2024.
  - After 12 months, the non-elective contribution rate changes to 3% for Alex and all BD associates.

Earnings period	BD 401(k) non-elective contribution
Transition period	
10/1/24 – 12/31/24	5%
1/1/25 – 9/30/25	5%
10/1/25 – 12/31/25	3%
Each new calendar year	
From 1/1/26 on	3%

# How Alex's 401(k) account grows during the transition period: an example

Alex's 2023 salary: **\$75,000**

Alex's 2024 BD cash balance pay credit percentage: **5%**

Alex's 401(k) contribution rate: **6%**

BD's matching contribution rate: **75% of 6%**

Earnings period	Eligible earnings	Alex's contribution (6%)	BD		Total contributions
			Matching contribution (75% of 6%)	Non-elective contribution	
For 2024, Alex's annual salary increases by 3% to: <b>\$77,250.00</b>					
10/1/24 – 12/31/24	\$19,312.50	\$1,158.75	\$869.06	\$965.63	\$2,993.44
For 2025, Alex's annual salary increases by 3% to <b>\$79,567.50</b>					
1/1/25 – 9/30/25	\$59,675.63	\$3,580.54	\$2,685.40	\$2,983.78	\$9,249.72
10/1/25 – 12/31/25	\$19,891.88	\$1,193.51	\$895.13	\$596.76	\$2,685.40

# How Alex's 401(k) account grows from January 1, 2026 onward: an example

- By 2026, Alex's salary has increased from \$75,000 in 2023 to \$81,954.53.
- Here, BD's non-elective contribution is 3% throughout the year and will be the same for all associates.
- Because Alex maximizes the match by contributing 6%, BD contributes 7.5%, for a total of **13.5%** each year.
- In 2026, if she keeps contributing at 6%, her 401(k) account will receive a total of **\$11,063.86** in contributions

Earnings period	Eligible earnings	Alex's contribution (6%)	BD		Total contributions (13.5%)
			Matching contribution (75% of 6%)	Non-elective contribution (3%)	
2026	\$81,954.53	\$4,917.27	\$3,687.95	\$2,458.64	\$11,063.86

# Receiving your retirement benefits

# Your distribution options

Distribution option	BD Retirement Plan*	BD 401(k) Plan*
<b>Timing</b>	Upon separation or retirement from BD: no later than age 65	Upon separation or retirement from BD: no later than age 73
<b>Lump sum</b>		
<b>Single life annuity</b>		
<b>Joint and survivor annuity (50%, 75% or 100%)</b>		
<b>Single life annuity with a guarantee</b>		
<b>Social Security equalization payments</b>	<b>Legacy Bard only</b>	

\*You may roll over a lump sum of the BD Retirement Plan and/or the BD 401(k) Plan to another employer's eligible retirement plan or an Individual Retirement Account (IRA). Note that the DCP and Restoration Plan distributions must be made immediately upon separation or retirement; neither deferral of payment nor rollover is permitted.

# Take the next step with financial planning resources

# Building your retirement savings strategy

## Factors to consider

-  Your lifestyle
-  Your home
-  Your health
-  Your family
-  Expected length of your retirement

## Steps you can take

-  Review your statement
-  Attend a Benefits Direct webinar
-  Attend a Goldman Sachs Ayco financial planning webinar
-  Review your 401(k) contribution rate
-  Call Ayco for personal financial planning assistance
-  Update your beneficiary designations
-  Review the BD Retirement Checklist & Retirement Planning Guide

# Attend an educational retirement & financial planning webinar (All times ET)



## Retirement Planning Webinars with Benefits Direct

**May 1**

- 2:00 – 3:00 p.m.
- 4:00 – 4:30 p.m.

**May 2**

- 10:00 – 10:30 a.m.
- 1:00 – 1:30 p.m.



## Financial Planning Webinars with Ayco

**May 8**

12:00 noon	Investing fundamentals
2:00 p.m.	Approaching retirement for late-career
4:00 p.m.	Planning ahead for retirement, for early- & mid-career

**May 10**

12:00 noon	Planning ahead for retirement, for early- & mid-career
2:00 p.m.	Investing fundamentals
4:00 p.m.	Approaching retirement for late-career

Register for the webinars from the same web page you used for today's meeting.



# Expert support available for retirement planning

## Get personal financial counseling with Ayco

Through Ayco, BD provides personal financial counseling that is:

- Confidential
- Unbiased
- Offered at no cost to you

Ayco coaches can help you make the best use of your BD benefits and develop a retirement savings strategy that works for you.

To sign up for coaching, contact Ayco:



Visit [ayco.com/login/bd](https://ayco.com/login/bd)



Call 800.334.0823

# Four key things to know

- 1 Your cash balance account will stop earning new pay credits effective Sept. 30, 2024.
- 2 You will become eligible for the BD-provided annual non-elective 401(k) Plan contributions effective Oct. 1, 2024.
- 3 There will be no change to the total BD-provided retirement savings contribution level you receive until after September 2025.
- 4 What's yours is yours.

# Questions?

- Scan:
- Visit: [bd.benefitwebinars.com](https://bd.benefitwebinars.com)





**BD**