

Independent Assurance Statement

GHG Emissions Data

ERM Certification and Verification Services (ERM CVS) was engaged by Johnson and Johnson (J&J) to provide assurance in relation to the information set out below and presented on pages 16, and 124 to 125 in the [Johnson & Johnson 2018 Health for Humanity Report](#) and on healthforhumanityreport.jnj.com.

Our conclusion

Based on our activities, nothing has come to our attention to indicate that the following selected 2018 corporate metrics* are not fairly presented, in all material respects, with the Reporting Criteria. This conclusion is to be read in the context of the remainder of this report, in particular the information in the emphasis of matter and inherent limitations paragraphs below.

Scope 1 GHG emissions: 445,054 tCO₂e

Scope 2 GHG (location-based) emissions: 680,326 tCO₂e

Scope 2 GHG (market-based) emissions: 550,480 tCO₂e

Scope 3 GHG emissions for the following categories:

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|--|-----------------------------------|
| • Purchased goods and services | 8,826,462 tCO₂e |
| • Capital goods | 271,422 tCO₂e |
| • Fuel and energy related activities (Transmission and distribution losses only) | 50,821 tCO₂e |
| • Upstream transportation and distribution | 2,039,872 tCO₂e |
| • Waste generated in operations (Non-hazardous waste only) | 2,983 tCO₂e |
| • Business Travel | 775,747 tCO₂e |

Engagement Summary

Scope of our assurance engagement

Whether the corporate 2018 data* for the following selected indicators are fairly presented, in all material respects, in accordance with the reporting criteria:

- Total absolute Scope 1 GHG emissions in tonnes of CO₂e
- Total absolute Scope 2 GHG emissions in tonnes of CO₂e reported using the location based and market based methods
- Total absolute Scope 3 GHG emissions in tonnes of CO₂e for the following categories:
 - Purchased goods and services
 - Capital goods
 - Fuel and energy related activities (Transmission and distribution losses (T&D) losses only)
 - Upstream transportation and distribution
 - Waste generated in operations (Non-hazardous waste only)
 - Business Travel
 - Upstream Leased Assets
 - Downstream transportation and distribution for US operations (from the EPA SmartWay program)
- Total NOx and SOx from facility combustion sources in tonnes
- Percentage of electricity use generated by renewable energy sources

Reporting criteria

The WBCSD/WRI GHG Protocol (2004) and the Johnson & Johnson Greenhouse Gas (GHG) Inventory Worldwide Energy Management Technical Resources & Compliance (9 January 2019)

Assurance Standard

ERM CVS' assurance methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised).

Assurance level

Limited assurance.

Respective responsibilities

J&J is responsible for preparing the data and for its correct presentation in the Report to third parties, including disclosure of the reporting criteria and boundary.
ERM CVS's responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.

Overview	Our Approach	Better Health for All	Our People	Responsible Business Practices	Environmental Health	Appendix	References
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- Upstream Leased Assets **39,981 tCO₂e**
- Downstream transportation and distribution (from the EPA SmartWay program) **45,850 tCO₂e**

Emphasis of matter

Without affecting our conclusion, which is not modified, we draw attention to the explanatory notes provided by J&J relating to the data on page 124 of the Report, in particular the limitations relating to the 2018 data* for the Scope 3 categories 5, 6 and 9 on page 125 of the 2018 J&J Health for Humanity Report which should be read in conjunction with the data.

Our assurance activities

Our objective was to assess whether the assured emission data are reported in accordance with the principles of completeness, comparability (across the organisation) and accuracy (including calculations, use of appropriate conversion factors and consolidation). We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusions. We applied a 5% material error threshold.

A team of GHG and assurance specialists performed the following key activities:

- Interviews with relevant staff to understand internal reporting processes, including the use of its GHG Management Plan, internal spreadsheets, and its various internal data management and reporting systems;

- A review of samples of primary data such as invoices;
- A review of the calculations undertaken, including conversion factors and emission factors used;
- A review of estimates, extrapolations and assumptions made in relation to the data for relevant GHG Scope 3 categories, and
- An analytical review of the consolidated 2018 year end data* for each metric.

The limitations of our engagement

The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context. Our work was undertaken remotely. We did not undertake source data verification at any operated facilities.

Our Observations

We have provided Johnson & Johnson with a separate management report with our detailed (non-material) findings and recommendations. Without affecting the conclusions presented above, we have the following key observation:

- Johnson & Johnson should document both qualitatively and quantitatively their uncertainty information for each GHG Scope 3 category, and describe their efforts to record uncertainty in future revisions of the Scope 3 emissions inventory.



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ERM CVS is a member of the ERM Group. The work that ERM CVS conducts for clients is solely related to independent assurance activities and auditor training. Our processes are designed and implemented to ensure that the work we undertake with clients is free from bias and conflict of interest. ERM CVS and the ERM staff that have undertaken this engagement work have provided no consultancy related services to this client in any respect.

** For Scope 3 Downstream transportation and distribution we assured the 2017 data.*