



2022 ESG Summary

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For queries or feedback, please contact us at the [Johnson & Johnson Enterprise ESG Program Office](#).



ESG Strategy & Goals

Our ESG strategy

Our [ESG strategy](#) is grounded in Our Credo values, informed by both our Company’s purpose to change the trajectory of health for humanity and the views of our external stakeholders. We set our ESG strategy in a deliberate manner, focusing our efforts on the areas where we are well positioned to achieve the greatest impact: championing global health equity, empowering our employees and advancing environmental health. Leading with accountability and innovation is foundational to these efforts.

Health for Humanity 2025 Goals

Our set of [Health for Humanity 2025 Goals](#) aligns to our ESG focus areas and foundation of accountability and innovation, and it is how we hold ourselves publicly accountable in creating a more sustainable society. We measure and publicly track performance against our Goals, with progress assured by a third party. Through our Health for Humanity 2025 Goals, we support 11 of the 17 UN Sustainable Development Goals, an ambitious global agenda to achieve a sustainable future by 2030.

ESG Governance

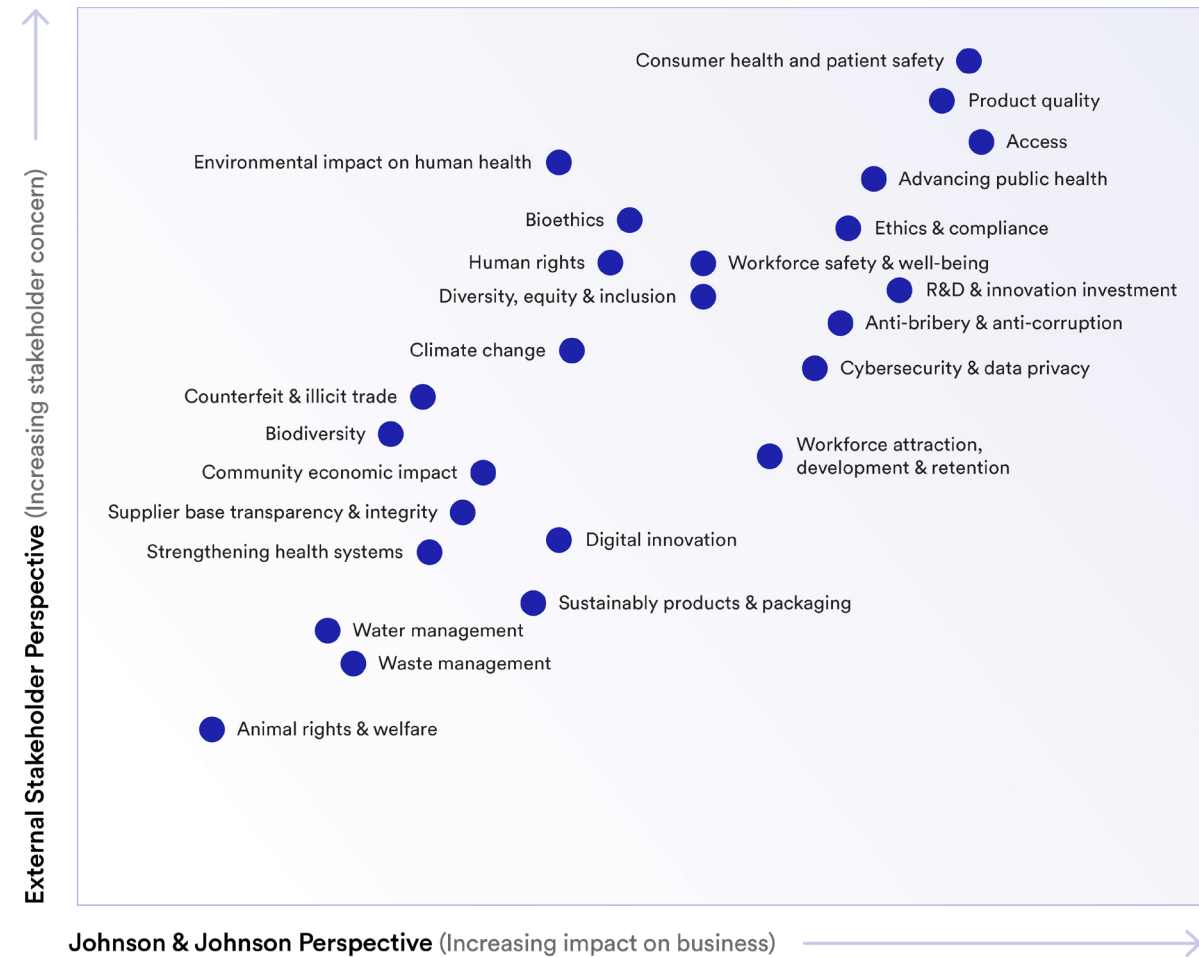
The Johnson & Johnson Enterprise Governance Council (EGC) is the primary governance body for ESG matters and implementation of the Company’s Enterprise Risk Management Framework. The EGC comprises senior leaders who represent our Pharmaceutical, MedTech and Consumer Health business segments and our global enterprise functions.

