

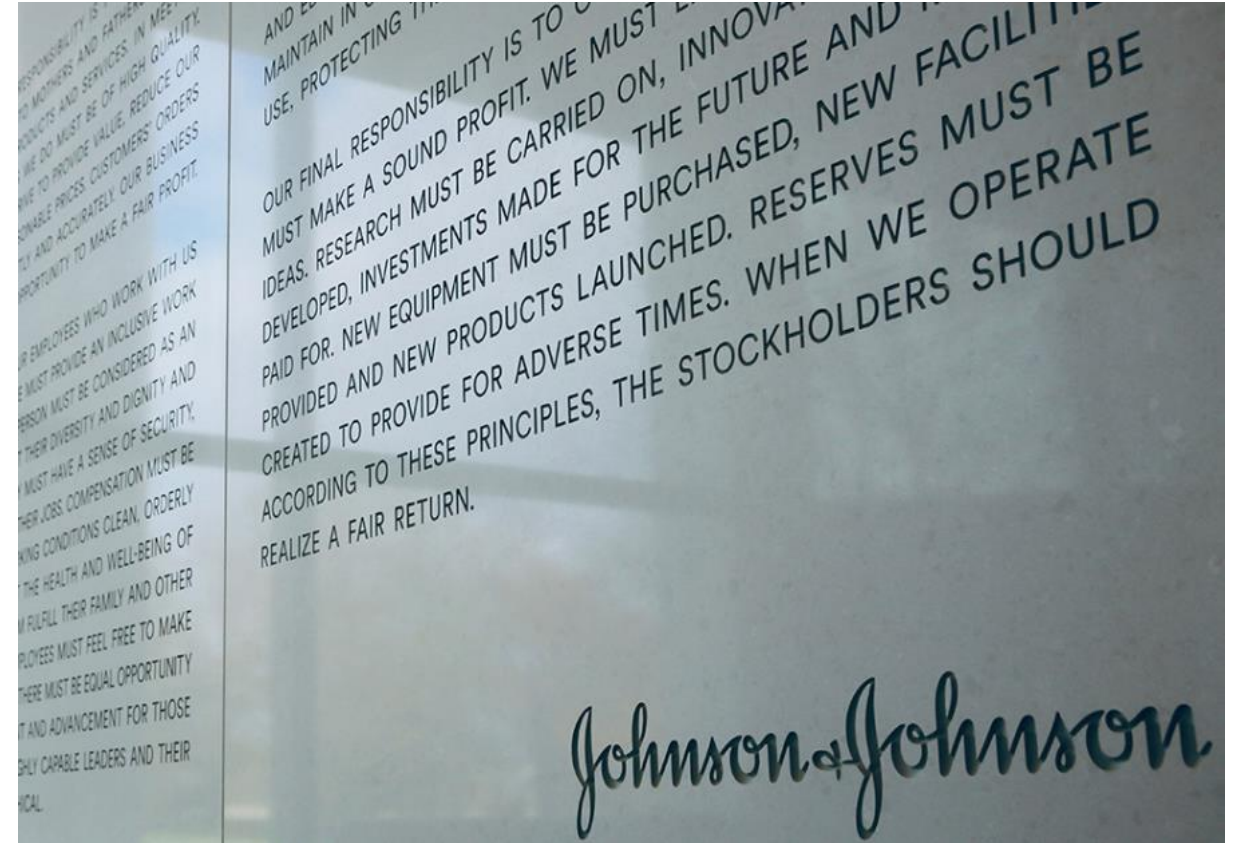
Stakeholder Capitalism and the future of Corporate Governance

An invitation from the Public Affairs Council
February 17, 2021

Johnson & Johnson

The way we work is deeply rooted into our Credo... A text which relates totally with the definition of stakeholder capitalism

