

Our Responsibility

2011 SUSTAINABILITY REPORT
SUMMARY



Company Profile

For generations, Johnson & Johnson has been privileged to play a role in caring for the health and well-being of people throughout the world. We remain deeply committed and dedicated to the people who use our products, our employees and the communities in which we live and work. This commitment—a legacy of our founders and a motivating force among our 118,000 employees—is embodied in Our Credo.

Our success is built on this Credo commitment and on our unique operating model. We are broadly based in health care, which contributes to consistent performance year after year. And our decentralized business model—with 250 companies in consumer products, pharmaceuticals, and medical devices and diagnostics—allows us to stay close to customers and take advantage of new opportunities wherever they occur around the world. We also manage for the long term. Our focus is on enduring market leadership. We make significant investments in R&D, in the long-term equity of our brands and in our people, whose skills, judgment and integrity allow us to carry on the Johnson & Johnson legacy.

Johnson & Johnson is delivering sustainable growth built on meaningful innovations for patients and customers. We remain committed to regaining and retaining the trust of our patients and customers.

Our responsibility reporting is based on a previously completed sustainability materiality assessment, seven priority strategy areas that serve as the framework of our *Healthy Future 2015* goals, and the Global Reporting Initiative's (GRI) Sustainability Reporting Guidelines (G3.0). This summary report presents our 2011 successes and challenges against areas identified in our sustainability materiality assessment and a snapshot of our performance against our *Healthy Future 2015* goals.

To make more information available on a continuous basis, last year we launched a policy and performance website, www.jnj.com/responsibility. Our reporting efforts include updates to our responsibility website with 2011 data and performance. A complete report is available online annually by June.

We invite your comments on our responsibility activities and reporting through e-mail at responsibility@its.jnj.com.

JOHNSON & JOHNSON AT A GLANCE

We were founded in 1886 in New Brunswick, New Jersey; incorporated on November 10, 1887; and family-owned until listed on the NYSE in 1944 under the symbol JNJ.

Today, we are a Family of Companies comprising more than 250 operating companies in 60 countries.

Approximately 118,000 employees worldwide are engaged in the research and development, manufacture and sale of a broad range of products in the health care field.

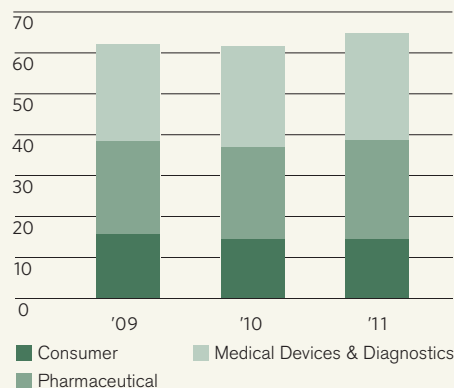
Our sales are in three business segments:

- Consumer
- Medical Devices and Diagnostics
- Pharmaceuticals

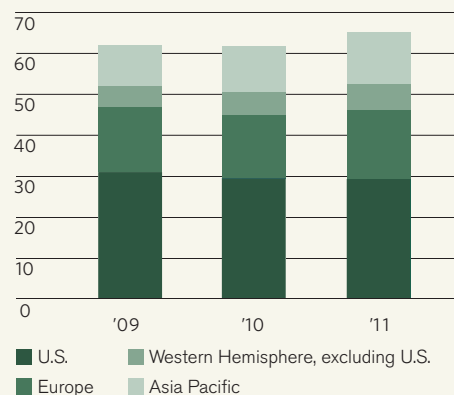
In 2011, worldwide sales were \$65.0 billion, while our total investment in research and development was \$7.5 billion.

Our worldwide headquarters are in New Brunswick, New Jersey, USA.

SALES BY BUSINESS SEGMENT (in billions of dollars)



SALES BY GEOGRAPHIC REGION (in billions of dollars)



ON THE COVER HIV medications help Thabo feel strong so he can enjoy his time with his mother in South Africa.

Johnson & Johnson expanded its Global Access Program in 2011 to make its HIV portfolio available to more people like him, who otherwise might not get the medicines they need.

Successes and Challenges

Successes

Advancing Human Health and Well-Being

- Continued development of new and existing treatments for HIV and TB and enhancing access to these treatments for patients around the world; expanded the scope of our Janssen Global Access and Partnership Program and licensed generic partners to speed access to rilpivirine, an important new first-line medicine to treat HIV. (See story on page 6.)
- Continued our commitment to research and development by investing more than \$7.5 billion. More patents were awarded in 2011 than any other year in our Company's history. More than 625 new products were launched in 2011 across the enterprise.
- Sales in emerging markets were up 13 percent operationally in the BRIC markets (Brazil, Russia, India and China). In addition, we launched six new pharmaceutical products in Japan, the world's second-largest pharmaceutical market.
- Our Pharmaceuticals group launched four products and a dozen major regional brands and entered a new strategic category, vaccines. We advanced our pipeline in all five key therapeutic areas, with an unprecedented and industry-leading regulatory approval of three New Molecular Entities—ZYTIGA® (abiraterone acetate) in oncology, XARELTO® (rivaroxaban) in cardiovascular disease and EDURANT® (rilpivirine) in HIV—as well as a number of line extensions.
- Janssen Pharmaceutical Companies of Johnson & Johnson launched Healthy Minds, a significant new commitment in funding, R&D and education to help reduce stigma and improve public understanding of mental health conditions, and encourage collaboration to accelerate the discovery of new therapeutic solutions for brain disease.
- Announced a new collaboration between Johnson & Johnson, the World Health

Organization, the Bill & Melinda Gates Foundation, the U.S. and U.K. governments, officials from endemic countries, the World Bank and 12 other pharmaceutical companies for a coordinated effort to combat 10 neglected tropical diseases. As part of the effort, we'll work with other partners on pre-clinical research and clinical development of flubendazole, an effective treatment for intestinal parasites originally discovered and developed by renowned researcher Dr. Paul Janssen, founder of Johnson & Johnson's Janssen Pharmaceutica. Dr. Paul Stoffels, Worldwide Chairman, Pharmaceuticals, played an important role in establishing the collaboration. (Discussed in interview on page 4.)

- Became the first company to support the United Nations' Health 4+, the joint action platform that aims to coordinate the UN Secretary General's Global Strategy on Women and Children's Health at the country level. Johnson & Johnson will support pilot training for health care workers in Tanzania and Ethiopia in order to provide critical prenatal and obstetric care for mothers and newborns.
- Provided a one-year update of strong progress made on our five-year comprehensive pledge to the United Nations' Millennium Development Goals. Our efforts are focused on maternal and child health initiatives, as well as innovations in treatment for HIV/AIDS and TB. In addition, we:
 - Pledged additional support over the next four years to help eliminate transmission of HIV from infected mothers to their infants, as part of a new UN Global Plan.
 - Extended our commitment to donate mebendazole for the treatment of intestinal worms in children in the developing world through Children Without Worms for five additional years. In 2011, we more than doubled our donation from 36 million doses in 2010 to 80 million doses by the end of 2011.
 - Began Helping Babies Breathe (HBB), a

program to train health workers in safe birth techniques. HBB is expected to save the lives of thousands of babies in Uganda and Malawi, and is being implemented in collaboration with Save the Children, the American Academy of Pediatrics and USAID.

