

Position on Employee Development

Background

Companies have a unique opportunity to influence the personal and professional development of the individuals they employ. Investing in the development of employee knowledge and skills is key to the achievement of business goals and objectives, and also increases employee motivation and retention. At the same time, investment in the professional capabilities of people serves local economies, injecting reskilling and new skills into local workforces and raising the employability of individuals.

Relevance

As the largest, most diversified healthcare products company, Johnson & Johnson plays an integral role in healthcare for communities around the globe. We aim to attract and retain top talent, who will join us in our commitment to changing the impact of health for humanity. We are focused on maintaining an inclusive and equitable environment at Johnson & Johnson as we work to support our employees in their pursuit of healthy careers. To make their best contribution to our collective goals, our employees must be provided learning opportunities that promote employee involvement and advancement at Johnson & Johnson. We aim to achieve this by continually motivating and encouraging employees throughout our organization with prospects of new challenges and career development opportunities.

Guiding Principles

As stated in <u>Our Credo</u>: "There must be equal opportunity for employment, development and advancement for those qualified. We must provide highly capable leaders and their actions must be just and ethical."

Our Position

The opportunity to develop personally and professionally is a core aspiration, both for employees who have recently joined Johnson & Johnson and for those who have been part of the Johnson & Johnson family for years. Today's workforce requires equitable opportunities for reskilling, upskilling and development to help our Company keep pace with evolving business and industry needs. Johnson & Johnson wants to fuel the future of work, while delivering on our commitments to the patients, consumers, employees, communities and shareholders we serve. Therefore, we created J&J Learn, a world-class learning and development ecosystem, to transform learning and development by putting employees at the center of everything we do, reimagining how and what they learn, and empowering people leaders and development professionals to help guide these efforts. Our objective is to nurture a culture of ongoing learning and discovery that motivates and incentivizes everyone at Johnson & Johnson to incorporate learning into their daily work and enables people leaders to better understand the development needs and opportunities for their teams.

At Johnson & Johnson, we believe development is for everyone; therefore, we maintain an integrated, enterprise-wide approach to professional development, empowering everyone to achieve their personal best at work. We use the Personalized Development Framework to create a balanced development plan to support employees' ongoing growth as they strive to build a healthy career at Johnson & Johnson. We frame development around three E's—Education, Experience and Exposure.

Education includes programs and resources that employees can use to build the skills needed to be successful. Examples include leadership training; skill-building workshops; eLearning and online resources; external seminars/programs; and Massive Open Online Courses (MOOCs).

Experience includes projects, assignments, or tasks they can take on to increase their skill proficiency and prepare for future roles. Examples include special projects; stretch assignments; expanded responsibility in role; international assignments; and volunteering in the community.

Exposure encourages employees to be intentional about interactions with people, business areas and organizations that increase their visibility and give them a holistic view of Johnson & Johnson. Examples include networking outside of function, sector and/or region; mentors who can provide guidance and advice; shadowing a skilled performer; making connections outside Johnson & Johnson; and learning from external organizations, patients and customers.

Our plan for progress is outlined in the following programs:

Professional development programs and learning resources for all employees: We offer ongoing opportunities for continuous employee development and professional growth for all employees. Our offerings span a vast array of topics and are provided via both on-the-job and online training to all full- and part-time employees globally. We offer independent study courses, web-based courses, interviewing simulations, assessments, intensive workshops and action-planning courses. They include opportunities that are available to all employees, full- and part-time, regardless of function, as well as those designed to address specific learning and development needs in functional areas. Within J&J Learn, there are approximately 100,000 learning programs available to employees. Learners have the opportunity to evaluate and rate the course content of a training.

Supporting employees in owning their development and growth: We believe that development is key to building a healthy career and we continuously look for ways to support our employees in owning their development and growth, and in gaining access to the people and tools that will help them do so. We aim to promote shared accountability between an employee and their manager to ensure that opportunities for development are identified and pursued, and that the potential of the individual is maximized. Our new learning and development ecosystem, J&J Learn, puts the employee first by delivering:

- Personalized career development pathways curated through artificial intelligence;
- Fair and equitable learning experiences and development opportunities for all employees; and
- Experiential learning approaches that pull employees out of the classroom and into exciting on-thejob experiences.

As we progress, in partnership with and in service of the businesses, J&J Learn is integrating curricula from many of our 100-plus learning organizations across the Enterprise, leadership development programs, the Human Performance Institute, and more—becoming the single source for all employees' learning and development needs.

Providing leadership programs: To help advance Our Purpose to transform the future of health for humanity, we must have highly capable leaders across our business. We believe that every employee at Johnson & Johnson is a leader, and our goal is to help each one of them realize this potential. Our Leadership Imperatives define a clear set of behaviors and expectations that enable our employees to shape the health of generations to come. Our Leadership Imperatives reflect our commitment to live Our Credo and pursue Our Purpose, to connect inclusively to address health needs, to shape the future of health through innovation and to grow ourselves and others to become our best.

