Environmental stewardship

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For decades, J&J has been committed to environmental stewardship to protect the health of our planet and strengthen the resilience of our business. Our focus is informed by our business strategy, stakeholder expectations and assessment of where we can make meaningful impact.

Based on these factors, our strategic priorities include:

- decarbonizing our operations and value chain;
- advancing circular solutions within our product portfolio and our operations; and
- partnering for climate resilient healthcare systems.

This work is underpinned by our commitment to excellence in risk management and compliance.

100% renewable electricity

sourced to meet our operational electricity needs in 2025

38% GHG emissions reduction

of our absolute Scope 1 & 2 emissions since 2021

17 countries with hospitals

using J&J's recycling program for single-use medical devices and select packaging

Decarbonizing our operations & value chain

As a global healthcare company, we believe we have a responsibility to reduce our carbon footprint and prepare our business to be climate resilient. We set our first climate-related goals more than three decades ago. We continue to make strong progress toward our current near-term climate goals, which have been validated by the Science Based Targets initiative (SBTi).

SBTi-validated climate goals

Scope 1 & 2 greenhouse gas (GHG) emissions goal:

Reduce absolute Scope 1 & 2 GHG emissions 44% by 2030, from a 2021 base year.

Performance in 2025:

38%

absolute reduction in Scope 1 & 2 GHG emissions versus 2021 base year.

Value chain goal:

80% of J&J suppliers by emissions covering Purchased Goods and Services and Upstream Transportation and Distribution will have science-based targets by 2028.

Performance in 2025:

37%

of our Scope 3 Purchased Goods and Services and Upstream Transportation and Distribution suppliers had science-based targets.

Sourcing renewable electricity

We continue to drive the adoption of renewable energy across our global operations. As of the end of 2025, we maintain 41 onsite renewable energy systems in 15 countries, and have executed 16 contracts for offsite renewable electricity and certificate procurement. Our use of renewable electricity is a significant factor in reducing our operational carbon emissions.

Achieving our 100% renewable electricity goal

100%

electricity from renewable sources within our operations

J&J first announced our goal to source 100% renewable electricity for our operations in 2015. For the calendar year 2025, J&J matched 100% of its annual electricity consumption within our operations with electricity from renewable sources.

This consists of onsite renewable generation and offsite renewable sources: virtual and direct power purchase agreements (PPAs); utility green tariffs; and unbundled energy attribute certificates (EACs).

Reducing operational GHG emissions

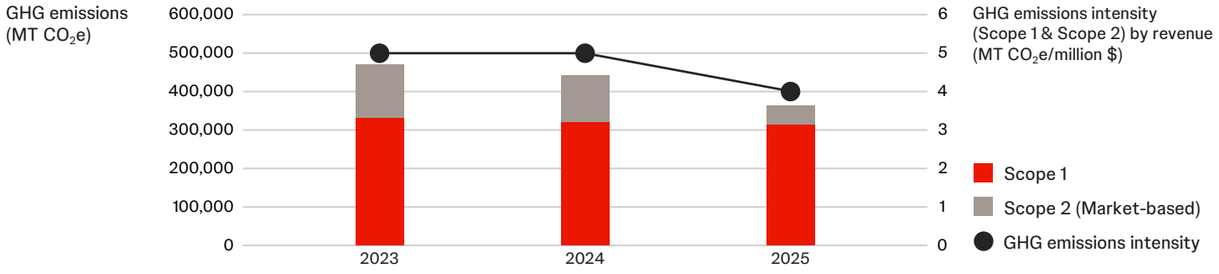
We continue to invest in energy-efficient processes, equipment and decarbonization efforts at our sites. The year 2025 marked the 20th anniversary of our CO_2 Capital Relief Program, which allocates up to $40 million per year in capital relief for energy projects that demonstrate potential CO_2 savings and a financial return.

