



Report of Independent Accountants

To the Board of Directors of Johnson & Johnson

We have reviewed the accompanying management assertion of Johnson & Johnson that the sustainability metrics as of or for the year ended December 31, 2022 in management's assertion are presented in accordance with the assessment criteria set forth in management's assertion. Johnson & Johnson's management is responsible for its assertion and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the sustainability metrics. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) in AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertion in order for it to be fairly stated. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The firm applies the Statements on Quality Control Standards established by the AICPA and, accordingly, maintains a comprehensive system of quality control.

The procedures we performed were based on our professional judgment. In performing our review, we performed inquiries, performed tests of mathematical accuracy of computations on a sample basis, read relevant policies to understand terms related to relevant information about the sustainability metrics, reviewed supporting documentation in regard to the completeness and accuracy of the data in the sustainability metrics on a sample basis, and performed analytical procedures.

The preparation of sustainability metrics requires management to establish the criteria, make determinations as to the relevancy of information to be included, and make assumptions that affect reported information. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

Based on our review, we are not aware of any material modifications that should be made to Johnson & Johnson's management assertion in order for it to be fairly stated.

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

Florham Park, New Jersey

June 2, 2023

Johnson & Johnson Management Assertion

As of or for the Year Ended December 31, 2022

Management of Johnson & Johnson is responsible for the completeness, accuracy, and validity of the sustainability metrics included in the tables below as of or for the year ended December 31, 2022 (the reporting year) for global operations, unless otherwise noted. The metrics have been rounded to the nearest whole number unless otherwise indicated.

Management asserts that the metrics reported in the tables below, which are also included in the 2022 Health for Humanity Report as identified by the “+” symbol, are presented in accordance with the assessment criteria set forth below. Management is responsible for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the sustainability metrics. The preparation of the sustainability metrics requires management to establish the criteria, make determinations as to the relevancy of information to be included, and make assumptions that affect reported information. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

Our Giving^(a)

Metric Description	Metric Value (in millions)
Total products ^(b) and cash contributed	\$4,292
Products ^(b) contributed	\$3,925
Cash contributed	\$367

^(a) Our contributions include products or cash donations made to qualified nonprofit entities (i.e., 501(c)(3) organizations in the U.S. or with an NGO source 501(c)(3) equivalency determination for organizations outside the U.S.) by Johnson & Johnson during the reporting year. Administrative costs incurred by Johnson & Johnson during the contribution process are also included in cash contributions (approximately 3% of the cash contributed).

^(b) Products contributed are measured at fair market value, which is the price of the product, as determined by an internal price list in USD as of December 31, 2022, that Johnson & Johnson would sell to consumers in the market.

Diversity, Equity & Inclusion (DE&I)

Metric Description	Metric Value
Global Employees ^{(a)(c)}	
Total number of employees ^(b)	153,677 Women 76,874 Men 76,653 Declined to answer 150
Region ^(d)	Asia Pacific 31,322 Europe, Middle East & Africa 44,473 Latin America 26,053 North America 51,829

Diversity, Equity & Inclusion (DE&I) continued

Metric Description	Metric Value
Gender Representation ^{(a)(b)(c)(i)}	
Region ^{(d)(i)}	Asia Pacific: Women 49.4% Men 50.6% Declined to answer 0% Europe, Middle East & Africa: Women 50.7% Men 49.3% Declined to answer 0% Latin America: Women 54.6% Men 45.5% Declined to answer 0% North America: Women 47.5% Men 52.2% Declined to answer 0.3%
Employment type	Full-time employees: Women 73,826 Men 76,054 Declined to answer 150 Part-time employees: Women 3,048 Men 599 Declined to answer 0 Fixed-term employees: Women 2,784 Men 2,209 Declined to answer 9
Job category ^{(d)(g)(i)}	Vice Presidents: Women 41.2% Men 58.0% Declined to answer 0.8% Directors and Managers: Women 49.2% Men 50.6% Declined to answer 0% Professionals: Women 51.5% Men 48.4% Declined to answer: 0.1%