We maintain a suite of leadership and development programs to accelerate the progress of individuals who have been identified through our succession-planning processes as having the potential to fill more senior leadership roles within the Enterprise. From time to time, we also partner with our innovation incubator, JLABS, to offer action learning projects focused on new business models as well as the use of machine learning to solve pressing health and other challenges.

Our leadership development programs include, but are not limited to, the following:¹

For new people leaders:

- Leading People at Johnson & Johnson: This intensive development journey is designed to give new people leaders at Johnson & Johnson what they need to learn, grow and effectively lead each person on their team, as they work together to ensure the health of future generations around the world.
- Leadership Navigator—First 100 Days: This collection of resources and videos has been curated specifically for Johnson & Johnson people leaders and focuses on the most important information to get them off to a great start in their first 100 days in their role as a first-time leader.

For all people leaders:

• **On-Demand:** Micro-learning is available to all and includes key topics for people leaders: Our Credo; leadership imperatives; and critical skills, e.g., coaching.

For early career leaders:

Leadership Development Programs (LDPs): These programs help participants get practical, real-world business experience while strengthening communication skills and developing as leaders.
 LDPs are focused in the following business areas: finance; human resources; international recruitment and development; marketing; procurement; R&D; supply chain and operations; and technology.

For mid-career leaders:

- International Development Program (IDP): This global learning experience accelerates readiness of upward potential leaders through an international stretch assignment.
- **ASCEND GLOBAL:** ASCEND is an immersive development experience focused on accelerating select mid-level female talent in the Enterprise leadership pipeline.
- **RISE:** RISE is a premium experience designed specifically for high-achieving, mid-level racially and ethnically diverse talent with upward potential for more senior roles.

¹ This list is correct at the time of this update. We are constantly reviewing and updating our development programs. For updates of our programs, see our annual Health for Humanity Report.

- ENERGY FOR PERFORMANCE: This training helps to expand and focus energy, helping one become physically energized, emotionally connected, mentally focused and fully engaged in moments that matter.
- Thriving Teams: A set of tools, resources and learning offerings to help teams and team leaders be highly effective in team-based environments and projects.

For senior leaders:

- Accelerate Executive Orientation (AEO): This experience includes an overview of the Enterprise, expectations for leadership, dialogue with Executive Committee members about their businesses, and an opportunity to develop capabilities in inspirational leadership and resilience. Designed for newly promoted or hired Vice Presidents in their first year in role.
- TRANSCEND: At the intersection of purpose, leadership and energy, the TRANSCEND journey
 prepares our leaders to change the trajectory of health for humanity. Leaders learn to maximize their
 energy, becoming truly ecosystemic, entrepreneurial and transformational leaders who take on the
 greatest responsibility by learning the role of the whole person in the whole system. Designed for our
 highest-potential executives who aspire to more senior roles.
- Global Business Consortium: The Global Business Consortium is a unique program hosted by the London Business School that brings together a network of companies and professionals to think differently and collaborate across industries to find innovative solutions to business challenges. This program is an example of Johnson & Johnson partnering with an educational institution for staff training.

Developing R&D leaders: Our Johnson & Johnson Innovation Champions program, which provides professional growth opportunity to R&D scientists across the organization, is designed to offer an enrichment experience through exposure to external innovation. The program also helps leverage their expertise to accelerate scientific and medical advances. It runs in cohorts over a six-month period, offering the opportunity for each group to gain additional skills and knowledge and to build a network while remaining in role. The Champions program augments our EXPAND platform, which enables scientists to take advantage of a six-month secondment to an external innovation organization, such as a startup or venture fund, to both learn and contribute in a completely different environment.

Maintaining robust performance management tools: Employee performance at Johnson & Johnson is measured in two dimensions, the "what" and the "how." Our Leadership Imperatives set the performance behavioral expectations for all employees—the "how." The Leadership Imperatives give our employees across all geographies, businesses, roles and levels a clear and consistent way to lead Johnson & Johnson into the future.

All our employees formally discuss their progress and plan their professional development with their managers five times each year, in our "5 Conversations" framework; this is in addition to informal, ongoing discussions throughout the balance of the year. Year-end conversations about overall performance include assessing business results achieved and the degree to which our leadership behaviors were demonstrated.

Supporting career development and a healthy workforce: Our learning culture supports developing and retaining our talent and ensuring our workforce is in the best of health. Throughout the year, employees are encouraged to focus on growth by creating development plans, having career conversations with managers, and taking action to build their skills, broaden their experiences and attend to all aspects of their health. We encourage ongoing opportunities for our employees to self-reflect and take advantage of Company tools and resources to support their ongoing development. Our ENERGY FOR PERFORMANCE program supports our

mission to become the healthiest workforce: this experience helps people focus their energy to become physically energized, emotionally connected, mentally focused and fully engaged in the moments that matter. For more information, see <u>Position on Employee Health and Well-Being</u>.

Application

This Position is relevant for the Johnson & Johnson Family of Companies, as detailed in our <u>governance</u> <u>materials</u>. We provide updates relating to employee development in our annual <u>Health for Humanity Report</u>.

Last Updated: May 2023