



2016

HEALTH FOR HUMANITY REPORT
- PROGRESS IN CITIZENSHIP & SUSTAINABILITY -

Johnson & Johnson

EXECUTIVE SUMMARY

At Johnson & Johnson we aspire to profoundly change the trajectory of health for humanity. This aspiration includes positively impacting patients and all others who use our products, as well as the health of our employees, our communities and the planet. Our citizenship and sustainability approach is inextricably linked to our vision of a world where a healthy mind, body and environment is within reach for everyone, everywhere. It is grounded in Our Credo values and in our mission as a health care company, and reflected in how we operate our business.

Learn more about
our progress in
citizenship and
sustainability

[View 2016 Report](#)

Review our Health
for Humanity 2020
Goals Progress
Scorecard

[Read more](#)

Watch our 2016
Health for Humanity
Report Year in Brief
Highlights

[Watch video](#)

A Message from Our Chairman and CEO



Since 1886 our Company has been inventing the future of health care against one constant backdrop: change. Today, and every day at Johnson & Johnson, we embrace the opportunity to profoundly change the trajectory of health for humanity. One important way in which we advance this aspiration is through our citizenship and sustainability efforts.

Our obligation as a global leader in health care is to responsibly marshal our resources, connect leaders, and partner with organizations around the world to positively impact the lives of people, improve the places in which we live and work, and advance the sustainability of the practices by which we achieve our commitments.

As a better reflection of the scale and depth of our commitments globally, we recently renamed our annual reporting on the social and environmental performance of our business the **Johnson & Johnson Health for Humanity Report**. In addition, following the conclusion of our Healthy Future 2015 Goals, in June 2016 we developed a new, ambitious set of commitments with our newly named **Johnson & Johnson Health for Humanity 2020 Goals**. The Health for Humanity Report, which includes our Health for Humanity 2020 Goals Progress Scorecard, provides data-driven substantiation on how we are fulfilling our bold, mission-centered aspiration to change the trajectory of health for more people, in more places around the world.

I'm pleased to acknowledge just a few of the many recent achievements from 2016, the first year of our Johnson & Johnson Health for Humanity 2020 Goals:

- We continued to advance our pipeline in areas of significant unmet global public health need, including HIV/ AIDs, multidrug-resistant tuberculosis (MDR-TB) and neglected tropical

diseases such as roundworm and whipworm.

- As a result of our 100 megawatt (MW) wind power purchase agreement, Johnson & Johnson is expected to meet our original Health for Humanity 2020 Goal of producing or procuring 20 percent of our electricity needs from clean or renewable sources ahead of schedule. Because of this substantial achievement, we increased this goal to 35 percent by 2020.
- We more than tripled the previous year's supplier engagement in our Sustainable Procurement Program, with total enrollment now surpassing 300 suppliers, which represents over 40 percent of spend.
- In one year, we already achieved nearly 50 percent of our five-year target to engage and empower 100,000 employees to take charge of their health and well-being by using digital health tools. A healthier workforce successively leads to healthier families and communities where we operate.

This report details more about our performance against the Health for Humanity 2020 Goals, our broader citizenship and sustainability efforts, and our commitment to support the **United Nations Sustainable Development Goals (UN SDGs)**. Built on the foundation of our own 2020 Goals, we will harness the power of Johnson & Johnson's

approximately 126,400 employees—their heads, hearts, and hands—to help achieve our UN SDG commitments, applying our knowledge and relationships in the quest to forge a healthier and brighter future for people all around the globe.

This Johnson & Johnson Health for Humanity Report outlines how we marshal our resources: our science, our caring, our innovative spirit and, of course, **Our Credo** values in service of our citizenship and sustainability commitments. This important work helps us advance our aspirations to profoundly and positively impact the lives of individuals, families and communities by addressing the greatest health care challenges of today, and to ensure appropriate preparedness for those to come.

Sincerely,


A handwritten signature in black ink, appearing to read 'Alex Gorsky'.