Diversity, Equity & Inclusion (DE&I) continued

Metric Description	Metric Value
Management and executive positions ^(g)	Women in management positions 49.0% Women in executive positions 38.5%
Diversity in Board Composition	
Diversity in Board Composition ^(f)	Women 50.0% Ethnic/Racial Diversity 25.0%
Global Age Diversity	Under 30 17.0% 30-50 62.7% 51+ 20.3% Declined to answer 0%
Age Diversity ^(e) by Job Category ^{(a)(c)(d)(g)}	
Vice Presidents	Under 30 0.0% 30-50 45.3% 51+ 54.7%
Directors and Managers	Under 30 1.6% 30-50 72.0% 51+ 26.4%
Professionals	Under 30 23.9% 30-50 59.1% 51+ 17.0%
Ethnic/Racial Diversity in the U.S.	
Ethnic/Racial Diversity in the U.S. ⁽ⁱ⁾	White 62.4% Asian 16.2% Black/African American 7.5% Hispanic/Latino 9.8% Other 2.3% Declined to Answer 1.7%
Ethnic/Racial Diversity ^(b) in the U.S. by Job Category ^{(a)(c)(d)(g)}	
Vice Presidents	White 68.0% Asian 13.7% Black/African American 7.3% Hispanic/Latino 8.5% Other 1.9% Declined to Answer 0.6%
Directors and Managers ^(j)	White 63.1% Asian 19.6% Black/African American 6.6% Hispanic/Latino: 8.0% Other 2.0% Declined to answer 0.8%

Metric Description	Metric Value
Ethnic/Racial Diversity ^(b) in the U.S. by Job Category ^{(a)(c)(d)(g)}	
Professionals	White 61.7% Asian 13.8% Black/African American 8.3% Hispanic/Latino 11.2% Other 2.6% Declined to answer 2.4%
New Employee Hires ^(h)	
Total number of new hires	24,940
Region ^{(d)(i)(j)}	Asia Pacific 25.2% Europe, Middle East & Africa 19.4% Latin America 22.3% North America 33.2%
Gender representation ^{(b)(i)}	Women 53.8% Men 45.8% Declined to answer 0.3%
Age ^(e)	Under 30 42.8% 30-50 51.3% 51+ 5.9%

- (a) Global Employees is the global employee headcount as of December 31, 2022 from Johnson & Johnson's Human Resource Information System (HRIS). "Employee" is defined as an individual working full-time or part-time, excluding fixed-term employees, interns and co-op employees. Fixed-term employees is defined as employees with a contract for a limited period that ends when the specific time period expires, or when the specific task or event that has an attached time estimate is completed. Fixed-term contracts make up less than 5% of total employees plus individuals on fixed-term contracts. Employee data may not include data from more recently acquired companies who are not yet reflected in HRIS (which does not exceed two years from the date of acquisition), and individuals on long-term disability are excluded. Contingent workers (i.e., workers supplied by third-party agencies that are the worker's employer of record), contractors and subcontractors are also excluded. Abiomed headcount is excluded from global employee data, as well as other employee and DEI-related disclosures.
- (b) Gender and ethnic/racial diversity are reported in accordance with the gender, ethnicity and race as self-reported by the employee and recorded in HRIS as of November 9, 2022. "Other" is defined as employees who self-reported as American Indian or Alaskan Native, Native Hawaiian or Other Pacific Islander, or two or more races.
- (c) An individual working full-time is defined as an employee working 40 hours or more a week. An individual working part-time is defined as an employee working less than 40 hours a week.
- (d) The region and job category is obtained from HRIS as of December 31, 2022.
- (e) Age diversity is reported in accordance with the age as self-reported by the employee and recorded in HRIS as of the date of hire.
- (f) Gender and ethnic/racial diversity in the Board composition is reported in accordance with the gender and ethnicity as confirmed by Board members as of April 2023.
- (g) Professional positions are defined as paygrades 20-26. Management positions are defined as paygrade 30 and above. Executives are defined as employees reporting directly to the Chairman and Chief Executive Officer based on an organization chart including names and positions as of December 31, 2022.
- (h) New employee hires are external hires with a start date between January 1, 2022 and December 31, 2022 obtained from HRIS.
- (i) Where the value for "Declined to answer" is rounded to zero and was zero in the prior year, it was excluded from the reported table.
- (j) Values have been rounded to the nearest tenth. Due to rounding, the numbers presented do not add up precisely to 100.0%.

Employee Retention and Turnover

Metric Description	Metric Value
Managers and above moved across functions, country or business segment lines ^{(a)(b)(c)}	46.2%
Overall voluntary turnover ^(d)	8.8%
Voluntary turnover of high performers ^(e)	4.2%

^(a) Represents the percentage of employees in Manager and above job categories (defined as paygrade 30 and above in HRIS as of December 31, 2022) who, in their career progression, moved through upward promotion or lateral transfer during the reporting year.