- In conjunction with other partners, launched the Mobile Alliance for Maternal Action, which uses mobile phones to deliver prenatal and post-birth health information to new and expectant mothers in the developing world. Over the next three years, the program will reach mothers in Bangladesh, India and South Africa.
- Announced our collaboration with the Mayo Clinic as a leading partner in the Clinton Global Initiative's Global Smoke-Free Worksite Challenge, which aims to expand the number of employees who work in a smoke-free environment. Johnson & Johnson will share what we've practiced and learned as a 100 percent smoke-free work environment since 1997.
- Announced our involvement in a partnership led by the U.S. Department of Health & Human Services that's committed to expanding the QuitNowTXT interactive text-based intervention for adult smokers beyond the United States.
- Achieved a 6 percent increase over 2010 in employees completing a health risk profile.
- Achieved a 15 percent improvement in contractor safety resulting from targeted efforts around large capital construction projects.
- Developed a human rights training program that is being deployed in our Procurement organization.

Safeguarding the Planet

- Granted EARTHWARDS® recognition for 15 products; EARTHWARDS® is the Johnson & Johnson process that improves the sustainability of our products.

- Launched the top-selling NEUTROGENA® Naturals skin care line which incorporates, sustainable design elements to reduce the environmental impacts of the products and packaging. NEUTROGENA® also established a partnership with The Nature Conservancy to support protection of natural sources of clean water.
- Debuted a sugarcane-based plastic container for SUNDOWN® brand sun care products in Brazil—the only brand in Brazil’s sun care segment to use this greener technology.
- Mapped the location of our manufacturing facilities against known areas of water stress (quality or availability) to target our water conservation efforts.
- Increased the amount of clean-technology energy capacity that is installed or under construction by 33 percent over 2010 to 38 megawatts.
- Transformed and expanded our supplier standards to reach beyond our external manufacturers and go further regarding sustainability. The new *Standards for Responsible Suppliers* applies to our entire supplier base.
- Confirmed that 109, or 36 percent, of our 306 strategic suppliers establish and publicly report on two or more sustainability goals.
- Enlisted 97 suppliers, representing more than \$2 billion in spend, to participate in the Carbon Disclosure Project’s Supply Chain program.
- Began sharing sustainability information for 30 percent of our targeted 23 major brands.

Conducting Business Responsibly

- Held stakeholder dialogues on executive compensation and then redesigned our long-term incentive program for named executive officers with the aim of drawing a more visible link between pay and performance. The new criteria were applied to 2011 executive performance.
- Delivered solid financial results, with 5.6 percent sales growth and our 28th consecutive year of adjusted earnings increases.
- Maintained our AAA credit rating, one of only four industrial companies with this rating.

- Delivered a total shareholder return of nearly 10 percent for 2011, exceeding the S&P 500 and the Dow Jones Index.
- Delivered 49 years of consecutive dividend increases—one of only eight companies in the S&P 100 to achieve that record.
- Returned employee satisfaction to the highest levels measured in three years.
- Became the first health care company to join the prestigious Billion Dollar Roundtable upon achieving global spending of at least \$1 billion with diverse suppliers. Increased our spend to \$1.3 billion in 2011, representing 10.4 percent of our total supplier spend.
- Initiated voluntary disclosure of payments to physicians by our U.S. Medical Devices and Diagnostics companies. (Disclosure of these payments by our U.S. Pharmaceutical companies began in 2010.)
- Delivered good first-year progress on our five-year *Healthy Future 2015* sustainability goals (see results summary, inside back pocket).
- Continued to embed sustainability into the fabric of our business. All three business segments now have business-specific sustainability strategies and goals. Internally, our segments are furthering the engagement and alignment of their associates via interactive websites, videos, online communities of interest, volunteering and personal sustainability plans. Externally, they are engaging and collaborating with customers to deliver sustainable products and services.

Challenges

- *Tightening integration of our quality systems across the enterprise.* In 2011, McNeil Consumer Healthcare signed a consent decree with the U.S. Food and Drug Administration, which governs certain manufacturing operations. We incurred \$280 million in costs for the recall of DePuy Orthopaedics, Inc.’s ASR™ XL Acetabular System and ASR™ Hip Resurfacing System.
- *Reinforcing our culture of compliance.* Stemming from subsidiaries outside the U.S. that were believed to have made improper payments in connection with the sale of medical devices, we entered into a three-year Deferred Prosecution Agreement with the U.S. Department of Justice and related agreements with the U.S. Securities & Exchange Commission and the U.K. Serious Fraud Office.
- *Reducing complexity and redundancies throughout our global supply chain* so our companies can consistently produce high-quality products, maintain reliable supply and increase customer satisfaction. Manufacturing problems at a supplier created a shortage of Janssen Products, LP’s cancer drug DOXIL® (doxorubicin HCl liposome injection) in 2011.
- *Managing pricing pressures.* Our Medical Devices and Diagnostics segment is facing more pressure on product prices because hospital customers are looking for cost relief. The global economy has also affected sales of medical devices, with people postponing non-acute care.
- *Reversing a 7 percent increase in crashes among our fleet of vehicles.* While well below our baseline year of 1995, our crashes per million miles driven increased in 2011 to 5.94 from 5.53 in 2010.
- *Continuing to reduce our water consumption.* While we achieved a 1.2 percent absolute reduction in water in 2011, more than 15 years of implementing water-saving projects and the low cost of water make further water reduction projects less financially feasible.

Our Citizenship

As a global family of health care companies, Johnson & Johnson is privileged to play a role in the health and well-being of billions of people throughout the world. We see it as our responsibility to use our capabilities, strengths, expertise and influence to improve people's health and enhance their lives through our products and health solutions, our citizenship and partnerships, and our commitment to run our business in an ethical and sustainable way.

Our priorities over the next five years are laid out in *Healthy Future 2015*, our broadest sustainability goals to date, indicative of our journey to see more of our organization's activities and impacts through the lens of our corporate citizenship. We increasingly think of citizenship as all the ways we impact the world socially, environmentally and economically.

Here, Johnson & Johnson leaders—Chairman and CEO William C. Weldon* and Alex Gorsky*, Vice Chairman, Executive Committee—talk about some of our citizenship efforts.

What are the biggest challenges to advancing human health and well-being?

Weldon: Today's health care environment is shaped by several factors, including changing macro economics, shifting demographics and new dynamics in government, reimbursement and regulation. These, along with the social and

* Effective April 26, 2012, Alex Gorsky will become CEO of Johnson & Johnson. William C. Weldon will remain chairman of the Board of Directors.