Alex Gorsky
Chairman and Chief Executive Officer
Johnson & Johnson

GRI 102-14, 102-15

Johnson & Johnson
2016
 YEAR IN BRIEF





VERMOX™ CHEWABLE
 (mebendazole chewable 500mg tablets)
 approved by the U.S. Food and Drug
 Administration, a milestone in our efforts to
safely treat roundworm and whipworm
 in children too young to swallow
 a solid tablet



More than
90%
 of our global
 workforce engaged
 in our **2016 Global
 Credo Survey**

50%
 of our five-year 2020 target
 achieved to engage and
 empower 100,000 employees
 to take charge of their health
 and well-being by using
digital health tools


100 MW
 wind power purchase agreement concluded,
 helping us meet our renewable energy
 consumption target ahead of schedule. To
 continue challenging ourselves to do more, we
 increased this target from 20% to **35%**
renewable energy consumption by 2020



2nd
 on the
**Access to
 Medicines
 Index**
 (up from #3 in 2014)


**Global Public
 Health Strategy**
 launched at the opening of
on-the-ground global
 public health operations
 in Cape Town,
 South Africa


 Partnership with
**C40 Cities Climate
 Leadership Group**
 announced to help fund programs that will
 link **climate action** with **air quality** and
human health benefits



\$9.1B
 invested in **R&D**
 (12.7% of our total
 revenue)

Tripled
 the previous year's supplier
 engagement in our
**Sustainable Procurement
 Program**, with total
 enrollment now surpassing
300 suppliers, which
 represents over
40% of spend

Our Citizenship & Sustainability Approach

At Johnson & Johnson we aspire to profoundly **change the trajectory of health for humanity**. This aspiration includes positively impacting patients and all others who use our products, as well as the health of our employees, our communities and the planet. Our citizenship and sustainability approach is inextricably linked to our vision of a world where a healthy mind, body and environment is within reach for everyone, everywhere. It is grounded in **Our Credo** values and in our mission as a health care company, and reflected in how we operate our business.

We've been setting five-year goals to improve the sustainability of our business for decades. In 2016, we launched our latest, most

comprehensive set of goals yet, which at the time we called our Citizenship & Sustainability 2020 Goals. We recently renamed this set of commitments our Health for Humanity 2020 Goals to better reflect our bold, mission-centered sustainability aspiration to change the trajectory of health for more people, in more places around the world. While the name of our goals is new, how we organize and focus our efforts is not. We remain focused in three key areas:

People—Helping people be healthier, by providing better access and care in more places around the world.

Places—Making the places where we live, work and sell our products healthier, by using fewer and smarter resources.

Practices—Teaming up with partners and employees to further advance our culture of health and well-being.

Our efforts under each of these focus areas are supported by measurable goals, a tracking mechanism, annual target setting and progress reporting including independent review of our data, and a rigorous framework for ongoing assessment of the topics and issues that matter most across our businesses and to our stakeholders. Our data-driven approach allows us to dedicate our resources efficiently and effectively to the issues that are most impactful and important to all stakeholders. Our citizenship and sustainability strategy also includes our commitment to support the **United**

Nations Sustainable Development Goals (UN SDGs). We are working to help advance implementation of the UN SDGs across five key issue areas where we are uniquely positioned to create sustainable and scalable impact: Global Disease Challenges, Essential Surgery, Women's & Children's Health, Health Workforce, and Environmental Health.

People

By putting people first, at Johnson & Johnson we are committed to using our breadth and depth to comprehensively advance human health—for the people we serve as well as our own people—striving to put a healthy mind, body and environment within reach of everyone.

People We Serve

Johnson & Johnson **was ranked #2** on the Access to Medicines Index (ATMI), up from #3 in 2014. ATMI is an independent evaluation that ranks the top 20 research-based pharmaceutical companies on providing access to medicines in developing countries. This achievement is a testament to our long-standing commitment to improving access to medicines in the developing countries.

In collaboration with ViiV Healthcare, initiated Phase 3 clinical trials of the all-injectable regimen (cabotegavir LA from ViiV Healthcare and EDURANT® (rilpivirine) LA from Janssen) with first patients screened in October 2016.

More than
90%
of our global
workforce engaged
in our **2016 Global
Credo Survey**



Our People

Leveraging Healthy & Me™, in 2016 we introduced Our Amazing Journey, our first-ever global activity challenge, which encouraged employees across the globe to improve their health via increased daily activity levels and engagement with their peers, their loved ones and their own personal health journey. Over the course of 45 days we evidenced unprecedented global

employee engagement in this collective health challenge.

Our commitment to the safety and well-being of our employees is enshrined in Our Credo. In 2016, we expanded the implementation of our Safety Culture Roadmap, which provides global, standardized methods and tools for our facilities to proactively shape safety culture.