In 2022, the EGC updated our ESG knowledge module, making it available to all employees of Johnson & Johnson. The course helps employees understand the drivers of ESG and elements of our ESG management approach, including our ESG strategy. Also, members of the Executive Committee were engaged in advancing ESG through supporting ESG strategy development, risk management and sponsorship of priority ESG topics. Members of the Board of Directors provided oversight on specific ESG topics throughout the year.

We held our fifth investor relations ESG webcast in June 2022, which provided shareholders with an update on our Company’s progress and performance related to our ESG strategy and Health for Humanity 2025 Goals. The webcast included an interview with members of the Johnson & Johnson Board of Directors and our Chief Financial Officer.

ESG Priorities

At Johnson & Johnson, we use our materiality assessment, which we call our Priority Topics Assessment (PTA), to identify, prioritize and strategically address relevant ESG topics that can have significant impact on society or our business. Since 2008, we have conducted the PTA every two to three years. Our [last PTA](#) was conducted in 2021 with a double materiality focus, by which we examined ESG priority topics from two standpoints: the impact of a topic on Johnson & Johnson’s business results and the impact of Johnson & Johnson’s business on people, the environment and society in general.



A New Johnson & Johnson

In 2021, we announced our intention to separate Johnson & Johnson’s Consumer Health business into a new, publicly traded company that would take its place as a leader at the intersection of healthcare and consumer goods.


The new company, named Kenvue, is committed to helping consumers realize the extraordinary power of everyday care. At Kenvue, combining the power of science with meaningful human insights and digital-first capabilities empowers more than one billion people to live healthier lives every day. Kenvue’s portfolio of iconic brands is built for moments that uniquely matter to consumers and drives positive health outcomes around the world.


Thibaut Mongon, formerly the Worldwide Chairman, Consumer Health for Johnson & Johnson, serves as Chief Executive Officer of Kenvue. We remain on track to complete the separation in 2023, subject to market conditions.


Year in Brief

Champion global health equity


 **>180 million**
patients treated with a Janssen medicine

 **>586,000**
cumulative doses of SIRTURO (bedaquiline) treatments for multidrug-resistant tuberculosis shipped

 **#2**
ranking in the 2022 Access to Medicine Index, reflecting our strategy to enable access to our medicines and technologies for people in low- and middle-income countries

 **1.3 million**
nurses, midwives and community health workers supported with skills, tools and growth through the Johnson & Johnson Center for Health Worker Innovation, exceeding the Health for Humanity Goal¹

Empower our employees

 **36%**
ethnic/racial diversity in management positions within the U.S., achieving the Health for Humanity 2025 Goal

>130,000
employees (92%)
responded to Our Credo Survey, with an **87%** favorability rate among participants—a testament to our values-driven culture



J&J Learn

launched as a dynamic learning and development ecosystem that empowers employees with continuous opportunities for reskilling, upskilling and development

Advance environmental health

100%
renewable electricity secured for our operations in Brazil starting in 2023 through a Direct Power Purchase Agreement





 **CDP A List**
for leadership in climate action for the fifth year in a row


New multiyear collaborative initiative

(DiCE—Digital Health in a Circular Economy) launched by Janssen, with co-funding from the EU Horizon Europe program, to address digital health waste

Lead with accountability and innovation

 **\$14.6 billion**
invested in research and development across our businesses

 **Responsibility Standards for Suppliers**
updated with expanded expectations on supplier diversity, equity and inclusion, information security and environmental responsibility

 **105,000**
employees completed Health Care Compliance training, the highest completion number to date

¹ Funded in part by the Johnson & Johnson Foundation, a registered charity and a company limited by guarantee, and by the Corporation and operating companies across the Johnson & Johnson Family of Companies. The Foundation operates worldwide as the Johnson & Johnson Foundation United States (founded 1953) and Johnson & Johnson Foundation Scotland (founded 2007).