WILLIAM C. WELDON
Chairman, Board of
Directors, and Chief
Executive Officer



ALEX GORSKY
Vice Chairman
Executive Committee

environmental challenges the world faces—such as access to affordable health care, human rights, climate change and water scarcity—influence our citizenship priorities.

What role is there for Johnson & Johnson in relation to these challenges?

Weldon: Our business is health care: We're concerned first and foremost with the health and well-being of billions of people throughout the world. We are committed and dedicated to the people who use our products—to developing better treatments for medical needs and creating consumer products that delight and help people improve their everyday health. We're committed to our employees; they are intrinsic to every success we have. We're committed to the communities in which we live and work—they give us our license to operate. We are committed to protect the environment and natural resources we are privileged to use. And we're committed to our shareholders for their support and faith in Johnson & Johnson. Our employees across the globe work to uphold these responsibilities every day.

As a multinational citizen we do our best to understand and address needs in local communities as well as those that touch the world on a global scale. For example, we've recently developed and shared our positions on respecting human rights and the human right to water. We've developed a human rights training program that is being deployed in our

Procurement organization. We annually participate in the Carbon Disclosure Project's Water Disclosure Project.

Across all the areas of our activities, we work to shape a positive future and make a meaningful difference in people's lives. To do that, we express our beliefs and then act accordingly. A few years ago we laid out the role of Johnson & Johnson in advancing good health care in *The Promise of Health Care*. We started with a simple idea: Good health care can transform lives. We expressed our belief that the best health care systems are centered on the needs of individuals, offer access to health care

coverage for all, and provide support to help people remain healthy, get early diagnosis and receive quality care when needed. We advocate for these goals publicly, and our programs and initiatives aim to advance them.

In another arena, the environment, we are committed to sustainable product development and an enlightened energy policy. We've launched a process called EARTHWARDS® to assist in our efforts to manufacture our products with less environmental impact, across all business segments. We've also maintained a climate friendly energy strategy at our facilities for years and have shared our policies, as well as our expectations that they be honored, with our external manufacturers and suppliers. Our environmental, social and business goals include targets for each location of our operations.

What is Johnson & Johnson doing to advance access to and affordability of medicines in the developing world?

Gorsky: We work very hard to create great medicines that will make a difference for patients, so it's really important to us that people who need our medicines can get them. We've placed considerable emphasis on this in recent years.

With our anti-infective medicines in particular, we aim to ensure the broadest possible access for people for whom our medicines are indicated. We have a range of

approaches, including research partnerships, produce-to-give donation programs and voluntary licensing, and a variety of public-private partnerships.

For example, in January 2012, we joined public and private partners in the largest coordinated action to eliminate or control neglected tropical diseases, which ravage many developing countries. As part of the effort, we'll work with other partners on pre-clinical research and clinical development of flubendazole, an effective treatment for intestinal parasites originally discovered and developed by renowned researcher Dr. Paul Janssen, founder of Johnson & Johnson's Janssen Pharmaceutica.

Flubendazole is viewed as a potential new treatment against parasites that cause two debilitating diseases for which there are no current treatments eradicating the parasites. The preclinical work is supported by a grant from the Bill & Melinda Gates Foundation to the Drugs for Neglected Diseases initiative. Johnson & Johnson and the Gates Foundation together will fund the clinical research, and Johnson & Johnson will bring the drug through approval.

It is well understood that access to care depends on many factors beyond the availability of medicines. Some factors are national disease strategies, health care capacity and infrastructure, neglected disease research, licensing, donations and health care disparities. We aim to help address many of these issues through our philanthropic programs, as well our Global Access and Partnership Programs.

Given a number of recalls in recent years, how are you addressing quality and safety of products?

Gorsky: Regaining and retaining the trust of our patients and customers is our most important commitment. We've taken responsibility and instituted new measures to ensure that our products live up to the high quality standards that our customers expect and deserve. We resolved certain litigation matters and addressed the McNeil Consumer recalls. We've begun returning adult and infants' **TYLENOL®** products to the market.

We've taken additional steps to ensure safe and appropriate use of our medicines. For example, we instituted new dosing instructions for certain **TYLENOL®** products. We're also in the process of making Fort Washington into a state-of-the-art manufacturing facility.

In addition, we've made changes to our operating model. Two years ago we formed

the Johnson & Johnson Supply Chain, an enterprise supply chain operating model, to enable growth, drive quality and compliance, improve costs and provide professional development for our people. One area in which we've made progress: We introduced a single quality and compliance framework that is helping to reduce complexity and risk in the area of quality.

How do you ensure that operations worldwide comply with policies, such as compliance expectations?

Gorsky: We expect all of our businesses and employees to comply with laws and regulations concerning how we do business. When this isn't the case, corrective actions are taken. We have training systems in place as well as audit systems to track compliance.

One example is our Escalation Procedure, in place to report potential or actual violations of Johnson & Johnson policies or laws related to Health Care Compliance, the Foreign Corrupt Practices Act, anticorruption compliance, Sarbanes-Oxley financial reporting, government contracts and pricing, and other policies or laws. The Escalation Procedure provides guidance about when and what should be included when notifying Corporate Internal Audit of a potential or actual violation. Corporate Internal Audit and the Law Department are responsible for ensuring that investigations and review standards are applied consistently and fairly to all employees.

The recently signed Johnson & Johnson Deferred Prosecution Agreement gives us an important opportunity to learn from the past and for each of us to proactively make ethics and compliance a priority, ensuring compliant business practices and growth.

Johnson & Johnson has been a vocal leader regarding the role of employers in influencing the health and wellness of employees. How is the company helping to shape this employer responsibility?

Weldon: We've used the opportunity of our *Healthy Future 2015* goals to further 12 pre-existing programs that signify a culture of health and set targets for making all those programs accessible to more of our employees through our Global Health & Wellness organization. At the same time, we're sharing what we've learned from more than 30 years of employee wellness programs to help employers across all sectors improve the health of their employees.

For example, a smoke-free worksite is among the features of our culture of health. In September 2011, Johnson & Johnson committed as a partner in the Clinton Global Initiative Global Smoke-free Worksite Challenge. Our role is to share our expertise as a 100 percent smoke-free workplace since 1997. The implementation of our Worldwide Tobacco-Free Workplace Policy over 10 years ago has led to a healthier and more productive workforce. Today, fewer than 4 percent of Johnson & Johnson employees in the U.S. are tobacco users, compared to more than 20 percent of the general population. In addition, Johnson & Johnson employees have lower levels of hypertension and high cholesterol, and higher levels of physical activity than their peers.

How are changing demographics such as aging populations and emerging markets shaping your business?

Weldon: The world's changing demographics, together with advances in science and technology and unmet medical needs, present us with tremendous opportunities to advance health care and grow our business, even in the face of economic challenges.

Demand for health care is increasing. Aging populations consume more health care. Global expansion and growth, though slower than a few years ago, also lead to growing demand for health care, especially in emerging markets.