Diversity and Inclusion is an integral part of the way we work at Johnson & Johnson. We embed it in our businesses, promote equal access to opportunity for all our employees, and have leaders who hold themselves responsible for the growth and success of every team member. Our culture allows our employees to change the world, without changing themselves.

WANDA HOPE
CHIEF DIVERSITY OFFICER

Places

At Johnson & Johnson we believe that the health of the planet is inextricably linked to the health of people; it is also essential to the long-term health of our business. We are committed to making the places we live and work healthier by using fewer and smarter resources.

Our CO₂ emissions decreased by 10.4% globally since 2010 (Scope 1 and Scope 2).

Further demonstrating our desire to improve the management of chemicals, Johnson & Johnson was one of several companies reporting their chemical footprints for the first time through the **Chemical Footprint Project**, a new initiative for measuring corporate progress to safer chemicals.

As part of our 10-year commitment to enhance wildlife habitat and natural

resource protection, at our Skillman, New Jersey (NJ), facility, through its participation in the NJ Audubon Corporate Stewardship Council and the U.S. Fish and Wildlife Service Partners for Fish and Wildlife Program, the site has implemented an Integrated Pest Management Plan, completed natural mulching of all trees and shrubs, established no-mow and no-spray areas, installed bluebird and kestrel houses, established a designated bird sanctuary, and completed planting along stream banks.



100 MW

wind power purchase agreement concluded, helping us meet our renewable energy consumption target ahead of schedule. To continue challenging ourselves to do more, we increased this target from 20% to **35% renewable energy** consumption by 2020

8.1%

of our total water demand met from reusing **recycled water**



Partnership with

C40 Cities Climate Leadership Group

announced to help fund programs that will link **climate action** with **air quality** and **human health** benefits



Positive change at the scale we need is a team effort, requiring people, companies and governments to work together to care for the planet like our health depends on it.

PAULETTE FRANK
VICE PRESIDENT, ENVIRONMENT, HEALTH, SAFETY & SUSTAINABILITY

Practices

At Johnson & Johnson Our Credo guides our actions; we care deeply about patients and consumers, doctors and nurses, mothers and fathers. We blend heart, science and ingenuity to uncover innovative solutions to some of the biggest health care challenges of our time. And we don't do it alone—we mobilize our employees, suppliers, customers and other partners to help us change the course of health for humanity.

Janssen hosted the \$85 million **DREAMS** Innovation Challenge—which aims to identify and support innovative ideas to reduce HIV infections in adolescent girls and young women in 10 sub-Saharan African countries—and directly funded three challenge winners, whose projects will reach 15,000 adolescent girls and young women in two countries in 2017 and 2018.

Under the guidance and oversight of the newly formed Enterprise Governance Council, we re-assessed our human rights policies and processes to identify gaps and opportunities for improvement. This work provided additional insight for the revision of our **Responsibility Standards for Suppliers** that continued in 2016.

In partnership with WeConnect International, we made a Global Citizen commitment to increase women-owned business spend and women-owned small business spend by \$100 million, over the next three years.



As one of Johnson & Johnson's suppliers, we appreciate the opportunity to have a conversation and share the progress around our Responsibility and Sustainability efforts on an ongoing basis, and the encouragement from a forward-looking client like Johnson & Johnson to continue aggressively driving our environment, social and governance (ESG) strategy forward.

RANJEET K. LAUNGANI
SENIOR VICE PRESIDENT, NIELSEN



Tripled
the previous year's supplier engagement in our **Sustainable Procurement Program**, with total enrollment now surpassing **300** suppliers, which represents over **40%** of spend

Organizational Profile

Johnson & Johnson, through its Family of Companies (“the Company”), is the largest and most diversified health care company in the world. [GRI 102-1](#)

Our more than 230 operating companies employ approximately 126,400 employees in 60 countries (as of year-end 2016), who are engaged in the research and development, manufacture and sale of a broad range of products in the health care field. We utilize over 79,700 suppliers and hundreds of external manufacturers to support the development and manufacturing of our products worldwide. The Company’s product portfolio includes thousands of pharmaceutical, medical device and consumer products and product variations that address health and wellness needs of more than one billion people every day. [GRI 102-4, 102-7, 102-9, 102-45](#)

The Company is organized into three business segments: Consumer, Medical Devices and Pharmaceutical.