ESG Data Summary*

| SOCIAL: Global Health Equity | Unit | 2022 | 2021 | 2020 |
|--|-------------|-------------|-------------|-------------|
| Products on the WHO List of Prequalified Medicinal Products and Vaccines | # | 8 | 8 | 6 |
| Patients provided access to MDR-TB treatment** | # | 133,636 | 135,493 | 133,565 |
| Cumulative doses of VERMOX (mebendazole) donated since the start of the initiative through the WHO and private donations | billions | 2.2 | 2.0 | 1.8 |
| Total value of Johnson & Johnson products provided to communities impacted by natural disasters | million \$ | \$23.20 | \$6.69 | \$1.86 |
| Total value of Johnson & Johnson products and cash contributed globally | million \$ | \$4,292 | \$2,738 | \$2,567 |

| SOCIAL: Our Employees | Unit | 2022 | 2021 | 2020 |
|--|-------------|-------------|-------------|--------------|
| Total employees | # | 153,677 | 144,315 | 136,360 |
| Total new hires | # | 24,940 | 22,543 | 13,594 |
| Gender representation of global employees | # of women | 76,874 | 70,774 | 65,526 |
| Women in management positions** | % | 49.0% | 48.0% | 46.4% |
| Ethnic/racial diversity in management positions in the U.S.** | % | 36% | 34% | Not reported |
| Managers and above moved across functions, country or business segment lines | % | 46.2% | 45.8% | 44.6% |
| Overall voluntary turnover | % | 9% | 8% | 5% |
| Employee learning and development investment | million \$ | \$112 | \$150 | \$108 |
| Total Recordable Injury Rate | % | 0.23 | 0.27 | 0.24 |
| Lost Workday Case rate | % | 0.06 | 0.05 | 0.05 |
| Fatalities | # | 0 | 0 | 0 |

| ENVIRONMENT: Environmental Health | Unit | 2022 | 2021 | 2020 |
|--|----------------------|-------------|-------------|-------------|
| Total energy use | TJ | 11,800 | 11,947 | 11,954 |
| Energy intensity ratio | TJ/billion \$ | 124 | 127 | 145 |
| Electricity generated from renewable sources** | % | 67% | 52% | 54% |
| Total Scope 1 + Scope 2 GHG emissions | MT CO ₂ e | 683,188 | 753,270 | 742,895 |

| ENVIRONMENT: Environmental Health (Cont.) | Unit | 2022 | 2021 | 2020 |
|---|-------------------------------------|--------------|-------------|--------------|
| Percentage decrease in GHG emissions intensity (Scope 1 + Scope 2) by revenue compared to 2016 baseline | MT CO ₂ e/ million \$ | 56% | 50% | 44% |
| GHG emissions intensity (Scope 1 + Scope 2) | MT CO ₂ e/ million \$ | 7 | 8 | 9 |
| Absolute reduction in GHG emissions – Scope 3 (upstream) vs. 2016 baseline** | % | 11% increase | 1% increase | Not reported |
| Total water use in areas of high or extremely high baseline water stress | million m ³ | 4.42 | 4.45 | Not reported |
| Total waste diverted from disposal | MT | 156,950 | 166,645 | 158,309 |
| Total waste directed to disposal | MT | 28,541 | 28,192 | 25,250 |
| Manufacturing and R&D sites certified to ISO 14001 | % | 91% | 89% | 96% |
| LEED-certified Johnson & Johnson buildings | # | 68 | 67 | 60 |

| GOVERNANCE: Accountability & Innovation | Unit | 2022 | 2021 | 2020 |
|--|-------------|-------------|-------------|--------------|
| Total tax contribution | billion \$ | \$13.7 | \$13.1 | \$12.0 |
| R&D investment | million \$ | \$14,603 | \$14,714 | \$12,159 |
| Women in Board composition | % | 50.0% | 35.7% | 35.7% |
| Ethnic/racial diversity in Board composition | % | 25.0% | 21.4% | 21.4% |
| Sales and marketing employees who completed HCC training | % | 97% | 97% | 96% |
| Employees covered by collective bargaining agreements | % | 30% | 30% | 23% |
| Total Global Impact Spend** | billion \$ | \$5.88 | \$5.22 | Not reported |
| FDA inspections that resulted in zero observations | % | 63% | 56% | 80% |
| Participation of suppliers in CDP Supply Chain Climate program | % | 85% | 82% | 80% |
| Product recall rate by business segment | | | | |
| Pharmaceutical | % | 0.003% | 0% | 0% |
| MedTech | % | 0.005% | 0.059% | 0.034% |
| Consumer Health | % | 0% | 0% | 0% |

* For full details of our performance and notes on all data points, see our [ESG Performance Data](#).

** Represents progress against a Health for Humanity 2025 Goal. For more information, see our [Health for Humanity 2025 Goals Scorecard](#).