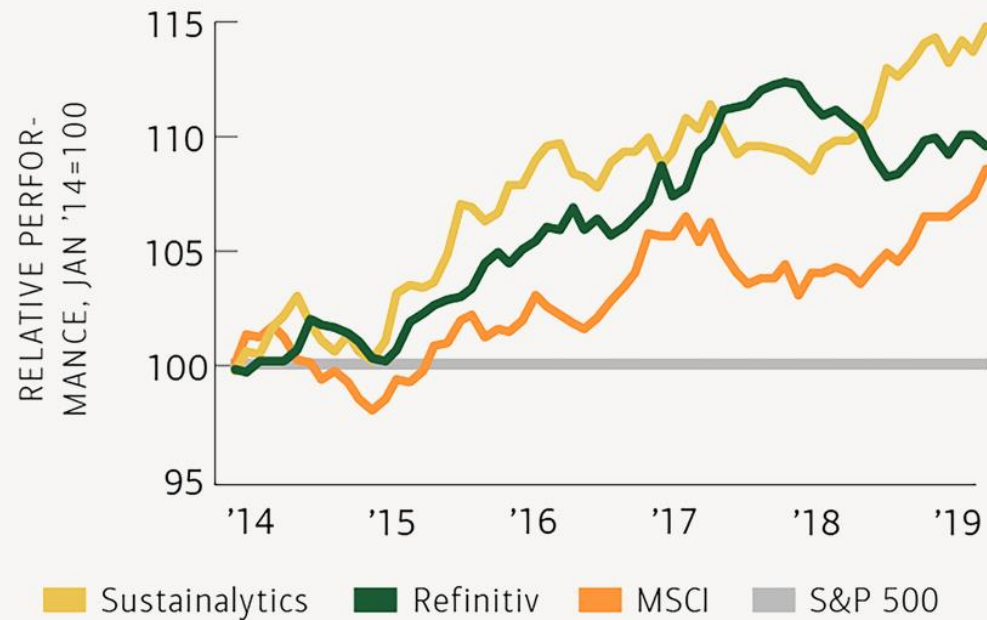
- **Our Credo challenges us** to put the needs and well-being of the people we serve first.
- **It is a call for all stakeholders** to work together in solving societal and economic challenges.
- **The notion of responsibility** is the cement of this text.
- After more than **75 years**, very few changes in the 4 paragraphs.
- **It encourages the engagement** of the private sector in the development of a productive and sustainable workforce
- **It advocates for advancing standards** of ethics and transparency in the areas Johnson & Johnson operates in, as well as the business community as a whole.
- **It also supports policies** to ensure a level playing field, ensure appropriate regulation, and ensure overall trust of governments and stakeholders for the healthcare industry



Impact beyond the EU: setting new global standards

From shareholder capitalism...

Top ESG-ranked companies recorded better performance than the average S&P 500 company



Source: MSCI ESG Research LLC, Sustainalytics, Refinitiv, FactSet.

...to stakeholder capitalism



J&J Corporate Leadership : some highlights

- Alex Gorsky is leading an effort through **BRT's Racial Equity and Justice Committee** to advance diversity and inclusion
- Alex Gorsky **signed B4IG pledge** against inequalities, which reflects a commitment of participating companies to advance equality of opportunities, eliminating gender disparities and reducing spatial inequalities
- **Engaging J&J senior leaders** in meetings with key members of the Congressional Black Caucus to educate them on J&J's sector and enterprise priorities
- J&J is an active participant in **APEC initiatives** to advance global ethics and transparency.
- J&J's participation in **several editions of the Women's Forum Global Meeting**, showcasing how inclusion advances supply chain circularity and sustainability, or how J&J promotes Women in Stem...
- And many more...



J&J Regional leadership : Environmental, Social and Governance reform

- A “One J&J” strategic approach to shape **Environmental, Social and Governance (ESG)** regulations emerging from the European Union.
- These regulations include a variety of topics such as: Human Rights and Supply Chain Due Diligence, Non-Financial Reporting and Climate Action.
- Public Affairs/ Government affairs teams play an important part in the governance.