- $13 million spent on completed and ongoing projects
- 18% average Internal Rate of Return (IRR)
- $7 million projected energy cost savings

Projects in 2025 included:

- The commissioning of a geothermal Aquifer Thermal Energy Storage system at our site in Geel, Belgium. This project includes eight wells drilled to 75 meters deep and a new piping network to deliver heat and cooling to replace the steam used for HVAC heating. The system is expected to reduce natural gas consumption at the site by 30%.
- A high-efficiency heat pump at our site in Cork, Ireland, to help maximize heat recovery from the cooling tower system. It is estimated to reduce approximately 1,100 metric tons of CO_2e annually.
- Heat recovery units on the boilers at our site in Suzhou, China, preheat incoming HVAC hot water using recovered heat energy from steam condensate water, resulting in an estimated annual CO_2e reduction of approximately 440 metric tons.
- The addition of a carport and rooftop solar installation to our site in Aurangabad, India, providing more than 20% of the site's total electricity needs.

Scope 1 & 2 GHG emissions*



* See the Greenhouse Gas Emissions table in our Health for Humanity Performance Data and Indices for footnote considerations related to GHG emissions data.

Addressing upstream emissions

We remain committed to reducing Scope 3 emissions from purchased goods and services across our extended value chain.

Engaging suppliers in climate action

We engage our key suppliers in support of our value chain (Scope 3) goal. Our approach includes:

- **Improving data quality:** We collect carbon emissions data for key aspects of our supply base. Starting in 2025, we also use the EcoVadis Carbon Action Manager solution to understand the maturity level of our largest-emitting suppliers, including their goals, emissions footprint and reductions, to support targeted supplier engagement and drive carbon reduction across the supply base.
- **Building capacity to reduce emissions:** Through our Onward program as well as through industry collaborations Energize and Activate, J&J engages with suppliers and industry peers to provide education and support across our supply chain.

  In 2025, through the Energize program, J&J joined a multi-buyer PPA cohort with our suppliers to help accelerate decarbonization across the EU market. Through the Pharmaceutical Supply Chain Initiative (PSCI), our suppliers have access to climate-related training, such as the 2025 PSCI Decarbonization Summit, which offered a tailored agenda based on each supplier's maturity and provided opportunities for peer-to-peer learning. Additionally, through our membership in the World Wildlife Fund (WWF) Climate Business Network, J&J suppliers can voluntarily join training and webinars, such as a WWF-hosted GHG accounting workshop (see section: Responsible supply base).
  Learn more →

Reducing logistics emissions

We continued to identify opportunities to reduce emissions from our transportation and logistics operations by accelerating air to ocean shipping conversions, enabling direct shipping, standardizing shipping policies on service levels and frequency and improving temperature control capabilities. For example, in 2025, rather than relying on air transportation, we moved to ocean transport for several long, international shipping routes, resulting in an annual CO_2 reduction of more than 8,000 metric tons. We also consolidated road shipments for products moving between some states in the U.S. Other consolidation efforts and reduced shipping frequency led to the need for fewer stock replenishments to our major hubs.

Select environmental certifications in 2025

7 J&J sites received Leadership in Energy & Environmental Design (LEED) certification, bringing the total number of J&J sites that are certified as LEED or equivalent to 78, and the total area of building space that has been LEED-certified to 9.5 million square feet.

9 labs achieved My Green Lab certification, a science-based approach to help laboratories embed sustainability into everyday practice. Nineteen J&J sites have achieved this certification.

Advancing circular solutions

We strive to advance circular solutions and recycling programs to keep materials in use longer, reduce environmental impact and support a more sustainable healthcare sector. This includes initiatives in our operations and our product portfolio.