Social: Global Health Equity

Highlights in 2022

> 180 million patients treated

globally with a Janssen medicine in 2022

5,600

obstetric fistula repair surgeries supported through our suture donation program

20,000

eye examinations and 10,000 people reached through Johnson & Johnson Vision's eye care campaign in South America

307,000

U.S. healthcare professionals and researchers supported through Our Race to Health Equity initiatives

\$4.3 billion

cash and products donated globally

570,000

nurses, midwives and community health workers supported in 2022 through our Center for Health Worker Innovation

242,000

people worldwide fully vaccinated with our Ebola vaccine regimen, as of December 2022

\$23.2 million

products donated for disaster relief

100%

of patients screened and nearly 50% of patients in the treatment phase in our CASPAR study assessing the treatment of schizophrenia with paliperidone palmitate LAI in Rwanda healthcare settings

Achievements in 2022

- **Health for Humanity 2025 Goals:** Progressed actions to deliver all 10 Goals that advance global health equity, demonstrating performance on track to deliver by 2025.
- **Access:** Demonstrated leadership in access to medicines, moving up to second place in the 2022 Access to Medicine Index (ATMI).
- **Global surgery:** Launched our Global Surgery Initiative to drive progress in obstetric fistula and long bone fracture, with new pilot programs in Kenya and Malawi.
- **Vision:** Launched new contact lenses to support digitally intensive lifestyles and new products to address presbyopia in adults and myopia progression in children.
- **Our Race to Health Equity:** Advanced several initiatives in our \$100 million five-year U.S. commitment to help eradicate racial and social injustice as a public health threat by eliminating health inequities for people of color.
- **Frontline health workers:** Reached more than 1,300,000 frontline health workers cumulatively in 2022, exceeding our Health for Humanity 2025 Goal of one million, progressing new initiatives such as:
 - Partnership with the Skoll Foundation to jointly provide \$25 million investment in the Africa Frontline First Catalytic Fund (AFF-CF) as part of the Global Fund to support community health workers in 10 African countries.
 - Continued investment in innovative healthcare companies through our Johnson & Johnson Impact Ventures (JJIV) \$50 million impact fund with portfolio companies having reached 2.8 million patients directly and supported more than 61,000 healthcare professionals since joining the portfolio.
- **HIV treatment regimen:** Achieved new and expanded regulatory approvals for the world's first, complete long-acting injectable (LAI) HIV treatment regimen that includes two antiretroviral drugs (rilpivirine developed by Janssen and cabotegravir developed by ViiV Healthcare), including FDA approval for adolescents 12 years of age or older—the first and only LAI HIV regimen to be made available for eligible adolescents. The co-developed HIV LAI regimen also received approval by the Botswana Medicines Regulatory Authority, marking the first approval in a resource-limited country.

- **Tuberculosis R&D:** Continued to invest heavily in collaborative research partnerships to advance TB initiatives, including the Project to Accelerate New Treatments for Tuberculosis (PAN-TB) and several consortia under the umbrella of the Innovative Medicines Initiative (IMI).

December 2022 marked **10 years** since the accelerated approval of SIRTURO (bedaquiline) by the FDA. Since then, bedaquiline has been recommended by the WHO as a core component of all-oral treatment regimens for MDR-TB and is available to countries representing **99%** of the global TB burden.

- **Ebola:** Continued to advance our EU-approved and WHO Prequalified Ebola vaccine regimen, receiving new regulatory Marketing Authorizations in Côte d'Ivoire and Ghana in 2022 and in Rwanda, Sierra Leone and Uganda in early 2023, significantly reducing the threat of Ebola for vulnerable communities. Our INGABO study to evaluate the vaccine in healthy pregnant women continued through 2022 with 1,800 fully vaccinated by year-end.
- **Neglected Tropical Diseases (NTDs):** Renewed our commitment to fight NTDs by joining a cross-sector collaboration to endorse the Kigali Declaration on Neglected Tropical Diseases and continuing our donations of up to 200 million doses annually of VERMOX (mebendazole) to treat intestinal worms through 2025, as well as new research investments.
- **AMR:** We joined a groundbreaking data-sharing initiative, The AMR Register, launched by nonprofit Vivli to increase understanding of AMR, making it possible for biopharmaceutical companies to share susceptibility data on infection-causing pathogens for the first time ever in one online platform and marking a critical step in combating the growing global health threat of AMR.