Our investments continue to be aligned with these market opportunities to address unmet medical needs. Cancers, mental health disorders, diabetes, heart disease, stroke, rheumatoid arthritis and HIV are all among the most significant diseases. We either have market leadership or are building our capabilities in these areas and continue making investments in research and development for treatments.

Increasing demand, coupled with health care reforms around the world, make it critical to identify those opportunities where we can make the most important differences for patients, customers and payers.

It is especially important to bring new innovations to market. This requires significant investments, access to the best minds and talent, and adaptability to ever-changing markets.

Overall, Johnson & Johnson is well positioned to address these evolving market forces and opportunities, and to continue to deliver meaningful innovations for patients and customers, just as we've done for generations.

Healthy Future 2015

Healthy Future 2015—which launched January 1, 2011—is our five-year sustainability and citizenship strategy. This table provides an overview of the seven strategic priorities we established, along with by-the-numbers highlights of our progress. Details on our performance against all our target measures can be found in the pocket inside the back cover of this report.

HEALTHY FUTURE 2015		Progress Highlights
Advancing Global Health		
Build research partnerships to develop treatments for neglected diseases of the developing world	115 million doses of mebendazole provided to children infected with intestinal worms since 2010	
Provide affordable access to HIV and tuberculosis treatments in least-developed and middle-income countries		
Pioneer business models that improve affordability of our medicines in middle-income countries		
Donate our treatment for intestinal worms in countries of prevalence		
Safeguarding the Planet		
Reduce the environmental impacts of our operations	38 megawatts of on-site green energy capacity online or under construction	
Increase the sustainable design of our products		
Supplier Sustainability		
Establish sustainable procurement criteria and processes to catalyze improved supplier performance and diversity	36 percent of our strategic suppliers reporting sustainability goals	
Reinforce our human rights policies, processes and education with suppliers to ensure these rights are respected in all our engagements		
Engaged, Health-conscious, Safe Employees		
Foster an extraordinary workplace environment	15 percent reduction in contractor injuries	
Achieve benchmark safety and health performance		
Advancing Community Wellness		
Implement health education initiatives that increase public understanding of basic health indicators and how to effectively access health resources	8 health education initiatives launched	
Philanthropy Measurement		
Raise the standard of outcomes measurement in philanthropy by increasing our philanthropic partners' capacity to measure program health outcomes	90 percent of major philanthropy programs with health outcomes measured	
Transparency and Collaborations		
Share product sustainability information, enabling people to align their lives with their social and environmental values	30 percent of our major brands sharing sustainability information on their websites	
Identify key stakeholders and regularly engage with them on a range of sustainability concerns and opportunities		
Enhance sustainability reporting		

Advance global health through research and development for neglected diseases and affordable access to our medicines

The advancement of global public health relies on innovation to bring new medicines to patients while confronting the many complex issues of access. Our efforts include a range of approaches to ensure products are accessible to those in need: research partnerships; produce-to-give donation programs and voluntary licensing; access programs in least-developed countries and for disadvantaged individuals within developed markets; and a variety of public-private partnerships, including with nonprofit organizations and governments.

GOAL

- Build research partnerships to develop treatments for neglected diseases of the developing world
- Provide affordable access to HIV and tuberculosis treatments in least-developed and middle-income countries
- Pioneer business models that improve affordability of our medicines in middle-income countries
- Donate our treatment for intestinal worms in countries of prevalence

MEASUREMENT/TARGET

- One research partnership and three licensing agreements finalized to address diseases of the developing world
- Ninety least-developed and middle-income countries have our HIV therapies registered and available at special-effort pricing
- All our products that address diseases of the developing world achieve WHO prequalification
- Make 200 million doses of mebendazole, our treatment for intestinal worms, available each year to infected children in more than 30 countries
- Register a new triple combination therapy for HIV and finalize a generic licensing agreement



Licensing Accelerates Access

In 2011, Johnson & Johnson expanded the scope of its Global Access and Partnership Program and licensed generic partners to speed access to rilpivirine, an important new Janssen medicine to treat HIV.

The U.S. Food and Drug Administration granted approval of EDURANT® (rilpivirine) for treatment-naïve adults (those who have never taken HIV therapy) in May 2011. Anticipating the interest this important product would produce, we signed four licensing agreements with generic manufacturing partners in South Africa and India prior to approval. A fifth was signed soon after approval, and another agreement for branded EDURANT® was signed in 2011 for sub-Saharan Africa (SSA).

“Voluntary licensing is an important mechanism for expanding access to our HIV medicines, including our newest products,” says Will Stephens, Vice President of Global Access and Partnerships for Janssen Global Services, LLC. “We established multiple licenses with generic manufacturers for rilpivirine even before final regulatory approval in the U.S. and Europe. We’re serious and moving rapidly to ensure that all patients in need, not just those in Western markets,

have timely access to the most current medicines for HIV.”

EDURANT® is the third anti-HIV medication commercialized in the United States by Janssen Therapeutics, Division of Janssen Products, LP. Together with PREZISTA® (darunavir) and INTELENCE® (etravirine), the company can provide treatment options for HIV patients at all stages of the disease.

Since 2007, licensing agreements with generic manufacturers have made these HIV medicines available at a low special access price to SSA and dozens of least-developed countries. The new agreements increase the program’s geographic scope from 65 to 112 countries. New countries have been added throughout Asia, Eastern Europe and Latin America. These countries are home to 82 percent of people living with HIV worldwide.

Despite these efforts, Johnson & Johnson, like many other pharmaceutical companies, has been asked to join the Medicines Patent Pool.

“We believe that our existing access efforts and licensing agreements with generic manufacturers provide the best route to expanding access to patients who need our HIV medicines while ensuring our medicines are used appropriately,” says Stephens.

Build on our legacy in safeguarding the planet

Every step is worth taking to protect our planet and its vital resources. We aim to make use of and create demand for clean energy technologies, climate-friendly policies and sustainable sources of palm oil. We continue to work toward greater energy and fleet emissions efficiency and to reduce our water consumption. We also examine the life cycle of our products to find and act on greening opportunities. A healthy planet is a necessity for healthy people.