^(b) Employee count excludes fixed-term, intern, and co-op employees, employees on long-term disability, employees from more recently acquired companies who are not yet reflected in HRIS (which does not exceed 2 years from the date of acquisition), and employees in the research & development (R&D) organizations in the Pharmaceutical, MedTech and Consumer Health business segments.

^(c) Employee movement is tracked monthly in HRIS and then consolidated at year end. If an employee moves, for example, across both function and country in the same month, it is only counted as one move.

^(d) Employee count excludes fixed-term, intern, and co-op employees, employees on long-term disability, and employees from more recently acquired companies who are not yet reflected in HRIS (which does not exceed 2 years from the date of acquisition). Voluntary turnover (the numerator) excludes employees leaving the company due to retirement or death.

^(e) High performer is defined as an individual with two consecutive annual performance ratings of Exceptional/Exceptional, Exceptional/Strong or Strong/Exceptional (note that "exceptional" and "strong" are two out of four possible dimension ratings). Employees who are not part of the performance management process are excluded from the voluntary turnover of high performers metric out of four possible dimension ratings). Employees who are not part of the performance management process are excluded from the voluntary turnover of high performers metric.

Employee Safety ^{(a)(b)}

Metric Description	Metric Value
Lost Workday Case rate ^{(c)(d)}	Global 0.06 Asia Pacific 0.08 Europe, Middle East & Africa 0.05 Latin America 0.01 North America 0.06
Total Recordable Injury Rate ^(e)	Global 0.23 Asia Pacific 0.15 Europe, Middle East & Africa 0.20 Latin America 0.21 North America 0.29
Serious Injury and Illness Case rate ^(f)	Global 0.03 Asia Pacific 0.030 Europe, Middle East & Africa 0.020 Latin America 0.017 North America 0.039
Number of fatalities	Global 0.0

^(a) Includes data as of December 31, 2022 and hours worked in the reporting year. More recently acquired sites (i.e., owned less than two years as of December 31, 2022) are excluded from employee safety metrics.

^(b) Lost Workday Case (LWDC) rate, Total Recordable Injury Rate (TRIR), Serious Injury and Illness Case (SIIC) rate and fatalities are calculated for Johnson & Johnson employees and contingent workers. Contingent workers (i.e., workers supplied by third-party agencies that are the worker's employer of record) are intended to supplement or temporarily replace existing workforce and are directly supervised by a Johnson & Johnson employee. Cases from contractor/subcontractors (who are not contingent workers) are excluded. Reported illness/injury rates exclude COVID-19 illness cases.

^(c) "Lost days" are calendar days where an employee is unable to work due to illness or injury, beginning the day after an incident has taken place through the last day of leave (excluding holidays and vacations).

^(d) LWDC rate is calculated as follows and the data used in the calculation is obtained from the internal Johnson & Johnson CURVE system: (number of LWDC * 200,000 work hours)/total work hours.

^(e) TRIR is calculated as follows and the data used in the calculation is obtained from the internal Johnson & Johnson CURVE system: (number of recordable cases * 200,000 work hours)/total work hours.

Employee Safety continued

^(f) SIIC rate is calculated as follows and the data used in the calculation is obtained from the internal Johnson & Johnson CURVE system: (number of SIIC * 200,000 work hours)/total work hours.

Ethics and Compliance (Inquiries and Complaints as Recorded with Our Credo Integrity Line by Category)

Metric Description	Metric Value
Inquiries and complaints as recorded with Our Credo Integrity Line by Category ^{(a)(b)}	Human Resources-related 71% Business integrity-related 11% Other (privacy, information security, general security, EH&S, etc.) 6% General information questions 3% Financial-related 4% Human rights-related 1% Product quality and patient safety-related 3%

^(a) Johnson & Johnson's anonymous grievance mechanism includes 13 inquiry and complaint categories for the person reporting to select from when reporting inquiries and complaints. Field reports are then summarized into seven reported categories by Johnson & Johnson. "Other" consists of the following categories: privacy, information security, global security, Environment, Health & Safety (EH&S), legal/regulatory and report follow up.

^(b) Johnson & Johnson's Triage Committee and case investigators have the ability to change the category of an inquiry or complaint upon receipt using a set of established criteria in Our Credo Integrity Line. This occurred for no more than 16% of total recorded inquiries and complaints.

