

Position on Ethics and Compliance

Background

Corporations play a significant role in society, and their actions can have a far-reaching impact on people and communities. To protect our people, our patients and our business, and guarantee a level playing field among corporations, laws and regulations governing corporate activities are in place in every country in the world, although they may differ from country to country. Ensuring compliance with all relevant laws and regulations is a fundamental duty of corporations.

Ethical conduct represents the behaviors required of all those who conduct business, based on appropriate values, policies and guidelines that govern decisions and behavior at a company or organization and which reflect expected compliance with local laws and regulations.

Companies that operate in line with high standards of ethical and compliant conduct protect people, communities and their own business from risk, and establish a strong basis for sustainable business over time.

Relevance

As the largest, most diversified healthcare products company, Johnson & Johnson requires clear, comprehensive and robust guidance for ethical behavior across our global corporation to provide an aligned and consistent framework for employees and contingent workers. Johnson & Johnson companies conduct a wide range of activities in the healthcare marketplace, including research, medical education, product and procedure training, marketing and selling. These interactions involve different healthcare stakeholders as well as employees, suppliers, business partners and officials from governments and health authorities around the world. A variety of legal and ethical standards, some of which are unique to the healthcare industry, apply to these activities.

To protect our people, our patients and our business, we take every reasonable measure to ensure that we all operate in accordance with ethical and compliance laws and standards.

Guiding Principles

At Johnson & Johnson, we are committed to maintaining ethical and compliant conduct with the highest level of integrity. As stated in [Our Credo](#): “We must provide highly capable leaders 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 ...” Additionally, our firm commitment to ethical and compliant conduct is embedded in both Johnson & Johnson’s [Code of Business Conduct](#) and [Procurement Code of Conduct](#).

Our Position

Responsible, sustainable business practices and earning the trust of our clients are key to our long-term success. Our comprehensive policies, procedures and compliance training help our employees and contingent workers navigate applicable laws, regulations and industry codes, as well as our own ethical standards allow us to maintain ethical and compliant conduct with the highest level of integrity.

Sustaining a Robust Organizational Structure for Managing Ethics and Compliance

Our compliance structure comprises experienced and qualified professionals across the organization, who are functionally independent from commercial interests and report to members of our Executive Committee and Board of Directors. The Regulatory Compliance & Sustainability Committee of the Board of Directors reviews and discusses with management the implementation and enforcement of policies, standards, procedures and risk management programs—and also compliance with applicable laws and regulations—in the areas of healthcare compliance and anti-corruption, amongst other regulatory risks. [See here](#) for details on Committee oversight.

Each Johnson & Johnson company exercises compliance oversight, and management ensures adequate compliance resources are in place. Johnson & Johnson Health Care Compliance Officers (HCCOs) are assigned to help lead, oversee and monitor the implementation of the compliance program at each company. Each HCCO maintains direct and unencumbered access to the company's general manager (i.e., President or Managing Director, or most senior leader of the company), and to our Law Department, Global Audit & Assurance (GA&A), the Johnson & Johnson Chief Compliance Officer (CCO) and other Health Care Compliance (HCC) leaders.

Our CCO is a key member of the Chief Risk Officer's Leadership team, with accountability to the Chief Executive Officer and the Regulatory Compliance & Sustainability Committee of the Board of Directors. Our CCO's role is detailed on our Company's external website and in our Johnson & Johnson [Enterprise Risk Management Framework](#). Our CCO co-leads the Johnson & Johnson Corporate Compliance & Sustainability Committee, along with our Chief Quality Officer. The Corporate Compliance & Sustainability Committee is the primary governance structure for coordinating how we identify, prioritize, mitigate, manage and remediate compliance-related risks across core risk functions. The CCO also chairs the Company's Triage Committee, which investigates compliance-related allegations. There is Board-level oversight of ethics and compliance issues.

Our high-level compliance structure is described below.