GOAL

- Reduce the environmental impacts of our operations
- Increase the sustainable design of our products

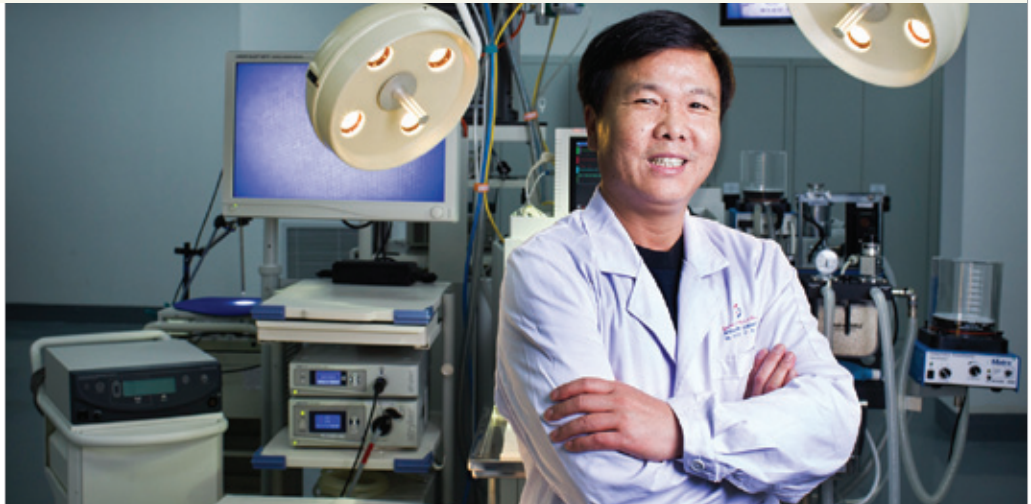
MEASUREMENT/TARGET

- 20 percent absolute reduction in facility CO₂ emissions¹
- Increase on-site renewable and clean-technology energy capacity to 50 megawatts
- 20 percent decrease in CO₂ emissions per kilometer driven
- 10 percent absolute reduction in water consumption²
- 10 percent absolute reduction in total waste disposal²
- Products and packaging are evaluated for sustainability improvements, with 60 achieving EARTHWARDS® recognition³

1. 2010–2020 without offsets

2. At manufacturing and R&D locations

3. Achieved with three improvements greater than 10 percent each in materials, packaging, energy, waste, water, social sustainability or product innovation



Greener Products Help Environmental Stewardship

At Johnson & Johnson, we believe human health benefits from a healthy planet. A commitment to the health of the planet requires good tools to advance product stewardship and drive innovations that reduce the environmental impact of our products and manufacturing processes. That is why, in 2009, Johnson & Johnson introduced EARTHWARDS®, a process that helps our Company's product teams assess the environmental and social impacts across a product's full life cycle and work to reduce those impacts.

In 2011, Johnson & Johnson added 15 products to the EARTHWARDS® portfolio. This brings the total to 26. Our *Healthy Future 2015* goal is 60 products with significantly reduced environmental impacts. The past year also marked the first EARTHWARDS®-recognized products in Europe, China and Brazil.

One of the new products to receive EARTHWARDS® recognition, the Ethicon Endo-Surgery, Inc. VALUTRUS™ Circular Stapler, was selected based on its ability to meet emerging market needs. For alimentary-track cancer patients in the developing world, bowel surgery that is completed with surgical stapling is faster and more accurate than suturing by hand. Compared to similar single-use devices, the VALUTRUS™ Circular Stapler's handle is reusable for 200 such procedures,

generating 80 percent less waste and packaging, and providing a more sustainable solution for the underserved population. Surgeon Zhao Zhongliang (above) worked with the Ethicon Endo-Surgery franchise to develop the stapler to meet needs of patients like his in China's rural Hebei province. Additional VALUTRUS™ product lines, with similar EARTHWARDS® accomplishments, were introduced to hospitals in China in 2011.

"Because of the wide variety of products manufactured by the Johnson & Johnson companies, the legal and regulated aspects of many of the products, and our global manufacturing processes, product innovation is a daunting task," says Keith Sutter, Product Director, Sustainable Brand Marketing, Johnson & Johnson. "EARTHWARDS® offers a credible process to meet this challenge."

To be considered for EARTHWARDS® recognition, a product must achieve a greater than 10 percent improvement in at least three of the seven target areas (materials used, packaging reduction, energy reduction, waste reduction, water reduction, positive social impact or benefit, and product innovation). Once a product has earned EARTHWARDS® distinction, it must undergo an annual review to retain the recognition. This ensures that products maintain high standards and are continually improved, and gives product teams an opportunity to highlight new improvements.

Partner with suppliers that embrace sustainability

When we partner with suppliers that share our concern for the environment and for human rights we create an indirect extension of our own actions toward sustainability. We provide *Standards for Responsible Suppliers* to communicate our expectations for ethical and sustainable behavior.

GOAL

- Establish sustainable procurement criteria and processes to catalyze improved supplier performance and diversity
- Reinforce our human rights policies, processes and education with suppliers to ensure these rights are respected in all our engagements

MEASUREMENT/TARGET

- All strategic suppliers have two or more publicly reported sustainability goals¹
- \$1 billion in spend with diverse suppliers² by 2011; increase percentage of spend each year thereafter
- All suppliers in high-risk countries confirm awareness of and conformance with the human rights provision of our policies
- All critical employees³ receive human rights training
- All palm oil and palm oil derivatives are sourced from certified sustainable sources

1. Acceptable goal categories: energy, waste, water, safety, wellness, community and human rights investment

2. Minority- and women-owned businesses

3. Procurement and supply chain professionals and others in positions most sensitive to potential human rights infringement



Sourcing Ingredients Responsibly

Johnson & Johnson companies use palm oil and ingredients derived from palm oil in many consumer products, such as soaps, lotions, shampoos and creams. The oil, which comes from the fruit of the oil palm tree, is also used in the production of food and biofuel. The demand for palm oil is increasing at an unsustainable rate, causing damage to rain forests and threatening the environments of several endangered species.

“Even though we represent a small portion of global palm oil usage—less than 0.2 percent in 2010—we joined the Roundtable for Sustainable Palm Oil (RSPO) in 2006 to help make a difference in the sustainability of this important ingredient,” says Paulette Frank, Vice President, Sustainability and Environment, Health and Safety, Johnson & Johnson Family of Consumer Companies.

In 2010 and 2011, sustainable palm oil certificates equal to 100 percent of our estimated palm oil use were purchased from

the GreenPalm program, which is endorsed by the RSPO.

“Currently, the GreenPalm program allows us to demonstrate our support for certified sustainable palm oil while we work toward achieving our *Healthy Future 2015* goal of sourcing all palm oil and palm oil derivatives from certified sustainable sources,” says Simon Perry, Sourcing Manager, Johnson & Johnson Family of Consumer Companies.

To achieve the 2015 goal, Johnson & Johnson has a global palm oil sourcing strategy that includes engaging our suppliers, collaborating with non-governmental organizations (NGOs) and supporting projects to increase the availability of certified sustainable palm oil supplies.

For example, a partnership with the Dutch NGO Solidaridad trains farmers in sustainable palm oil farming techniques. “We are doing everything we can to accelerate and promote the growth of sustainable palm oil,” says Frank. “We’re a small user, but we have a big voice.”

Foster the most engaged, health-conscious and safe employees in the world

We value our employees and care about their health and well-being. Engaged employees have a connection with Johnson & Johnson that results in a willingness to go above and beyond what's expected, and a healthy workplace is one in which people want to be. We continue to be recognized as a leader in providing, maintaining and measuring employee health programs. Our employees are taking responsibility for their health and reducing health risks. We strive to improve our safety and health performance.