Compliance-Related Allegations Investigated Through Triage Committee ^(a)

Metric Description	Metric Value
Number of compliance-related allegations investigated	749
Percentage of compliance-related allegations investigated, by category	Healthcare compliance ^(b) 55% Financial ^(c) 36% Other ^(d) 9%

^(a) Compliance-related allegations can be filed by internal or external parties, and for those allegations that meet the internal escalation criteria, they are logged and categorized by Johnson & Johnson management within Johnson & Johnson's sensitive issue case management system and then presented to and investigated through the Johnson & Johnson Triage Committee. Internal escalation criteria includes actual or alleged (i) non-compliance with internal Johnson & Johnson policies that could result in termination of the employee; (ii) expense violations exceeding \$1,000; (iii) theft, fraud or misuse of funds exceeding \$1,000; (iv) non-compliance with laws and regulations, such as anti-corruption laws or human trafficking rules; (v) governmental non-compliance, such as failure to abide by relevant terms of a U.S. government invoice, contract or pricing program, financial conflicts of interest, false or incomplete statements made to the U.S. government; (vi) data breach or privacy incidents; and (vii) misconduct by members of the senior leadership team.

^(b) Healthcare compliance allegations consist of violations of Health Care Compliance guidelines including U.S. Foreign Corrupt Practices Act (FCPA) violations.

^(c) Financial allegations consist of asset misappropriation, conflicts of interest and financial statement-related.

^(d) Other allegations consist of legal, quality, anti-trust, product registration and privacy.

EH&S Compliance and Certifications

Metric Description	Metric Value
Number of environmental non-compliances ^{(a)(b)}	167
Fines paid for environmental non-compliances ^{(a)(b)(c)} (thousands)	\$11.7
Number of manufacturing and R&D sites certified to ISO 14001 ^(d)	87
Number of manufacturing and R&D sites certified to ISO 45001 ^(d)	20

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EH&S Compliance and Certifications continued

Metric Description	Metric Value
Percentage of manufacturing and R&D sites certified to ISO 14001 ^{(d)(e)}	91%
Percentage of manufacturing and R&D sites certified to ISO 45001 ^{(d)(e)}	20%

- ^(a) Environmental non-compliances represent instances of non-compliance with environmental regulatory requirements or laws that were either (i) self-reported to authorities in the reporting year or (ii) identified by authorities and the non-compliance occurred in the reporting year. The authorities include regional, national, state/country/province, and local/city regulatory agencies.
- ^(b) Environmental non-compliances and fines paid exclude newly acquired sites (i.e., owned less than two years as of December 31, 2022).
- ^(c) Fines paid for environmental non-compliances include those paid in the reporting year. It does not include fines assessed and/or under negotiation that were not paid as of December 31, 2022.
- ^(d) Certified to ISO 14001 or ISO 45001 means the site has received an external certification that is valid as of December 31, 2022.
- ^(e) The denominator of total manufacturing and research & development (R&D) sites excludes small R&D and manufacturing sites (defined as having less than 50 employees) and newly acquired sites (i.e., owned less than three years as of December 31, 2022).

Product Quality Indicators

Metric Description	Metric Value
Number of regulatory inspections ^(a) of Johnson & Johnson sites by worldwide health authorities ^(b)	537
Percentage of regulatory inspections ^(a) that resulted in zero observations ^(b)	75%
Number of FDA inspections of Johnson & Johnson sites ^(c)	8
Percentage of FDA inspections that resulted in zero observations ^(c)	63%
Average number of observations per FDA inspection ^(c)	2.9
Number of independent audits of Johnson & Johnson sites to ensure compliance with Johnson & Johnson Quality Policy and Standards ^(d)	166
Number of independent audits of external manufacturing sites ^(e) to ensure compliance with Johnson & Johnson Quality Policy and Standards ^(d)	275
Number of FDA warning letters issued	0
Product recall rate ^(f) , by business segment ^(g)	Pharmaceutical 0.003% MedTech 0.005% Consumer Health Self-Care OTC 0%