Embedding frameworks and tools that support consistent ethical conduct and compliance: Our main frameworks and programs to embed ethical conduct and compliance across our global organization, including the third parties we conduct business with, are:

- The Code of Business Conduct (CBC): The CBC is inspired by [Our Credo](#) and sets out the rules of ethical conduct we expect of all our employees at all levels in the business in every country in which we operate, without exception. It is easily accessible across multiple channels, including our corporate intranet, and available to all employees in 27 languages. All Johnson & Johnson employees and certain categories of contingent workers are assigned and required to complete the CBC training every two years. Senior leaders are also required to certify the compliance of their organizations with the CBC. Certifiers include senior leaders at Vice President 2 level and above, select Managing Directors and General Managers based on country or business segment risk profile, and executives

of recently acquired companies. All new employees are assigned and required to complete CBC training.

- Compliance and ethical leadership are part of the performance assessment, including for our most senior leaders. We conduct regular senior leader performance assessments, and our Leadership Imperatives provide a framework for our annual goals and objectives, development programs and training materials. We know that fostering a culture that is values-based, responsible, ethical and inclusive motivates and empowers our employees. As outlined in the Leadership Imperatives, our employees globally are expected to live Our Credo and pursue Our Purpose by advancing the highest standards of quality, safety, compliance and ethics. Our performance and evaluation process are grounded in assessing progress and performance toward achieving these goals and objectives.

Maintaining robust compliance programs: Our compliance program is a system and a set of management norms for conducting business with the highest level of integrity and ethical culture. Acting in compliance with applicable Company policies, laws and regulations is the responsibility of all employees. Our compliance program provides oversight, management and controls to help employees fulfill this responsibility and understand the legal and ethical principles underlying our policies. Our compliance program is based on the following fundamental elements:

- Tone at the Top and at the Middle
- Code of Conduct and Compliance Policies and Procedures
- Risk Assessment
- Training, Communication and Continuing Advice
- Confidential Reporting, Non-Retaliation and Investigation
- Incentives and Disciplinary Measures
- Continuous Improvement, Periodic Testing and Review
- Third-Party Due Diligence and Payments
- Mergers and Acquisitions: Pre-Acquisition Due Diligence and Post-Acquisition Integration

Health Care Compliance (HCC) policies: HCC policies set out the overarching compliance framework that applies to the global interactions and activities of Johnson & Johnson companies. It identifies the structures through which Johnson & Johnson fulfills its compliance and oversight responsibilities, and describes the compliance expectations of Johnson & Johnson companies around the world. It covers standards for decisions and actions in every market where we operate.

Health Care Compliance (HCC) training: All employees who engage with or have the potential to engage with (directly or indirectly) HCPs are in scope for the Enterprise HCC Annual training. This mandatory course, available in 23 languages, covers the foundations of compliance, and incorporates topics such as anti-bribery and anti-corruption.

Dedicated focus on anti-corruption: Specifically, as part of our overall ethical and compliant approach, Johnson & Johnson takes a strong stance against corruption and bribery consistent with the anti-bribery laws that exist in many countries around the world. In our policies, we comprehensively cover our anti-corruption and anti-bribery position, which follows the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and other applicable local anti-bribery and anti-corruption laws and regulations.

Our HCC Program takes a proactive approach in prevention, detection and remediation practices through advanced data analytics and risk management processes, training and communication, and a holistic TPI risk

management program. HCC works closely with legal, other compliance teams and staff functions to look across the Enterprise and the external landscape to protect our business from corruption. The Company's GA&A organization completes an annual anti-corruption risk assessment of all our companies, which is refreshed regularly throughout the year and determines which Johnson & Johnson companies and external TPIs are selected for Foreign Corrupt Practices Act process reviews. For more information, see our [Position on Anti-Corruption](#).

Meeting or exceeding legal compliance requirements: Our compliance guidelines and policies meet or exceed legal and regulatory requirements in every jurisdiction where we operate. This includes industry standards and local codes of conduct, such as those established by the following:

- International Federation of Pharmaceutical Manufacturers and Associations (IFPMA);
- Pharmaceutical Research and Manufacturers of America (PhRMA);
- European Federation of Pharmaceutical Industries and Associations (EFPIA);
- Advanced Medical Technology Association (AdvaMed);
- Asia Pacific Medical Technology Association (APACMed);
- Mecomed, the medical devices, imaging and diagnostics trade association for the Middle East and Africa; and
- MedTech Europe, the European medical technology trade association.