GOAL

- Foster an extraordinary workplace environment
- Achieve benchmark safety and health performance

MEASUREMENT/TARGET

- 90th percentile employee engagement compared to external measures
- 90 percent of employees have access to “culture of health”¹ programs
- 80 percent of employees have completed a health risk assessment and know their key health indicators
- 80 percent of measured employee population health risks are characterized as “low risk”
- 15 percent improvement in employee, contractor and fleet safety performance²

1. As measured by site implementation of 12 programs (tobacco-free, HIV policy, health profile, employee assistance, exercise, medical surveillance, health promotion, stress management, cancer awareness, healthy eating, return-to-work and travel health)

2. Equivalent to employee Lost Workday Case Rate (LWDC) of 0.09, contractor LWDC of 0.12 and auto Crashes Per Million Miles of 4.70



Encouraging Health-Conscious Employees

In late 2011, three teams of Beijing Dabao employees of Johnson & Johnson in China, together more than 120 people, took part in a high-performing team hike along an 8 kilometer stretch of the ancient Great Wall of China.

Johnson & Johnson has a considerable presence in China, an increasingly significant business market, and sees creating a “culture of health” as important for our employees there. Non-communicable diseases, largely influenced by lifestyle factors such as exercise, diet and smoking, are becoming more prevalent in the region.

During the *Healthy Future 2015* goal-setting process, Fikry Isaac, M.D., Vice President, Global Health Services, Johnson & Johnson, and his team reviewed aggregate health profile data for employees and implementation of “culture of health” programs at sites worldwide. They saw an opportunity in China, as well as in India, to bring companies and initiatives together for a cross-sector approach

to increase engagement, ensure consistency and offer access to more health programs.

The initiative, called One Health, relies on appointing new wellness managers in China and India who will unite health programs, providers and vendors under one strategy. They will work to address gaps in health services by implementing and integrating the 12 health programs contained in the *Healthy Future 2015* goals. Deploying these programs around the world—among them, smoking cessation, exercise, healthy eating, and use of health profiles to identify health risks and develop action plans—is the commitment Johnson & Johnson has made to its worldwide employees.

“Our hope is that One Health India and One Health China will become models for others to follow across the globe while helping us achieve our goals and fulfill our vision of having the healthiest, most engaged workforce—allowing for full and productive lives,” says Isaac.

Honor our responsibility to communities by advancing community wellness

Community wellness can be improved when individuals are better able to understand and manage their health. The complexity of health care makes this a concern around the world. Johnson & Johnson is uniquely qualified to be a leader in improving health education and health literacy. We have the communication and marketing competencies needed to create programs that raise levels of consumer and patient health awareness and understanding, as well as medical expertise across our businesses, covering a broad area of health care.

GOAL

- Implement health education initiatives that increase public understanding of basic health indicators and how to effectively access health resources

MEASUREMENT/TARGET

- 100 community health education initiatives launched across 25 countries
- Report the number of people reached by these initiatives



Improving Health Literacy

Diagnostic blood tests are a consumer's wellness report card. They can flag the warning signs of a developing chronic condition and allow treatments to be better tailored to the individual. This translates into increased health care productivity, potentially reducing chronic conditions and lowering health care costs.

In October 2011, Ortho-Clinical Diagnostics Inc. (OCD), in partnership with the National Association of Chronic Disease Directors (NACDD), unveiled consumer survey results and a report revealing the state of blood test health literacy in the United States with strategies to support much-needed patient education and empowerment.

Together, OCD and NACDD launched "Know Your Numbers," an educational campaign to ensure patient access to and understanding of blood test results. Enlisting health care professionals like Janet Cole, M.D. (above, at an educational event) is one way the campaign reaches people.

"Diagnostic test results are your personal health care report card, influencing 60 to 70 percent of health care decision-making. It is crucial that people are able to obtain blood test results in a timely manner and understand

the basic information provided to have a meaningful conversation with their doctors," says John Robitscher, Chief Executive Officer, NACDD. "Empowering patients to understand the connection between their blood tests and lifestyle may help prevent the onset of a chronic disease, as well as help reduce unnecessary health care costs attributed to inadequate health literacy."

OCD funded Fundamentals to Wellness and Prevention, a national omnibus survey of 1,000 consumers, conducted by GfK Roper. It found that people want to manage their health but don't always understand the importance of blood tests or pay attention to their blood test results.

"A key finding from the survey is that patients recognize the importance of their blood test results and want to have the information to participate in their care," says Nicholas Valeriani, Company Group Chairman, OCD. "Initiatives such as the U.S. Department of Health and Human Services' recently proposed rules to provide direct access for patients to their lab test results will help ensure that consumers can take a more active role in managing partnerships with doctors and health care providers."

Honor our responsibility to communities by enhancing outcome measurement in philanthropy

Outcome measurement can demonstrate where our giving achieves our goal of making life-changing, long-term differences in human health. Johnson & Johnson is one of the largest corporate donors in the world. In addition, employees in every region contribute time, expertise and passion to helping local organizations. The success of our efforts relies on recognizing that those closest to the most pressing health concerns are best able to address local needs and partnering with them effectively.

GOAL

- Raise the standard of outcomes measurement in philanthropy by increasing our philanthropic partners' capacity to measure program health outcomes

MEASUREMENT/TARGET

- Increase number of major philanthropic programs measuring health outcomes
- Increase percentage of major philanthropic programs measuring and reporting health outcomes
- Increase percentage of mid-tier/intermediate programs measuring and reporting health outcomes



Measuring the Value of Philanthropy

To ensure the Company's philanthropy is delivering high value to society, Johnson & Johnson set out to improve the way outcomes of philanthropy, especially health outcomes, are measured. Together, Johnson & Johnson Corporate Contributions and several partners developed a new measurement approach in 2011.

"The new approach developed with our partners makes it possible to assess the impact and value of our giving, including for our leadership management programs," says Joanne Fillweber, Manager, Corporate Contributions, Johnson & Johnson.

The Honor Society of Nursing, Sigma Theta Tau International (STTI), is one partner that participated in developing the new approach. The organization, which presents the Maternal-Child Health Leadership Academy (MCH) in partnership with Johnson & Johnson, plans to use the new methodology for MCH as well as programs with other partners.

"Having a methodology to assess the impact of programs is helpful for Johnson & Johnson and for us," says Cynthia Vlasich, Director of

Education and Leadership at STTI (above, with Fillweber and Dr. Patricia Thompson, CEO of STTI, from left). "It's important to be able to show value in the work we do so we know what's working and can adjust what's not."

MCH Academy builds the capacity of maternal-child nurses, who work with childbearing women and children from birth to age 5. The goal is to advance their organizations and careers, influence nursing practice in their work settings, improve systems of care and ultimately improve patient outcomes. Until recently, however, there was just anecdotal evidence. Now they have valuable measurement tools.