J&J Local Leadership: J&J Paternity Leave Promoted as a Best Practice by the French Government in 2020

- Janssen France Managing Director, Emmanuelle Quilès, is recognized as an advocate for Gender parity
- J&J's paternity leave policy mentioned as a best practice in a guide published in July by the French Ministry of Industry and the Ministry of Women's Rights



Public Affairs role and mission

1- Generate Stakeholders' interest / simplify

2- Listen to Stakeholders' expectations / build the narrative :

Stakeholders have **high expectations** of Johnson & Johnson for sustainability leadership, given our reputation and size

Using **clear, modern** and **easy-to-understand language** to **differentiate us from the “sea of sameness”** associated with corporate sustainability efforts:

- **Quantifiable** investment levels and science-based milestones are preferred when showcasing our efforts
- **Tying our heritage/accomplishments to our new goals** credibly reinforces our long-term commitment and success
- Johnson & Johnson can play a leading role and has the strongest story to tell in the area where we have the most material impact: **advancing better health**



We are facing a unique momentum:



ON SOCIETAL ISSUES
Percent who agree

86%

"I expect **CEOs to publicly speak out** on one or more of these societal challenges: pandemic impact, job automation, societal issues, local community issues"

68%

"**CEOs should step in** when government does not fix societal problems"

Public Affairs role and mission

Consistency and holistic approach from the top

Executive Speaking Engagements & Interviews



Shareholder & Investor Calls & Meetings



JNJ.com & Other Corporate Social/Digital Assets: AP4HEU



Global/ Regional Goal Setting Launch



H4H 2020 Report & Supporting Communications



Johnson & Johnson

Employee Communications & Engagement



Sector & Functional Communications



Market-Driven Communications



From Global to Local : a sample of France roadmap

Access to innovative medicines



Evaluation, Funding,
Attractivity
(Mental Health, Lung)

Open Innovation

PRAIRIE
Pasteur Institute
Janssen Horizon



Societal commitments



Stocks & supply (vaccine, CART)

D&I (gender balance, disability)

Sustainability & Environment

AI for evolution of HC

IA & Genomics

IA & RWE

IA & Health CSF

Rare diseases use
case

EXTERNAL & INTERNAL ACTIVATION – EXTERNAL ENGAGEMENT TEAM

Presidency Thought Leadership (internal/ external) to exemplify

SciencesPo
EXECUTIVE EDUCATION

NOTRE AIN FORMEZ-VOUS FORMEZ VOS ÉLITES APPRENDRE LE M.O. ÉVÉNEMENTS ADMISSIONS ET INSCRIPTIONS

Actual : Le blog : Emmanuelle Quilès : « Être dirigeant, c'est anticiper les mutations pour faire progresser son entreprise »



Interview

EMMANUELLE QUILÈS : « ÊTRE DIRIGEANT, C'EST ANTICIPER LES MUTATIONS POUR FAIRE PROGRESSER SON ENTREPRISE »

1 Son rôle de leader ? Une mission « passionnante » pour Emmanuelle Quilès, présidente du laboratoire pharmaceutique Janssen France et présidente d'honneur de l'Executive Master Social&Business Trajectories. 2 Depuis 2020 de Sciences Po Executive Education, un rôle qui l'amène à adapter en permanence son organisation aux mutations de son secteur d'activité, tout en faisant face aux nombreuses incertitudes du temps présent, à l'image de la crise sanitaire actuelle.

Frontline Workers for reality of the approach



Activation of DDL program,
narrative & partnerships
Celebrate achievements and
drive advocacy/social
sharing

CSR activation



- Youth pillar: from students to first job/BTE (EPA, WiSTEM, MOZAIK);
- disabled (Duo Day)
- Environment (carbon footprint) activation roadmap
- Employee ambassadorship

Thank you.