Johnson Johnson

## Johnson Johnson

## Sustainability Highlights Our Commitment to A Healthy Future

#### Topics

- Heritage of Sustainability
- Delivering a Healthy Future
- Our Product Stewardship Program
- Earthwards®

### Johnson & Johnson

The world's most comprehensive and broadly based manufacturer of health care products, as well as a provider of related services, for the Consumer, Pharmaceutical, and Medical Devices & Diagnostics markets.

- More than 275 operating companies
- More than 127,600 employees worldwide
- Selling products in more than 175 countries
- 3 Segments: Pharmaceuticals, Medical Devices & Diagnostics, and Consumer
- 2012 Sales \$67.2 Billion



#### **Our Continued Path to Sustainability**

"We must use our resources wisely, **avoiding waste** of both raw materials and scrap, while we seek substitutes for things already in short supply. We must **employ replaceable materials** where we can, must **let forests restore themselves** as we cut, must **prevent loss and pollution** of water, and must halt wasteful erosion of soil. Means to these ends are known but are now neglected through habit and ignorance of the fact that they pay. **Sound business demands their employment**, just as it demands reduction of waste in a factory or store."



[Or Forfeit Freedom, by Robert Wood Johnson, Doubleday & Company, Garden City, New York, 1947, pp. 37-38]

1990 Pollution Prevention Goals 2005 Next Generation Goals 2010 Healthy Planet Goals Healthy Future 2015 (goals in development)

#### **1943** Our Credo

Robert Wood Johnson crafted Our Credo long before anyone ever heard the terms "sustainability" or "corporate social responsibility."





WE RELIEVE THAT OUR FIRST RESPONSIBILITY IS TO THE DOCTORS, MURSES, HOSPITALS, MOTHERS, AND ALL OTHERS WHO USE OUR PRODUCTS. OUR PRODUCTS MUST ALWAYS IN OF THE HIGHEST QUALITY. WE MUST CONSTANTLY STRIVE TO REDUCE THE COST OF THESE PRODUCTS. OUR ORDERS MUST IN PROMPTLY AND ACCURATELY FILLED. OUR ORDERS MUST IN PROMPTLY AND ACCURATELY FILLED.

OUR SECOND RESPONSIBILITY IS TO THOSE WHO WORK WITH US --THE MEN AND WOMEN IN OUR FLANTS AND OFFICES. THEY MUST HAVE A SENSE OF SECURITY IN THEIR JOR. WARGES MUST BE FAIR AND ADEQUATE. MANAGEMENT JUST, HOURS REASONABLE, AND WORKING CONDITIONS CLEAN AND ORDBELY. EMPLOYEES SHOULD HAVE AN ORGANIZED SYSTEM FOR SUGGESTONS AND COMPLAINTS. SUPERVISIONS AND DEPARTMENT HEADS MUST BE QUALIFIED AND FAIR MENDED. THERE MUST BE OFFORTUNITY FOR ADVANCEMENT -- FOR THOSE QUALIFIED AND EACH PERSON MUST BE CONSIDERED AN INDIVIDUAL STANDING ON HIS OWN DEGRITY AND MERT.

OUR THIRD RESPONSIBILITY IS TO OUR MANAGEMENT. OUR EXECUTIVIS MUST BE PERSONS OF TALENT, EDUCATION, EXPERIENCE AND ABILITY. THEY MUST BE PERSONS OF COMMON SENSE AND FULL UNDERSTANDING.

OUR FOURTH RESPONSIBILITY IS TO THE COMMUNITIES IN WHICH WE LIVE. WE MUST BE A GOOD CITIZEN — SUPPORT GOOD WORKS AND CHARITY, AND BEAR OUR FAIR SHARE OF TAXES. WE MUST MAINTAIN IN GOOD ORDER THE PROPERTY WE ARE PRIVILEGED TO USE. WE MUST PARTICIPATE IN PROMOTION OF CIVIC IMPROVEMENT, HEALTH, EDUCATION AND GOOD GOVERNMENT, AND AQUAINT THE COMMUNITY WITH OUR ACTIVITIES.

OUR FIFTH AND LAST BESPONSIBILITY IS TO OUR STOCCHOLDIES. BUSINESS MUST MAKE A SOUND PROFIT. RESERVES MUST IN CREATED, RESEARCH MUST BE CARRIED ON, ADVIENTUROUS PROGRAMS DRIVELOPED, AND MISTAKES PAID FOR. ADVIENE TIMES MUST BE PROVIDED FOR, ADQUART TAXES PAID, NEW MACHINES PURCHASED, NEW PLANTS BUILT, NEW PRODUCTS LAUNCHED, AND NEW SALES PLANS DEVELOPED. WE MUST EXPREMENT WITH NEW IDEAS. WHEN THESE THINGS HAVE BEEN DONE THE STOCCHOLDER SHOULD RECEIVE A FAIR RETURN. WE ARE DETERMINED WITH THE HELP OF GOD'S GRACI, TO FULFILL THESE ORLIGATIONS TO THE HEST OF OUR ABLIFY.