Operational initiatives

- **Pharmaceutical manufacturing:** We apply green chemistry, innovation and process optimization principles across our pharmaceutical manufacturing operations, recognizing that organic solvents remain essential for many synthetic medicines. Our systematic, science-based approach focuses on minimizing solvent use and reducing hazardous waste through process intensification and the integration of recovery and recycling initiatives into selected synthetics processes. By lowering reliance on energy-intensive virgin solvents, these efforts help reduce greenhouse gas emissions across our manufacturing footprint. In 2025, collaboration with partners and suppliers across our internal and external manufacturing network enabled five process optimization initiatives that further reduced our reliance on virgin solvents, contributing more than 400 metric tons of solvent savings.
- **Reusing or recycling waste at our sites:** We aim to reduce waste to landfill, including increasing reuse and recycling of materials. For example, in 2025:
  - Our site in Puebla, Mexico, developed a process to return clean cardboard materials to a supplier where the materials are treated and reused, helping reduce non-hazardous waste generated at the site.
  - Our site in Ringaskiddy, Ireland, achieved TRUE Certification, administered by the Green Business Certification Inc. (GBCI®), a recognition that the site complies with the requirements prescribed within the TRUE Rating System, including at least 90% diversion of solid and non-hazardous waste from landfill, incineration (including waste to energy) and the environment.

Standardizing product lifecycle assessment for pharmaceuticals

J&J plays an active role in the Pharmaceutical Life-Cycle Assessment Consortium, a collaboration of global pharmaceutical companies. In 2025, the Consortium developed the foundation for the first international standard for assessing a medicine's environmental impact over its entire life cycle. J&J played a leading role in the creation of the lifecycle assessment rules for medicines, including calculation of potential GHG supply chain emissions. The aim of this work is to help pharmaceutical companies uniformly measure the potential environmental impacts of their products and identify opportunities for improvement.
Learn more →

Product initiatives

- **Recycling medical devices:** In 2025, J&J's hospital recycling program for single-use medical devices and select packaging expanded to a total of 17 countries in EMEA, New Zealand, Australia and the U.S., and was active in more than 220 hospitals in Europe alone. This program allows hospitals to recycle specific metal and plastic components from certain single-use instruments, and in some locations, to recycle suture aluminum foil packaging. We also launched our first pilot in the U.S. to recycle suture foils in partnership with Stanford Medicine Health.
- **Reprocessing medical devices:** We continue to offer reprocessed and processed single-use medical devices in parts of our electrophysiology portfolio in the U.S. and Canada and to reprocess products from other manufacturers in these markets. In 2025, we expanded our scope to include three additional devices.
- **Recycling pharmaceutical devices:** After operationalizing a device disassembly machine that we built in Switzerland, we completed the necessary cross-border shipping procedures to allow devices collected through our Safe Returns program in Europe to be transported to the disassembly hub. We successfully disassembled multiple batches of devices received through Safe Returns in Europe and worked with partners to recycle select plastic and steel materials from the disassembled devices. Safe Returns, which enables patients to conveniently return used self-injectable devices in paper envelopes, expanded to a total of nine countries in Europe.

We also participate in coalitions to accelerate industry progress on circularity in healthcare, including:

- Digital Health in a Circular Economy (DiCE), a collaboration of 20 organizations working to address the issue of increasing digital health e-waste.[1]
- ENKORE, a collaboration of companies and organizations working to accelerate the shift toward circular solutions for single-use medical devices and packaging.[2]

Partnering for climate resilient health systems

We continued to participate in coalitions to support a more sustainable healthcare sector. These included supporting community health workers (CHWs) to address climate-related health risks: with Americares and The Center for Climate, Health and the Global Environment at Harvard T.H. Chan School of Public Health, we are working to advance climate resilient health systems, including:

- Supporting 161 free and charitable clinics and community health centers in the U.S. with resources to reduce the health impacts of extreme weather through the Climate Resilient Health Clinics program. The program, which provides online tools for participating clinics to create their own customized action plans, expanded its capabilities to include resources for flood resilience action plans in addition to wildfire smoke and heat-health action plans. In 2025, the planning tools were also made available to all U.S. healthcare facilities. We also supported the *From Forecast to Frontlines* newsletter, reaching approximately 2,700 healthcare professionals. This bimonthly resource highlights available tools and trainings to support patients during climate related events.
- We supported the launch of the Climate Resilience Toolkit for Health Centers in the Philippines, which provides guidance to CHWs, primarily serving rural populations. In March 2025, the Philippines Department of Health issued interim guidelines recommending the toolkit's heat-related resources for more than 3,900 health facilities nationwide.

