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.”

1943 Our Credo

Robert Wood Johnson crafted Our Credo long before anyone ever heard the terms “sustainability” or “corporate social responsibility.”
Recent Successes and Recognition
Johnson & Johnson Operating Companies

- 2012 Johnson & Johnson was ranked #2 in Interbrand’s list of the Best Global Green Brands
- Ranked #7 on the Top On-site Corporate Solar Users List (the only health care company in the top 20) SEIA
- 2nd year on the Billion Dollar Roundtable for spending with diverse suppliers – still the 1st 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
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
Video
Minimize Our Impact
The EARTHWARDS® Process

EARTHWARDS® Objectives:

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

The EARTHWARDS® 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® Recognition

To be considered for EARTHWARDS® recognition, teams must use the scorecard to take a product through a four-step evaluation 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® recognition and provides suggestions for further improvements.
<table>
<thead>
<tr>
<th>Pre-requisites</th>
<th>Achieved</th>
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<tbody>
<tr>
<td>Know materials, ingredients in your product</td>
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<td>Identify and plan to address J&amp;J Watch List materials</td>
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<tr>
<td>Know where product and packaging end up after use</td>
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<td>Know whether agricultural or mined ingredients come from culturally or environmentally sensitive regions</td>
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Complete life cycle screen to identify priority goals for the product (see separate screening questions)

<table>
<thead>
<tr>
<th>Goals</th>
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<tbody>
<tr>
<td>Materials</td>
<td>1. Meet consumer need with less material or</td>
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<td></td>
<td>2. Use more environmentally preferred material (see list) or</td>
</tr>
<tr>
<td>Packaging</td>
<td>3. Meet consumer need with less packaging or</td>
</tr>
<tr>
<td></td>
<td>4. Use more environmentally preferred packaging material (see list) or</td>
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<tr>
<td>Energy</td>
<td>5. Make product more energy efficient in use or</td>
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<td></td>
<td>6. Make manufacturing or distribution more energy efficient or</td>
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<tr>
<td>Water</td>
<td>7. Make product more water efficient in use or</td>
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<td></td>
<td>8. Make manufacturing more water efficient or</td>
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<tr>
<td>Waste</td>
<td>9. Make product with less waste during manufacturing or</td>
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<td></td>
<td>10. Recover more product, after use, for reuse or recycling</td>
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</tbody>
</table>

| 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®
(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

* As compared to the previous API synthesis process
AVEENO® PURE RENEWAL™ 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™, developed using green chemistry techniques
- Contains ACTIVE NATURALS® Balancing Seaweed Extract

*Compared to previous version of the product
Making Sustainability a Priority Together
THANK YOU FOR COMING TO NEW BRUNSWICK!