Social: Healthcare Innovation

Highlights in 2022

\$14.6 billion

invested in healthcare innovation in 2022, bringing our total to more than \$63.6 billion over the past five years

New

solutions for treating atrial fibrillation (AFib)

\$5 million

grant by Janssen Oncology to Stand Up To Cancer to help remove barriers to clinical trial participation for diverse and underrepresented patients

10

new QuickFire Challenges were launched and 4 challenges from 2021 completed

4

health equity-focused QuickFire Challenges, with grant funding from a total pool of \$1.55 million

Several breakthrough

developments in multiple myeloma therapies

100,000

U.S. participants in J&J MedTech's Biosense Webster's online patient community to *Get Smart About AFib*

\$3 million

grant by Janssen Oncology to the American Cancer Society to enhance the oncology patient experience and broaden enrollment for underrepresented communities

35%

of women-led teams and 20% of teams led by people of color among QuickFire Challenge awardees

Achievements in 2022

- **Oncology:** Realized breakthrough developments in multiple myeloma therapies, including FDA approval of CARVYKTI (ciltacabtagene autoleucl) that was granted for the treatment of adults with relapsed or refractory multiple myeloma after four or more prior lines of therapy, including a proteasome inhibitor, an immunomodulatory agent and an anti-CD38 monoclonal antibody, as well as EU and FDA approvals of TECVAYLI (teclistamab), a novel, first-in-class T-cell redirecting bispecific antibody that activates the body's immune system to fight cancer, that were granted for the treatment of patients with relapsed/refractory multiple myeloma.
- **Immunology:** Progressed two key products for the autoimmune community with STELARA (ustekinumab) receiving FDA approval for the treatment of pediatric patients aged six years or older with active psoriatic arthritis (PsA) and TREMFYA (guselkumab) ranking the highest among all approved therapies for skin clearance in the treatment of PsA in an analysis published by Janssen.
- **Neuroscience:** Developed and is evaluating a blood test to predict central amyloid positivity and tau status—indicators of Alzheimer's disease—with high accuracy. We are also developing novel digital biomarkers in collaboration with leading technology firms, such as speech biomarker technology to identify abnormalities in speech patterns that may be predictive of early disease.
- **AFib:** Launched Biosense Webster's first radiofrequency balloon ablation catheter, HELIOSTAR, to enable physicians in Europe to advance safe, effective and efficient treatment solutions for patients suffering from AFib, as well as OCTARAY Mapping Catheter, for mapping cardiac arrhythmias, including AFib, to assist physicians in capturing precise information for catheter ablation procedures with enhanced clarity and speed.
- **New surgical technologies:** Developed surgical solutions, including FDA clearance for urology procedures using Ethicon's MONARCH Endoscopic Robotic Platform, the first and only multispecialty, flexible robotic solution for use in both bronchoscopy and urology, and a 3D-printed cranial implant made from a thermoplastic polymer for the Chinese market developed by DePuy Synthes, both J&J Medtech companies.
- **Digital surgery:** Part of J&J MedTech's DePuy Synthes' VELYS Digital Surgery Platform, CUPTIMIZE Hip-Spine Analysis is the latest surgical planning feature in VELYS Hip Navigation. It is a simple, x-ray-based digital tool that uses patient specific data to help surgeons assess dislocation risk and identify patients with abnormal pelvic tilt who may require unique cup placement or dual mobility design.
- **Digital tools for research and early disease detection:** Continued to apply data science and digital solutions to improve early detection and treatment of diseases such as Alzheimer's disease, pulmonary hypertension, bladder cancer and skin conditions. Also, J&J MedTech introduced digital solutions, for example, to improve the accuracy of knee surgery and eye disease diagnosis.
- **Early stage innovation:** Continued to activate health innovators and entrepreneurs through our JLABS QuickFire Challenges, with 10 new challenges launched in 2022.
- **Diversity in clinical trials:** Advanced diversity, equity and inclusion in clinical trials through different collaborations and funding to accelerate removing barriers to access for patients of all racial and ethnic backgrounds.
- **Consumer Health:** Advanced Consumer Health's \$800 million investment in the Healthy Lives Mission through a range of initiatives promoting skin cancer awareness, supporting smoking cessation, advocating for menstrual dignity, expanding product transparency and improving packaging sustainability across a wide range of Consumer Health brands in line with commitments as a signatory to the Ellen MacArthur Foundation's New Plastics Economy Global Commitment.