In addition, the Johnson & Johnson companies actively participate in the work of industry associations and help develop industry codes for ethical and compliant marketing and selling of products.

Enforcing ethics and compliance throughout our supply chain: We view our extended supply chain as an extension of our own business and expect all suppliers to adhere to the same level of integrity and compliance to which we hold our own operations accountable. We make all reasonable efforts to ensure our suppliers know what is expected of them and have systems in place to ensure compliance. See our [Position on Responsible Supply Base](#) and also our [Responsibility Standards for Suppliers](#). We also ensure our Procurement organization employees are aware of their responsibilities and obligations related to procurement activities through our [Procurement Code of Conduct](#).

Continuous monitoring, risk assessments and improvement: With the complexity of the healthcare environment continuing to evolve, our global compliance program is focused on strengthening and optimizing core programs and processes at our Johnson & Johnson companies; elevating our integrated approach to data, metrics and analytics; and leveraging the power of technology for all components of our global compliance program. Our functionally independent HCC leaders conduct quarterly risk reviews, and at the Johnson & Johnson company level, the HCCO assesses company activities, engaging with company leadership to understand potentially new and emerging risks. As new risks are identified, the HCCO and the relevant business functions develop mitigation plans to update relevant processes and controls, and align with Johnson & Johnson company leaders on the oversight, resourcing and execution of such plans.

Providing a mechanism for reporting suspected ethical or compliance violations: The Our Credo Integrity Line is an integral component of the strong compliance culture at Johnson & Johnson. It provides a channel for all employees, contractors, customers, third-party agencies and other partners to report potential violations of the CBC, other Company policies, or the applicable laws and regulations in the countries of operation. The channel includes strong protections for those who bring forward potential violations (whistleblowers), helping to safeguard them from harassment in the workplace. Consistent with Our Credo and business philosophy, it is our policy to fully comply with the laws and regulations in our countries of

operation. Johnson & Johnson will not tolerate threats or acts of retaliation against individuals who, in good faith, provide information in connection with reports of actual or potential misconduct. For additional information see [Our Credo Integrity Line FAQs](#). The Johnson & Johnson [Our Credo Integrity Line](#) provides a global, accessible channel for reporting concerns and is available 24 hours a day, 7 days a week, and in 24 languages. It is independent, secure and confidential, offering a safe mechanism for anonymous reporting (where permitted by local law) of suspected concerns or potential violations of our policies or the law.

We communicate the Our Credo Integrity Line access broadly, so that employees and others who work with us know this channel exists for them to raise grievances at any time. We send an annual reminder to employees about our Escalation Procedure, which specifies responsibilities for all employees across Johnson & Johnson relating to what should be reported, in what timeframe, and the process for reporting. It includes reporting requirements and guidance for the full range of actual or potential ethical conduct or compliance violations such as those related to travel and expenses; accuracy of books and records; theft or fraud in any form; noncompliance with our government contracts or pricing obligations; misconduct of any kind; conflict of interest; or data privacy breaches, among others.

Addressing suspected violations or breaches of our CBC or HCC policies: Potential violations arising under our policies or laws and regulations are reported internally to senior management and, as appropriate, to the Johnson & Johnson Executive Committee, the Board of Directors, relevant Committees of the Board, and internal and external auditors. The following are outlined in our 10-Q and 10-K filings: when public disclosure criteria are met; anticompetitive behavior; antitrust claims; product liability claims; and lawsuits regarding consumer and patient health and safety, labeling or marketing, as well as corrective actions and resulting fines and penalties.

Application

This Position is relevant for the Johnson & Johnson Family of Companies, as detailed in our [governance materials](#). We provide updates, where relevant, relating to ethics and compliance in our annual [Health for Humanity Report](#).

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