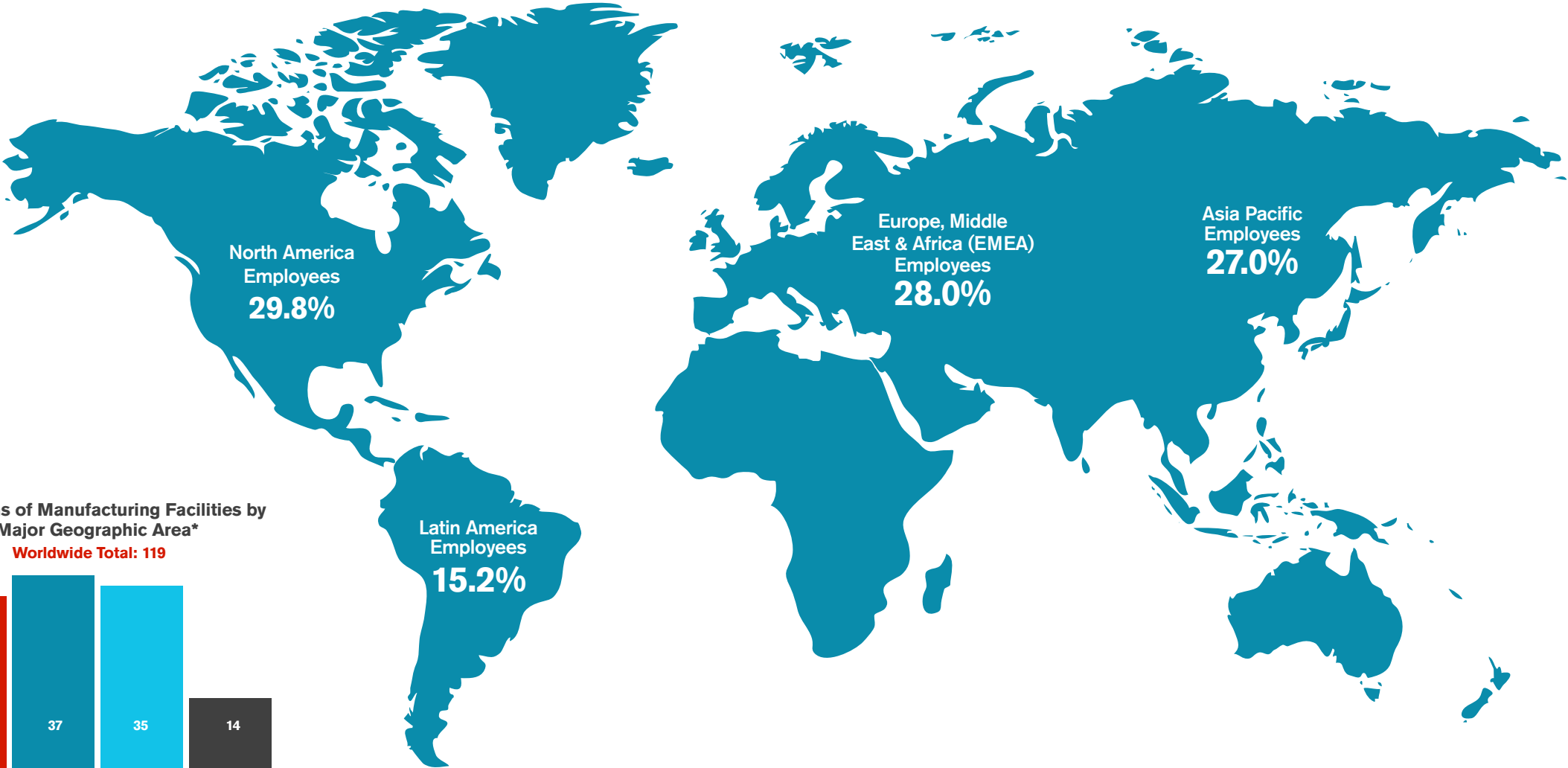
The Executive Committee of Johnson & Johnson is the principal management group responsible for the strategic operations and allocation of the Company resources. This Committee oversees and coordinates the activities of the Company’s three business segments.