Social: Our Employees

Highlights in 2022

49%
of management positions held by women

36%
of our Directors and Managers in the U.S. identifies as ethnic or racially diverse

54%
of our new hires were women

\$112 million
spend on employee learning and development

27
average hours of training per employee

100%
of employees completed year-end performance reviews

78
active WeSustain teams in 31 countries with employees engaged in improving environmental health

9%
overall voluntary turnover

0.23
Total Recordable Injury Rate

Achievements in 2022

- **Attracting and developing:** Through Re-Ignite, our global career reentry program that began in 2017, enabled professionals in 13 countries across all four regions to return to the Johnson & Johnson workplace to continue their careers in meaningful roles.
- **Learning and development:** Launched J&J Learn, a global learning and development platform that integrates the curricula from our multiple learning organizations across the Enterprise to become the single source for all learning and development needs with approximately 100,000 learning programs available to employees.
- **Leadership assessment:** Completed our most significant people leader assessment of all time, with more than 7,500 people leaders receiving a report providing valuable feedback on their people leadership skills that will support their ongoing development and further empower them to help our organization deliver on its critical objectives.
- **Compensation and benefits:** Following a new pay analysis, invested significantly in targeted salary increases in several countries to enhance our competitive pay position and enhanced our Total Health portfolio to address rising rates of mental health concerns. We also completed our annual living wage assessment and made adjustments accordingly. Our global hybrid working model, J&J Flex, was enhanced with reporting and analysis capabilities to help deliver a consistent and compliant employee experience.
- **Diversity, Equity & Inclusion (DEI):** Continued to drive our strategy across multiple initiatives globally.
- **Employee engagement:** Conducted our biennial Our Credo Survey across 77 countries with 92% participation rate and key select results:
 - 87% favorability rate, which reflects how we are fulfilling Our Credo commitments to employees.
 - 92% agreed with the statement, “Acts responsibly to the communities in which we live and work and the world community as well.”
 - 86% agreed with the statement, “Provides an inclusive work environment where each employee is considered as an individual.”

- **STEM awareness:** Engaged 170,000 girls through hundreds of events and activities supported by more than 1,500 employee volunteers to expose more girls to science and encourage the uptake of science-based careers as part of our Health for Humanity 2025 STEM Goal.
- **Talent for Good:** Maintained our programs across the Enterprise, with hundreds of employees taking part in skills-based pro bono programs for our communities.
- **Safety:** Commenced a yearlong global refresher program of our Six Safety Habits framework for all employees in our R&D spaces and supply chain facilities to reacquaint them with the workplace habits that ensure safety continues to be an essential part of our culture.
- **Health and well-being benefits:** Rolled out new well-being offerings, including:
 - Expanded paid parental leave benefits for employees around the world, with 12 weeks of paid leave covering maternal, paternal, adoptive, surrogacy-assisted and foster parents.
 - Enhanced Employee Assistance Programs and CARE (Confidential. Accessible. Responsible. Engaged.) services in select countries, connecting employees to professional assistance on a broad range of topics.
 - Introduced new virtual mental health resources in the U.S. to support employees and their families, including behavioral support for children, teens and families.
 - Expanded travel benefits for U.S. employees and their families, providing reimbursement for travel to receive medical services (inclusive of, but not limited to, reproductive healthcare) not available from any other provider within 100 miles of the patient’s home.

Environment

Highlights in 2022

41%
(absolute reduction) in
Scope 1 + 2 carbon emissions
vs. 2016 baseline

67%
electricity use from
renewable sources

0.78 million
medical devices collected

0.32 million
medical devices reprocessed

100%
renewable electricity across
operations in Europe

68
LEED-certified buildings

85%
operational waste diverted
from disposal

91%
manufacturing and R&D sites
certified to ISO 14001

Achievements in 2022

• **Renewable energy:** We significantly expanded procurement of renewable energy globally, propelling Johnson & Johnson toward our 100% renewable electricity goal at the global level by 2025. New initiatives in 2022 included Power Purchase Agreements (PPAs) and Utility Green Tariffs, as well as expansion of on-site solar generation in several countries.

Johnson & Johnson maintains more than **50 on-site renewable energy systems** in **20 countries** and has executed more than **15 contracts** for off-site renewable electricity procurement.

• **Energy and emissions:** Since 2005, energy efficiency programs at our most energy-intensive manufacturing and R&D sites are allocated up to \$40 million per year in capital relief through our CO₂ Capital Relief Program for energy projects that demonstrate potential CO₂ savings and a financial return of at least 15%. New initiatives in 2022 brought the total number of CO₂ Relief Program projects to 274, delivering 2,589 TJ annual energy savings and 320,362 MT CO₂e emissions avoided annually.

Since 2016, our total absolute energy consumption across all Johnson & Johnson sites has reduced by **8%**, from 12,811 TJ in 2016 to **11,800 TJ** in 2022. This represents **30%** energy reduction on an intensity basis, per \$ billion sales.

• **Green labs:** In 2022 our J&J MedTech DePuy Synthes R&D lab in Leeds, UK, and our Janssen Immunology lab in California, U.S., both achieved “My Green Lab®” certification for implementing sustainability best practices.