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#### Recent Successes and Recognition Johnson & Johnson Operating Companies

- 2012 Johnson & Johnson was ranked #2 in Interbrand's list of the Best Global Green Brands
- 2009, 2010, 2011 & 2012 Practice Greenhealth "Champion For Change" Award
- Ranked #7 on the Top On-site Corporate Solar Users List (the only health care company in the top 20) SEIA
- 2<sup>nd</sup> year on the Billion Dollar Roundtable for spending with diverse suppliers – still the1<sup>st</sup> and only healthcare company to join

- Removed >3,000 tons of PVC from our Packaging
- UN 2011 Humanitarian of the Year Award
- Ranked #2 in the 2012 Access to Medicines Index biennial survey
- The Innothink Center for Research in Biomedical Innovation named J&J the most productive drug firm of the last 10 years
- Ranked #4 for Social Responsibility in the 2013 Harris Poll

#### Johnson 4 Johnson

## Healthy Future 2015

#### Healthy People



- Research and development
  for neglected diseases
- Affordable access to medicines
- Advancing community wellness
- Fostering the most engaged, health-conscious and safe employees in the world

**Healthy Planet** 



- Building on our legacy in safeguarding the planet
- Reduce the environmental impact of our operations
- Increase the sustainable design of our products

#### **Healthy Business**



- Enhancing outcome measurement in philanthropy
- Partnering with suppliers that embrace sustainability
- Committing to enhanced transparency and accessing the power of external collaboration

#### **Product Sustainability Objectives**

- Increase the amount of Earthwards® products (60 new)
- All new products and packaging evaluated for sustainability improvements (demonstrated by deployment of enterprise-wide and sector product stewardship pathways)

Pathways for Sustainable Packaging

- Use of Sustainable packaging
  - Increase use of sustainably sourced paper
  - Increase use of Post Consumer Recycled content (PCR) for paper & plastic
  - Increase use of bio-based materials
  - Eliminate use of PVC \*
  - Increase the recyclability of packaging materials
  - Reduce the size of packaging

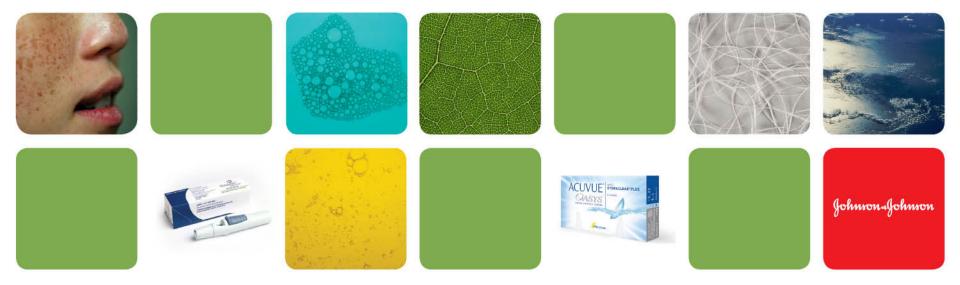
\*except for legacy pharm blisters

#### **Product Sustainability Pathways**

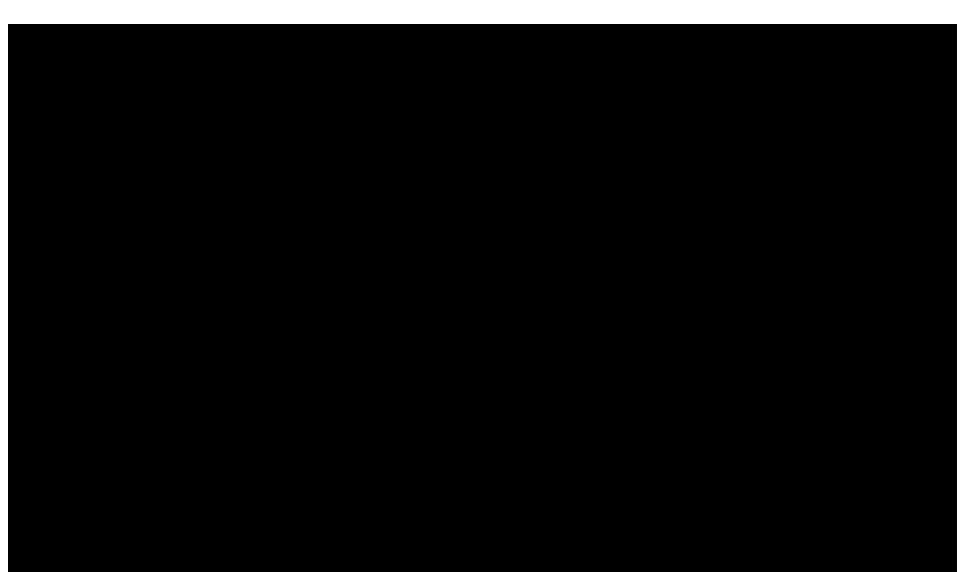
- Source only Certified Sustainable Source Palm Oil
- Increase formula's GAIA score (global product ingredient assessment)
- Remove materials of concern
- Increase energy efficiency of plug in products
- Provide end-of-life solutions to our customers for our products
- Improve process mass intensity index using green chemistry
- Use more environmentally friendly chemicals in production processes