"One of the things we developed is a core project report that will allow us to establish a baseline and facilitate follow-up measurement," says Vlasich.

STTI began a pilot program training maternal and child nurses in South Africa in 2011 and recently inaugurated its fifth cohort of participants in the U.S.-based program. The new metrics are being integrated into the 18-month leadership journey.

Commit to enhanced transparency and accessing the power of external collaboration

We honor our commitment to enhanced transparency by sharing with our customers, partners and other valued stakeholders information they seek in a trusted, accessible form. We're using websites and social media to provide information on all dimensions of our products, as well as our perspectives on issues related to business, policy and sustainability concerns. We are also reaching out to ratings groups to increase the amount of information we provide to the public through these groups.

GOAL

- Share product sustainability information, enabling people to align their lives with their social and environmental values
- Identify key stakeholders and regularly engage with them on a range of sustainability concerns¹ and opportunities²
- Enhance sustainability reporting

MEASUREMENT/TARGET

- All major³ brand websites share product sustainability information
- Major stakeholder engagements and new collaborations are reported publicly
- JNJ.com/responsibility shares Company policy perspective on major issues
- Economic and sustainability reporting is enhanced online and provided for key markets

1. Examples include consumer product ingredients, forest resources and human rights

2. Examples include access to HIV treatments and text4baby

3. Determined by business sector, based on sales, stakeholder interest and other factors



Sharing What We Know About Our Ingredients

When LifeScan's ONETOUCH® ULTRAMINI® blood glucose test kit launched in 2010, it was already compliant with a European Union environmental rule that would not come into force for six more years. Why? Senior environmental engineer Sudhakar Kuchibhotla (above) explains: "We were thinking about the sustainability of our products."

The EU rule, called the Restriction on Hazardous Substances Directive, aims to restrict the use of certain substances in electrical and electronic devices.

"We decided to comply early, and we've applied the rule since 2007 as part of our efforts to assess ingredient safety," says Kuchibhotla, whose job includes thinking about the short- and long-term impact of new products.

He's one of many "product stewardship experts" who contribute to the development of new products throughout the Johnson & Johnson Family of Companies.

For ONETOUCH® ULTRAMINI®,

Kuchibhotla performed an environmental impact assessment to identify requirements that needed to be factored into the product's design. He obtained reports from third-party laboratories detailing each component and material used to make the product.

"I go through material and make sure everything is the way the report claims. If there are discrepancies, we get more information and testing," he says. "This helps us assure the integrity of the ingredients."

Further testing is performed before manufacturing and market introduction. "All this information is included in a 'report card,'" says Kuchibhotla. "We share this information with regulatory agencies or others."

LifeScan is one of the 23 brands identified in 2011 as part of a *Healthy Future 2015* goal for all major brands to share sustainability information. Currently 30 percent have some level of sustainability information available on their websites.

2011 DATA SUMMARY TABLE					
EMPLOYEE HEALTH AND SAFETY	UNIT	2008 (unless noted otherwise)	2009	2010	2011
Tobacco use ¹	% of profiled employees	12 ²	3.9	3.8	3.6
High blood pressure (above 140/90) ¹	% of profiled employees	12 ²	6.3	6.1	6.4
High cholesterol (above 240 mg/l) ¹	% of profiled employees	19 ²	5.3	5.7	6.2
Inactivity (< 30 mins/day, 4 days/week) ¹	% of profiled employees	39 ²	20.4	20.8	20.9
Employee satisfaction (Our Credo survey)	% of respondents satisfied	NA ³	80	84	87
OHSAS certifications	% manufacturing/R&D facilities with certification	NA	NA	31%	30%
Serious injury/illness rate	Incidents per 100 employees	0.072 ⁴	0.034	0.037	0.028
Lost workday case rate	Incidents per 100 employees	0.31 ⁴	0.12	0.11	0.11
Fleet car accidents	Crashes per million miles driven	8.76 ⁴	5.75	5.53	5.94
Ergonomic injuries	% of lost workday cases	48 ⁴	32	29	30
Safety noncompliances	Number of findings	NA	10	3	9
Safety fines paid	U.S. dollars	NA	2,200	5,500	7,311
ENVIRONMENT	UNIT	2008 (unless noted otherwise)	2009	2010	2011
Environmental noncompliances	Number of findings	20	50	57	30
Environmental fines paid	U.S. dollars	164,100	6,630	0	5,000
Accidental releases	Number of events	15	16	10	9
ISO 14001 certifications	% manufacturing/R&D facilities with certification	100	99	99	99
Energy use	Billion BTUs ⁵	13,361	12,822	13,069	12,610
Facility CO ₂ emissions ⁶	Thousand metric tons	1,307	1,261	1,278	1,216
On-site clean or renewable energy capacity	Megawatts	9.8	15.1	26.0	38.7 ⁷
CO ₂ fleet emissions	Average emissions per vehicle (g/km)	NA	NA	177	170
CO ₂ project capital spent	Energy/CO ₂ project spend, \$MM	12	44.0	56.4	48.2
CO ₂ project results	Cumulative CO ₂ emissions avoided annually, thousand metric tons	71.7	99.8	119.1	138.4
Water use	Million m ³	11.5	10.8	11.5	11.3
Recycled water use	Million m ³	NA	0.8	0.77	0.69
Wastewater discharged	Million m ³	NA	NA	NA	7.6
Non-hazardous waste disposed	Million kg	52.3	42.6	58.3	47.7
Hazardous waste disposed	Million kg	29.3	24.6	27.2	29.7
Waste site remediation	Number of active remediation sites	21	16	17	18
Sulfur dioxide emissions	Tons	NA	NA	137	121
Nitrous oxide emissions	Tons	NA	NA	280	266

¹ U.S. data. Participation rate is 81% ² 1995–99 average ³ NA: Not Available ⁴ 1995 data ⁵ 3,412 BTU/Kwh ⁶ Total, excluding voluntary carbon offsets and renewable energy credits (past years recalculated without these) ⁷ Already online or in progress

