

RESULTS SUMMARY

Progress on each of the improvement opportunities identified in the June 2005 Assessment Report is summarized below. Of the eight original observations, five related to data controls, definitions and completeness have been addressed and activities for the remaining three are in progress. The remaining three issues (two of which are related) are being addressed. Additionally, BMS continues to identify and make improvements in areas beyond the recommendations of the original assessment.

Sustainability Reporting Observation	No Progress	In Progress	Fully Addressed
1 Data Quality & Controls	-	-	X
2 Corporate-Wide Effects Roll-Up	-	-	X
3 Facility Level QA/QC Processes	-	-	X
4 Additional Guidance on Hazardous Waste	-	-	X
5 Sales Force Data Completeness	-	-	X
6 Data Normalization for Third Party Manufacturing	-	X	-
7 Social Metrics Quantification	-	X	-
8 Social Metrics Data Gathering System	-	X	-

RESULTS DISCUSSION

1. Data Quality & Controls - *Addressed*

2005 Observation: BMS had a system to manually transfer data from ‘customized’ spreadsheets by facility personnel to the corporate operating results and safety statistics databases. This process allowed possibility of introducing errors when transferring data between systems manually.

BMS Approach: BMS has developed several methods to ensure data quality is enhanced including, data quality and completeness checklists, standard worksheets for data input, a comprehensive Sustainability Data Guideline, modifications to the database system, some automated data format and content checking, and automated data comparisons.

2: Development of Corporate-Wide Effects Roll-Up- *Addressed*

2005 Observation – Although input was solicited from a wide range of stakeholders when developing the 2010 goals, these goals were not the product of a roll-up of site-level individual effects analyses.

BMS Approach: BMS has completed individual site analysis, improved the data roll-up process and, based on a 2005 mid-year review, decided to maintain the current long-term (2010) goals.

3. Facility Level QA/QC Processes – *Addressed*

2005 Observation: Controls for reporting certain data were not available. BMS had not implemented facility-level QA/QC procedures prior to corporate roll-up for occupational injury and illness data and other facility information posted on the website.

BMS Approach: BMS has applied improvements in this area including documented Roles and Responsibilities and updated training which explicitly assign facility managers with responsibility for the accuracy and timeliness of data used in this process.

4. Additional Guidance on Hazardous Waste - *Addressed*

2005 Observation: The BMS standard definition of hazardous waste could be inconsistently applied globally. It was suggested that BMS consider developing additional guidance on the categorization of certain solid wastes that, depending on facility location, may be managed as either hazardous waste or non-hazardous waste. Additionally, guidance on developing and reporting certain solid wastes (medical, radioactive, product) was not prescriptive enough

BMS Approach: BMS has elected to continue utilizing applicable local standards and roll-up that data to avoid imposing two sets of standards (and recordkeeping requirements) on the subject facilities and to ensure “regulatory” hazardous waste volumes are accurately compiled.

5. Sales Force Data Completeness- *Addressed*

2005 Observation: BMS data appeared to show that they lacked a fully-implemented system to collect occupational injury and illness data for the international sales force. .

BMS Approach: Data for the sales force (e.g. Health and Safety Metrics) are now clearly delineated and included in the corporate roll-up which allows examination of that data in a variety of ways to ensure that response programs adequately target improvements.

6. Data Normalization for Third Party Manufacturing– *In Progress*

2005 Observation: Normalization of EHS data based total company sales may not have consistently reflected the EHS footprint of Third Party Manufacturing (TPM). It was suggested that BMS consider reviewing methodologies for the data normalization process to determine whether and how to adjust for the proportion of TPM product sales to ensure accuracy and transparency

BMS Approach: BMS has reviewed the methodologies for normalizing performance data on total company sales. Because the sales basis for normalization includes sales of products manufactured by TPMs some data may be understated or inconsistently stated as the total environmental footprint of BMS production. For example, environmental data reflects only BMS operations but the relative contribution of product (and environmental impact) by TPMs could vary from year to year making comparisons difficult. BMS continues to evaluate this issue to assure that TPM impacts are appropriately included.

7. Social Metric Development – *In Progress*

2005 Observation: Quantitative methods for social data accounting were not available. Development of, and subsequent reporting on, quantitative social metrics could assist in assessing relative performance levels.

BMS Approach: BMS is attempting to identify the material social metrics which focus attention on their key impacts and have meaning in the context of their organization. For example, G3 guidelines identify several topical areas for which metrics will document current strong performance (e.g. child labor is not an issue at BMS) however, these metrics will not drive meaningful improvements at a site or corporate level. To meet this need, the company continues to look for a simple set of metrics which will align and energize contributors to social efforts. This also raises the possibility of changes to membership and mission of the existing EHS Steering committee.

Although developing relevant and quantifiable social metrics is challenging, BMS continues to participate in and contribute to the BSR Pharmaceutical Working Group to understand how the pharmaceutical industry can improve transparency in this arena. In addition, the company has invested in several programs which enhance BMS considerations for and performance in social issues. For example, internally the company has implemented and supports affinity programs, workplace diversity and, supports many charitable programs on a company and local level. The company sustainability program has many social aspects which are quite successful including the BMS Foundation, programs to lower obesity in Harlem, activities to improve the effectiveness of social workers, sponsorship of community environmental workshops in Puerto Rico, expansion of HIV/AIDS treatment for tens of thousands of children in Africa, expansion of access to medicines and, many grants which support a host of important programs.

The company is continuing its efforts to evaluate and develop metrics to assess and focus performance of their significant investment in this arena.

8. Social Metrics Data Gathering System – *In Progress*

2005 Observation: BMS lacked a management system which integrated EHS and social metrics. An EHS system was in place but it did not include social aspects.

BMS Approach: The current EHS data management system is capable of incorporating more comprehensive future approaches to EHS and social data compilation or integration, however, BMS will not be able to be fully complete their response until metrics suggested in the previous observation are developed.