## earthwards<sup>®</sup> moving towards a healthy future



#### Video

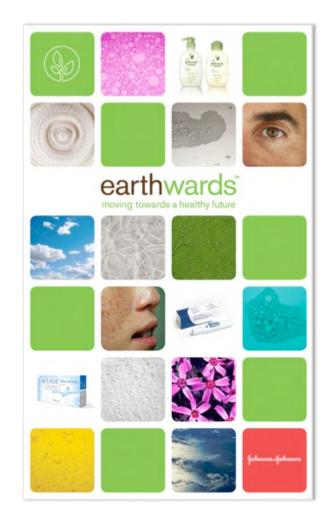


#### Minimize Our Impact The EARTHWARDS® Process

EARTHWARDS<sup>®</sup> Objectives:

- Support the development of more sustainable products
- Provide tools & resources to enable sustainable innovation
- Enable meaningful and credible claims





#### Earthwards<sup>®</sup> Process



The EARTHWARDS<sup>®</sup> process has been reviewed by a panel of sustainability experts from government, academia, business, and the environmental NGO community.

A proprietary scorecard was developed to evaluate products in seven key categories that we feel have the most potential for environmental and social impacts.



#### Earning EARTHWARDS<sup>®</sup> Recognition



To be considered for EARTHWARDS<sup>®</sup> recognition, teams must use the scorecard to take a product through a four-step evaluation process.

#### **Earning EARTHWARDS<sup>®</sup> Recognition** Teams use the scorecard to go through a four-step process

**1. SATISFY PRE-REQUISITES** Teams answer a series of questions that gauge their general understanding of the sustainable attributes of their product: • What materials are we using? • Where do they come from? What happens to a product after it's used?

#### **Earning EARTHWARDS® Recognition**

## 2. UNDERGO SCREENING The product undergoes a life cycle screening that examines its environmental impacts and quantifies its improvements in up to seven different categories.

#### **Earning EARTHWARDS® Recognition**

3. IDENTIFY IMPROVEMENTS A product must show three improvements (>10%) across seven categories to achieve EARTHWARDS® recognition.

#### **Earning EARTHWARDS® Recognition**

#### 4. SUBMIT FOR REVIEW

Teams then submit a scorecard with their results to a review board of both internal and an external product sustainability expert. The board then determines if the product warrants EARTHWARDS<sup>®</sup> recognition and provides suggestions for further improvements.

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#### EARTHWARDS® Score Card

Pre-requisites		Achieved
	Know materials, ingredients in your product	
	Identify and plan to address J&J Watch List materials	
	Know where product and packaging end up after use	
	Know whether agricultural or mined ingredients come from culturally or environmentally sensitive regions	
Complete life	e cycle screen to identify priority goals for the product (see separate screening questions)	
Goals		
Materials	1. Meet consumer need with less material or	
	2. Use more environmentally preferred material (see list) or	
Packaging	3. Meet consumer need with less packaging or	
	4. Use more environmentally preferred packaging material (see list) or	
Energy	5. Make product more energy efficient in use <i>or</i>	
	6. Make manufacturing or distribution more energy efficient or	
Water	7. Make product more water efficient in use or	
	8. Make manufacturing more water efficient or	
Waste	9. Make product with less waste during manufacturing or	
	10. Recover more product, after use, for reuse or recycling	
Results	Achieved all pre-requisites + three other goals?	

### **ONETOUCH® ULTRA® Blood Glucose Monitors**



- >30% reduction in packaging \*
- Use of PCR material in packaging
- Antimony trioxide, a chemical on many materials of concern lists, including California's proposition 65, has been removed from all electrochemical diabetes test strips





\*Compared to previous generation of the product

# **ZYTIGA**<sup>®</sup> (abiraterone acetate)

## 

- 64% fewer raw materials used by implementing green chemistry to improve the overall yield\*
- 78% less water used in synthesis\*
- 87% less hazardous waste from synthesis\*
- First time that Johnson & Johnson has implemented a wet crystallization and extraction process for an API

120 TABLETS NDC 57834-150 12 Rodel O Zytiga (abiraterone acetate) tablets
Each tablet contsine: Each tablet contsine: Each tablet contsine: Athresponse accesso 250 mg Woming: Women who are or may be Preparent should not hardle 27TIGA without glowes (see package each)
2. Gardecor Onthe Bistech Inc.



\* As compared to the previous API synthesis process

### AVEENO<sup>®</sup> PURE RENEWAL<sup>TM</sup> Shampoo



- Less energy used to transport the final product\*
- The makers of AVEENO® invest in programs to educate and engage consumers
- Uses the innovative personal care ingredient NATRASURF<sup>™</sup>, developed using green chemistry techniques
- Contains ACTIVE NATURALS®
  Balancing Seaweed Extract





\*Compared to previous version of the product

# Making Sustainability a Priority Together

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#### **THANK YOU FOR COMING TO NEW BRUNSWICK!**