• **Water stewardship:** As part of our efforts to continuously improve our management of water resources and our water stewardship, we are pursuing Alliance for Water Stewardship (AWS) certifications across elected facilities in our network. In 2022, Johnson & Johnson Consumer Health Thailand and Janssen’s Xi’an, China, facility both achieved AWS certification.

• **Product end-of-life and circularity:** We expanded product end-of-life initiatives across Pharmaceutical and MedTech with product take-back, reprocessing and/or recycling programs. For example, we expanded our U.S. SAFE RETURNS program for home-administered immunology products to Switzerland and launched and coordinated a new multiyear collaborative initiative called DiCE (Digital Health in a Circular Economy), with co-funding through the EU Horizon Europe program, to address the issue of increasing digital health device waste.

Expanded our hospital surgical device recycling program, which was piloted in Germany in 2021, to include **eight countries** in Europe.

• **Sustainable packaging:** We drove improvements in circular technologies and packaging sustainability across several products, increasing recycled content and recyclability. For example:

- Ethicon entered into an agreement with Eastman to purchase Eastman’s Eastar™ Renew 6763 copolyester for its medical device trays, an important first step toward advancing the circularity of our healthcare packaging.
- J&J MedTech company DePuy Synthes launched more than 250 product items in the SYNFIX Evolution brand in post-consumer recycled (PCR) paperboard material (93%).

• **Reducing and recycling contact lens waste:** Johnson & Johnson Vision removed the plastic pouches on the outside of delivery boxes for all ACUVUE contact lenses in Europe, saving tons of plastic across Europe every year, while in the UK, Johnson & Johnson Vision’s ACUVUE Contact Lens Recycle Scheme launched in 2019, has collected over 8.7 million lenses and recently expanded to increase capacity of lenses, blister packs and foils to be recycled each year.

Governance & Accountability

Highlights in 2022

\$14.6 billion

R&D spend

\$13.7 billion

total tax contribution

\$5.9 billion

Global Impact Spend with small and diverse suppliers

\$2.9 billion

spend with small business suppliers in the U.S.

9%

increase in spend with U.S. Tier 1 women-owned businesses compared to 2021

10%

increase in spend with U.S. Tier 1 Black- and Hispanic-owned businesses compared to 2021

85%

of invited suppliers participated in CDP Supply Chain Climate Program and 74% in the Water program

93%

of Procurement employees completed Human Rights training

91%

of employees completed Information Security training

Achievements in 2022

• **Board of Directors:** Announced the appointment of Joaquin Duato as the 10th Chairman of the Johnson & Johnson Board of Directors, in addition to his role as Chief Executive Officer, effective January 2023. We also announced that Alex Gorsky would be stepping down from his role as Executive Chairman.

• **Board committees:** Realigned responsibilities with the Regulatory Compliance & Sustainability Committee to oversee certain ESG matters alongside complementary compliance matters, with the Science & Technology Committee focusing on medical safety, product pipeline and evaluation of innovative technologies. We also formalized the collaboration between the Compensation & Benefits Committee and the Audit Committee of the Board to ensure that incentives and compensation are appropriately aligned with financial performance and Our Credo.

• **Supply chain innovation:** Drove operational innovation across our global sites using advanced digital technologies, including AI and machine learning to optimize customer service, reduce surgical inventories, enhance transport efficiency with a new Global Transportation Control tower and more.

• **Supply chain technology:** Honored in 2022 and early 2023 with four Johnson & Johnson sites newly added to the World Economic Forum (WEF) Global Lighthouse Network that identifies leadership in Fourth Industrial Revolution (4IR) technology deployment in factories, value chains and business models: Janssen, Cork, Ireland; Janssen, Latina, Italy; Consumer Health, Bangkok, Thailand; and Consumer Health, Mulund, India.

Of the **145 Global Lighthouse designations** granted by the WEF, Johnson & Johnson is privileged to have **11 Lighthouse designations**—more than any other company in the world.

• **Supplier Sustainability Program:** Expanded our Supplier Sustainability Program to include 42,800 suppliers conforming to our Responsibility Standards for Suppliers and EcoVadis assessments, representing 93% of Johnson & Johnson's supply base and advancing out progress toward our Health for Humanity 2025 Goal.

• **Supply chain standards:** Updated our Responsibility Standards for Suppliers to include new requirements on supplier DEI, information security, GHG reductions and the willingness to measure and publicly disclose data; increased focus on energy efficiencies; and integration of biodiversity considerations, recyclability and recycled material use.

• **Supplier training:** Introduced new content to more than 1,000 suppliers in 45 countries as part of Onward, our supplier training initiative, in collaboration with the British Standards Institute.