Our worldwide headquarters are located in New Brunswick, New Jersey, USA. We have been listed on the New York Stock Exchange since 1944 under the symbol JNJ. [GRI 102-3,102-5](#)

For changes in our business during the reporting period, please see [Note 20 \(Business Combinations and Divestitures\)](#) on page 71 of our 2016 Annual Report available on our [Investor Relations website](#). [GRI 102-10](#)

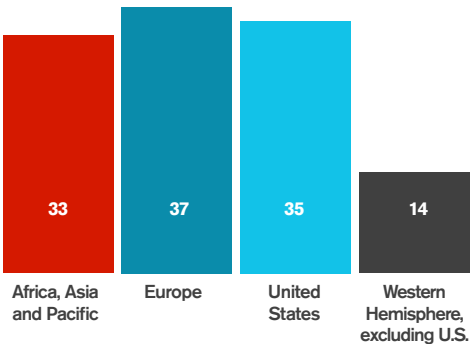
For more details about [Our Management Approach](#) and [Johnson & Johnson Enterprise Risk Management Framework](#), please see our [Company website](#).

Organizational Profile



Locations of Manufacturing Facilities by Major Geographic Area*

Worldwide Total: 119



*This table uses major geographic areas for data breakdown as per our 2016 Annual Report. Remaining Health for Humanity Report data are broken down by four regions, where applicable: North America, Latin America, Europe, Middle East & Africa (EMEA) and Asia-Pacific.

Total Number of Operating Companies Worldwide

230

Total Number of Employees Worldwide

126,400

Total 2016 Net Sales Worldwide

\$71.9 billion

Read More Online

We publish more details on many of the topics in this report on our website:

People:	Places:	Practices:	
Global Diversity and Inclusion Vision Statement	Johnson & Johnson Climate Friendly Energy Policy	Johnson & Johnson Code of Business Conduct	How Women at Johnson & Johnson Are Changing Healthcare As We Know It
Employment and Labor Laws and Policies	Statement on the Impact of Pharmaceuticals and Personal Care Products in the Environment	Responsible Interaction with Health Care Professionals	The Yale Open Data Access Project: How Johnson & Johnson Is Leading the Way on Clinical Data Transparency
Compassionate Use & Pre-Approval Access	Johnson & Johnson Principles for Safe Use of Chemicals in Products	Human Trafficking Policy	The Neonatal Resuscitation Program: How a Partnership Between the U.S. and China Saved Thousands of Babies
Global Labor and Employment Guidelines	Responsibility Standard—Forest-Based Materials & Products	Statement on Human Rights	8 Reasons Why the World Is a Far Better Place Today For Girls Around the Globe
Guide for Resolving Employee Disagreements – North America	Responsible Palm Oil Sourcing Criteria	Statement on Conflict Minerals	OneTouch Ping® Insulin Delivery System Remains Safe and Reliable
Harassment Free Workplace Policy	Statement on Respecting Biodiversity	Statement on Counterfeit Health Care Products	
Statement on Healthiest Workforce	Johnson & Johnson Environment, Health and Safety Policy	Procurement Code of Conduct	
Policy on Employment of Young Persons	5 Ways Johnson & Johnson Is Helping to Build a Healthier Planet by 2020	Responsibility Standards for Suppliers	
Dengue: A Global Public Health Threat That Deserves Attention	Palm Oil Traceability: How Johnson & Johnson is Making Progress	Ethical Code for the Conduct of Research and Development	
An Important Milestone in the Search for an Ebola Vaccine	Caring for the Planet Like Our Health Depends on It: Johnson & Johnson Partners with the C40 Cities Climate Leadership Group	Guideline on The Humane Care & Use of Animals	
6 Ways Johnson & Johnson is Helping to Create an HIV-Free World	How Johnson & Johnson Is Leading the Way with Sustainable Innovation	Johnson & Johnson Consumer Inc., Safety & Care Commitment	
Janssen Pharmaceuticals Releases a 2016 U.S. Transparency Report		How Johnson & Johnson’s Supply Chain Made Strides in 2016	
Johnson & Johnson Expands Access to Investigational Medications Through Its CompAC Program		Johnson & Johnson Launches an Africa Innovation Challenge for Budding Healthcare Entrepreneurs	

Advanced Nursing Studies participant doing practical work at the Tandale Health Clinic in Dar, Tanzania

Photo credit: Sala Lewis

Johnson & Johnson

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