We also began a new collaboration with the Global Consortium on Climate and Health Education at Columbia University to support their ongoing work to train CHWs, including:

- In India, engaging 90 trainers and equipping 2,250 frontline health workers across 76 primary healthcare centers, strengthening heat-illness prevention and care for an estimated 4.5 million people in Andhra Pradesh through the Climate Care Champions Program.
- In Africa, engaging 53 health professionals from 25 countries in train-the-trainer sessions through the Climate & Health Educator Training Program. This resulted in 23 new education projects that are expected to train additional health professionals across Africa.

Engaging our employees to lead the way

J&J's WeSustain program brings together employees around the world who are interested in taking action for the planet. In 2025, under the theme "Powered by Purpose," 73 teams in 31 countries undertook a range of projects to enhance environmental sustainability knowledge and embed sustainable practices at work and in their communities. These included: site-level water and waste reduction projects; community clean-up days; planting native pollinator gardens; and e-waste collection.

Celebrating 25 years of green chemistry

Our green chemistry program was established in 2000 following an exploratory workshop led by J&J scientists. The practice of green chemistry helps to develop chemical synthesis routes and processes that increase resource efficiency and promote the reduction of solvents and the use of non-hazardous solvents and reagents with lower carbon emissions.

1 Funded by the EU under the Horizon Europe Research and Innovation Programme.

2 Program led by Innovative Health Initiative, an EU public-private partnership funding health research and innovation in Europe.

Managing risk & compliance

We maintain a robust environmental management system anchored in global standards and programs to support compliance and to manage potential risk. In our own operations, the majority of J&J's manufacturing and R&D sites are certified as meeting the ISO 14001 Environmental Management System. Areas where we focus our efforts include:

Water stewardship

We are committed to responsible water management across our global operations and supply chain. Within our operations, we work to reduce water demand, increase water reuse and integrate water risk assessments into business continuity planning. At prioritized sites located in regions most sensitive to water stress, we implement the Alliance for Water Stewardship (AWS) Standard, a globally-recognized framework for sustainable water management.

Three J&J sites, located in Mexico and California, conducted actions and audits to achieve certification with AWS, bringing the total number of J&J AWS-certified sites to four.

We also assess and mitigate the potential impacts of pharmaceuticals in the environment (PIE), which includes specific wastewater treatment processes at our own facilities. We perform risk evaluations at prioritized suppliers in line with industry best practices. We also share resources with our suppliers on wastewater treatment, such as those provided by the Pharmaceutical Supply Chain Initiative (PSCI). We continue to participate in the Prioritization and Risk Evaluation of Medicines in the Environment (PREMIER) project in the EU, which released a new open database aimed at improving the understanding of PIE.

Position on Pharmaceuticals in the Environment

Climate risk assessment

We evaluate climate-related risks and opportunities over the short-, medium- and long-term time horizons to strengthen business resiliency and ensure that J&J can continue to meet the needs of our patients and customers.

In 2025, J&J transitioned to using our insurance provider's onsite engineering assessments to monitor physical climate risks at key sites located in areas that could be susceptible to extreme weather resulting from climate-related changes. Climate risks are included in those assessments, and findings are integrated into our facilities and enterprise-wide risk management process to enhance the resilience of our physical operations, such as strengthening a site's infrastructure to protect from extreme flooding or reinforcing a site's roof to mitigate climate-related hazards.

Responsible chemical management

Our approach to responsible chemical management in our operations focuses on occupational health and safety and aims to minimize potential risk of chemicals to the environment and the communities in which we operate. We use scientific evidence as the basis to assess environmental and worker health and safety risks associated with chemicals in our operations. We continue to monitor developing regulations, participate in regulatory processes and prepare for compliance.

Position on Responsible Chemical Management

For additional information:

Position on Environmental Stewardship
Environmental Health & Safety Policy
Approach to Nature and Biodiversity

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