ENVIRONMENT (continued)	UNIT	2008 (unless noted otherwise)	2009	2010	2011
Hazardous air pollutant emissions	Tons	NA	NA	55	53
Volatile organic compound emissions	Tons	NA	NA	1,010	1,406
Particulate matter emissions	Tons	NA	NA	165	135
Greener products	Cumulative number of EARTHWARDS® recognized products	NA	4	16	26
LEED buildings	Number certified	NA	NA	9	12
SUPPLIERS AND DIVERSITY	UNIT	2008 (unless noted otherwise)	2009	2010	2011
Women on Board of Directors	Number % of Board ^a	2 20	3 27	3 27	3 25
Women in workforce	% of employees	NA	NA	NA	47.2
Women in management	% of management-level employees	NA	NA	NA	45.7
Small business supplier spend	U.S. dollars, millions	NA	3,070	3,106	3,149
Veteran-owned supplier spend	U.S. dollars, millions	NA	84	112	103
LGBT supplier spend	U.S. dollars, millions	NA	1.3	1.4	1.7
Minority/women-owned suppliers	Spend, million U.S. dollars % of total supplier spend Number	NA NA NA	860 7.8 2,400	1,065 8.6 2,500	1,303 10.4 2,200
Suppliers participating in Carbon Disclosure Project at Johnson & Johnson request	Number	NA	36	66	98
OPERATIONS AND STATISTICAL DATA ^a	UNIT	2008 (unless noted otherwise)	2009	2010	2011
Sales	U.S. dollars, millions % change over previous year	63,747 4.3	61,897 (2.9)	61,587 (0.5)	65,030 5.6
Net earnings	U.S. dollars, millions % change over previous year	12,949 22.4	12,266 (5.3)	13,334 8.7	9,672 (27.5)
Share price (end of calendar year)	U.S. dollars	58.56	64.41	61.85	65.58
R&D	U.S. dollars, millions % of sales	7,577 11.9	6,986 11.3	6,884 11.1	7,548 11.6
Effective income tax rate	% of income	23.5	22.1	21.3	21.8
Advertising costs	U.S. dollars, billions % of sales	2.9 4.5	2.4 3.9	2.5 4.1	2.6 4.0
Charitable contributions	U.S. dollars, millions % of pretax income Non-cash	510.3 3.0 365.5	588.1 3.7 461.5	603.3 3.6 495.3	706.1 5.7 587.1
Operating companies	Number (approximate)	250	250	250	250
Employees	Number (approximate)	118,700	115,500	114,000	117,900

^a Size of the board has grown over the years ^a Additional metrics available on page 70 of the 2011 Johnson & Johnson 10-K report

HEALTHY FUTURE 2015 SUSTAINABILITY GOALS: 2011 PROGRESS

2015 STRATEGY	MEASUREMENT/TARGET	2011 PROGRESS
Advancing Global Health	One research partnership and three licensing agreements finalized to address diseases of the developing world	Signed agreement with Critical Path Institute regarding tuberculosis Announced collaboration with Gates/WHO for parasitic infections Signed licensing agreements with Drugs for Neglected Diseases initiative on other neglected tropical diseases
	Ninety least-developed and middle-income countries have our HIV therapies registered and available at special-effort pricing	38 countries approved, 4 additional countries pending approval
	All our products that address diseases of the developing world achieve WHO prequalification	HIV antiretroviral medicines in WHO prequalification process
	Make 200 million doses of mebendazole per year provided to children infected with intestinal worms	115 million doses provided, 13 countries
	Register a new triple combination therapy for HIV and finalize a generic licensing agreement	New triple combination therapy registered in U.S. and EMEA; five generic licensing agreements signed for our HIV medicine, rilpivirine
Safeguarding the Planet	20% absolute reduction in facility carbon dioxide emissions (by 2020)	4.9% absolute reduction
	Increase on-site renewable and clean-technology energy capacity to 50 megawatts	38.7 megawatts installed or in progress, a 49% increase over 2010
	20% improvement in vehicle fleet emissions efficiency	4.0% improvement
	10% absolute reduction in water consumption at manufacturing and R&D locations	1.7% absolute reduction
	10% absolute reduction in total waste disposed at manufacturing and R&D locations	9.5% absolute reduction
	Products and packaging evaluated for sustainability improvements, with 60 achieving EARTHWARDS® recognition	15 in 2011; 26 total
Supplier Sustainability	All strategic suppliers have two or more publicly reported sustainability goals	36% of suppliers with public goals
	\$1 billion in spend with diverse suppliers by 2011; 5% increase per year thereafter	\$1.3 billion, a 22% increase over 2010
	All suppliers in high-risk countries confirm awareness of and conformance with the human rights provision of our policies	Launched new Responsibility Standards for Suppliers that include human rights provisions
	All critical employees receive human rights training	Used most of 2011 to develop and launch training program in our procurement community; less than 1% trained at year-end

2015 STRATEGY	MEASUREMENT TARGET	2011 PROGRESS
Supplier Sustainability (cont.)	All palm oil and palm oil derivatives are sourced from certified sustainable sources	Purchased sustainable palm certificates equivalent to 100% of our 2011 palm oil usage
Engaged, Health-conscious Employees	90th percentile employee engagement when compared to external benchmarks	90th percentile (enterprise and all four operating groups)
	90% of employees have access to "culture of health" programs	34%
	80% of employees have completed a health risk assessment and know their key health indicators	38%
	80% of measured employee population health risks are characterized as "low risk"	78%
	15% improvement in employee safety vs. 2010 (Lost workday case rate target of 0.09)	0% Actual lost workday case rate = 0.11
	15% improvement in contractor safety vs. 2010 (Lost workday case rate target of 0.12)	0% Actual lost workday case rate = 0.14
	15% improvement in fleet safety vs. 2010 (Auto crashes per million miles target of 4.7)	(7%) Actual crashes per million miles = 5.94
Advancing Community Wellness	100 community health education initiatives across 25 countries	8 programs across 5 countries reaching ~400,000 people
Philanthropy Measurement	Number and percent of major philanthropic programs measuring health-related outcomes	63 programs, 90%
Transparency and Collaborations	All major brand websites share product sustainability information	30% of major brands
	Major stakeholder engagements and new collaborations reported publicly	Work in progress
	JNJ.com/responsibility shares Company policy perspectives on major issues	JNJ.com/responsibility launched in 2011
	Economic and sustainability reporting enhanced online and provided for key markets	Used most of 2011 to develop a country reporting framework and drafted a China report

Our Credo

We believe our first responsibility is to the doctors, nurses and patients, to mothers and fathers and all others who use our products and services. In meeting their needs everything we do must be of high quality. We must constantly strive to reduce our costs in order to maintain reasonable prices. Customers' orders must be serviced promptly and accurately. Our suppliers and distributors must have an opportunity to make a fair profit.

We are responsible to our employees, the men and women who work with us throughout the world. Everyone must be considered as an individual. We must respect their dignity and recognize their merit. They must have a sense of security in their jobs. Compensation must be fair and adequate, and working conditions clean, orderly and safe. We must be mindful of ways to help our employees fulfill their family responsibilities. Employees must feel free to make suggestions and complaints. There must be equal opportunity for employment, development and advancement for those qualified. We must provide competent management, and their actions must be just and ethical.

We are responsible to the communities in which we live and work and to the world community as well. We must be good citizens — support good works and charities and bear our fair share of taxes. We must encourage civic improvements and better health and education. We must maintain in good order the property we are privileged to use, protecting the environment and natural resources.

Our final responsibility is to our stockholders. Business must make a sound profit. We must experiment with new ideas. Research must be carried on, innovative programs developed and mistakes paid for. New equipment must be purchased, new facilities provided and new products launched. Reserves must be created to provide for adverse times. When we operate according to these principles, the stockholders should realize a fair return.

The logo for Johnson & Johnson, featuring the company name in a red, cursive script font.

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