• **Partnerships for Good:** Executed three new Partnerships for Good, advancing our progress toward our Health for Humanity 2025 Goal to collaborate with suppliers to create solutions that drive environmental, social and economic improvements.

• **Health Care Compliance (HCC) training:** Conducted Enterprise HCC Annual Training with completion by 105,000 employees, including 97% of sales and marketing employees, in addition to Code of Business Conduct training across the Enterprise.

Johnson & Johnson was named in 2022 for the **fifth consecutive year** to the CPA-Zicklin Index of Corporate Political Disclosure and Accountability with Trendsetter status, indicating transparency in political contributions disclosure and accountability.

• **Human rights:** Improved human rights due diligence through work with an independent sustainability consultancy to develop a risk identification tool to better identify geographies and sites at a potentially higher risk of adverse human rights impacts within Johnson & Johnson's own operations and facilities.

• **Medical safety:** Advanced multiple initiatives to improve medical safety, including innovative real-world data (RWD) methods to generate reliable real-world evidence about patient health outcomes across numerous initiatives spanning pharmaceutical products, vaccines, medical devices and Consumer Health products. Highlights of these initiatives in 2022 included:

• Improving access to critical medical devices using RWD by generating extensive evidence of comparative safety of critical devices;

• Spearheading medication safety for families and children with new educational resources;

• Promoting maternal health through several collaborations relating to different areas of healthcare, with a focus on Black women; and

• Enhancing the patient voice in clinical studies through co-leadership of the Innovative Medicines Initiative PREFER project, which aims to support regulatory decision making on inclusion of patient preferences on benefits and risks of medicinal products.

• **Information security:** Enhanced protection against cyber risk in critical pharmaceutical research by deploying additional cyber capabilities to protect both systems and data at multiple Pharmaceutical R&D sites.

Recognitions & ESG Ratings

Recognitions

| | |
|--|--|
| <p>Ranked as a Top 50 All-Star on <i>Fortune's</i> World's Most Admired Companies list for the 20th consecutive year</p> | <p>Ranked #1 on the Pharmaceutical Industry list of the <i>Fortune</i> World's Most Admired Companies list for the ninth year in a row</p> |
| <p>Most Innovative Companies J&J MedTech selected as one of <i>Fast Company's</i> Most Innovative Companies</p> | <p>Ranked #9 on Drucker Institute's Top 250 Best-Managed Companies of 2022</p> |
| <p>Fifth consecutive year with Trendsetter status Named to the CPA-Zicklin Index of Corporate Political Disclosure and Accountability</p> | <p>For six years in a row included as a Seramount Top 10 Inclusion Index Member for diversity best practices</p> |
| <p>Best Employer for Diversity <i>Forbes</i> 2022</p> | <p>12th consecutive year Member of the Billion Dollar Roundtable for supplier diversity</p> |
| <p>Ranked #4 on Gartner Inc.'s annual ranking of top 25 company supply chains</p> | <p>Sixth consecutive year Named to the 2022 CDP Supply Chain Leaderboard</p> |

ESG Ratings ■ Improved ■ Maintained

| ESG Rater | Score | Notes |
|-------------------------------|--|--|
| ACCESS TO MEDICINE FOUNDATION | Previous Score 3.76 → Current Score 4.03 | Ranked #2 in the Access to Medicine Index and featured as an Index top-three performer for the sixth consecutive year |
| CDP Climate | Previous Score A → Current Score A | Recognized with a CDP A List rating for our leadership in climate action for the fifth consecutive year |
| CDP Water | Previous Score A- → Current Score A- | Achieved CDP's A- rating for Water Risk. |
| ecovadis | Previous Score 68 → Current Score 72 | Scored in the 97th percentile for the pharmaceutical manufacturing sector for the EcoVadis sustainability assessment for 2022. |
| FTSE4Good | Previous Score 4.3 → Current Score 4.4 | Included in the FTSE4Good Index Series for the 22nd year, scoring in the 97th percentile in our sector in 2022. |
| ISS ESG ² | Previous Score B- → Current Score B- | Received ISS ESG "good" rating. |
| Moody's Analytics | Previous Score 54 → Current Score 56 | Ranked #1 in the pharmaceuticals & biotechnology sector in North America for Moody's Analytics' ESG scorecard for 2022. |
| MSCI ³ | Previous Score BBB → Current Score A | Achieved MSCI "A" ESG Rating in 2022. |
| SUSTAINALYTICS | Previous Score 25.1 → Current Score 24.1 | Received Sustainalytics "medium" risk rating. |

² Current ISS ESG score from August 8, 2022 update. ³The use by Johnson & Johnson of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Johnson & Johnson by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.



2022 ESG Summary

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