- ^(a) A regulatory inspection is defined as an inspection conducted by the health authority to determine compliance with applicable laws and regulations.
- ^(b) Health authorities are organizations with authority over the development, manufacture, distribution, placing on the market, and post market surveillance of products. For example, the U.S. Food and Drug Administration (FDA), Korean Food and Drug Administration (KFDA), British Standards Institution (BSI), and Health Canada. The observations identified during the inspection are listed on a form provided by the third-party health authority who conducted the inspection.
- ^(c) An FDA inspection is defined as a regulatory inspection performed by the FDA and an observation is defined as the observed condition or practice indicating that an FDA-regulated product may be in violation of FDA requirements. The observations are listed on FDA Form 483 during inspections conducted by the FDA and then provided to the manufacturer following the FDA inspection.
- ^(d) Independent audits are conducted by internal Johnson & Johnson Regulatory Compliance auditors at Johnson & Johnson sites and external manufacturing sites.
- ^(e) An external manufacturing site is defined as not owned or operated by Johnson & Johnson.
- ^(f) Product recall rate is defined as the number of lots removed from the market as a percentage of total lots globally manufactured, based on field action removals where it has been determined internally by a Quality Review Board and aligned by Johnson & Johnson Enterprise Compliance, that there is a reasonable probability that the product may cause temporary or medically reversible adverse health consequences and in certain cases will cause serious adverse health consequences. A lot is defined as a specific quantity of material that has uniform character and quality and was released to market during the 2022 calendar year.
- ^(g) The Pharmaceutical and MedTech recall rates consider all products in each business segment. The Consumer Health product quality recall rate is inclusive of Consumer Health products from the Self-Care over-the-counter (OTC) business segment.

Our Credo Survey Results ^(a)

Metric Description	Metric Value
Number of languages Our Credo Survey is made available in	36
Number of countries Our Credo Survey is administered in	77
Response rate (among all active employees) ^(b)	92%
Favorability rate ^{(b)(c)}	87%
Percentage agreed with the statement: Ensures our first responsibility is to the patients, doctors and nurses, mothers and fathers, and all others who use our products and services ^(b)	92%
Percentage agreed with the statement: Provides an inclusive work environment where each employee is considered as an individual ^{(b)(c)}	86%
Percentage agreed with the statement: Acts responsibly to the communities in which we live and work and the world community as well ^{(b)(c)}	92%

- ^(a) Johnson & Johnson conducts the Our Credo Survey biannually to track employee sentiment globally. Our Credo Survey metric data is collected and stored in a third-party platform.
- ^(b) Active employees include Johnson & Johnson employees as of December 31, 2022, who completed the 2022 Our Credo Survey, and excludes fixed-term, intern, and co-op employees, employees on long-term disability, contractors, and employees that have been with Johnson & Johnson for less than three months.
- ^(c) Favorability rate is calculated by determining the percentage of "agree" or "strongly agree" responses out of all responses for all Our Credo Survey questions. Response types include: strongly disagree, disagree, neither agree or disagree, agree, strongly agree, do not know. Questions without responses are removed from the numerator and denominator.

Tax Contribution (Billions)

Metric Description	Taxes Borne Metric Value ^(a)	Taxes Collected Metric Value ^(a)
Corporate income tax ^(b)	\$5.2	-
Payroll & social insurance taxes ^{(c)(d)}	\$1.6	\$4.9
Sales/use & other taxes ^{(c)(e)}	\$0.9	\$1.1
Total	\$7.7	\$6.0
Total tax contribution ^(f)		\$13.7

- ^(a) Taxes borne are a direct cost to Johnson & Johnson. Taxes collected are not a direct cost to Johnson & Johnson as they represent taxes collected from customers and employees on behalf of governments, which are ultimately remitted to the governments.
- ^(b) Corporate income tax represents income and withholding taxes paid in all markets in which Johnson & Johnson operates.
- ^(c) Payroll & social insurance taxes and sales/use & other taxes are based on data collected for 22 major markets that represent approximately 97% of total 3rd party and intercompany sales recorded for the market. These taxes are not reported for the remaining markets that represent approximately 3% of total 3rd party and intercompany sales recorded for the market.
- ^(d) Payroll & social insurance taxes borne represent taxes paid directly by Johnson & Johnson. Payroll & social insurance taxes collected represent amounts withheld from employees for federal (local country government), state and social contribution taxes, as well as contingent labor taxes collected.
- ^(e) Sales/use & other taxes borne represent sales/use tax, property tax, and non-recoverable value-added tax, as well as other taxes comprised of customs and other duties and pharmaceutical fees imposed by the government on legal entities within the pharmaceutical industry for prescription drugs. Sales/use & other taxes collected represent the net value-added tax (VAT) (VAT output less VAT input) and sales tax collected.
- ^(f) Total tax contribution is made up of two components: total taxes borne by Johnson & Johnson and total taxes collected.