

Johnson & Johnson

ENVIRONMENT,
HEALTH, SAFETY
& SUSTAINABILITY

Johnson & Johnson

WORLDWIDE
GOVERNMENT
AFFAIRS
& POLICY

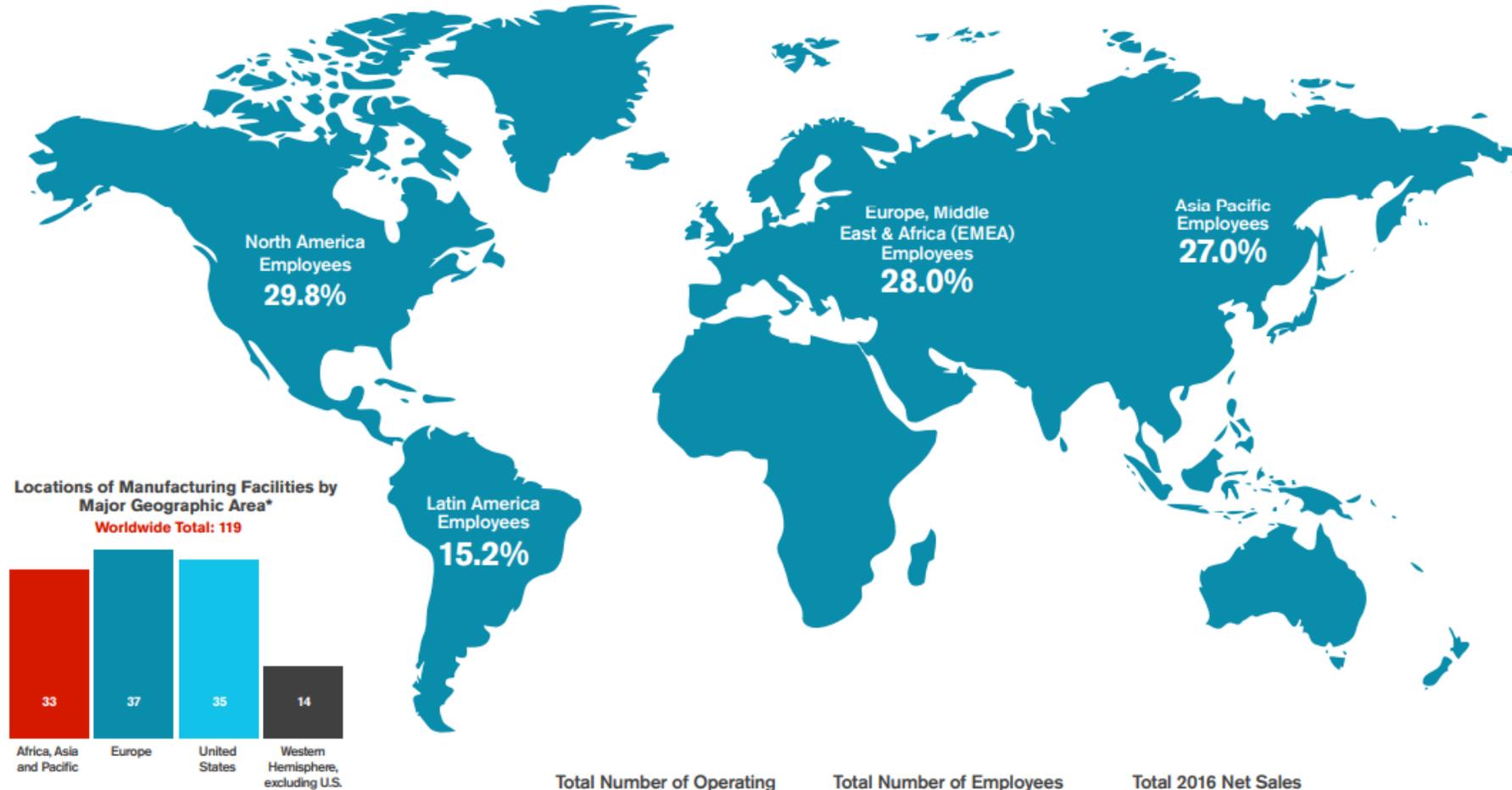
Sustainability in medical devices: Johnson & Johnson's perspective

Medical Devices Regulation Workshop

6 November, European Parliament Brussels

Blandine Gayral, Johnson & Johnson

Caring for the world, one person at a time, inspires and unites the people of **Johnson & Johnson**. We embrace research and science – bringing innovative ideas, products and services to **advance the health and well-being of people.**



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

Total Number of Operating Companies Worldwide
230

Total Number of Employees Worldwide
126,400

Total 2016 Net Sales Worldwide
\$71.9 billion

Source: Johnson & Johnson 2016 Health for Humanity Report

J&J Medical Devices Business Segment

Cardiovascular & Specialty Solution

- Advance Sterilization Products
- Biosense Webster
- Acclarent
- Mentor



DePuy Synthes

- Orthopedics
- Neurological
- Sports Medicine



Ethicon

- Endo Surgery
- Wound and Sutures



Consumer Medical Devices

- Vision Care
- Diabetes Solutions



A photograph of a woman in a white sleeveless top holding a baby. The woman is looking down at the baby. The background features a blue door with several square panels, each containing a floral pattern. The entire image is overlaid with a semi-transparent red gradient. The text "Our Citizenship & Sustainability" is written in a white, serif font across the center of the image.

Our Citizenship & Sustainability

Evolution of Our Sustainability Goals

1987
Johnson & Johnson establishes **first environmental goal** aimed at reducing toxic emissions



2000-2005
Johnson & Johnson launches **Next Generation Goals**



2005-2011
Johnson & Johnson adds **Safe People 2010** goals and **Healthy People 2012 Goals**

2016
Johnson & Johnson launches new **2020 Health for Humanity Goals**, expanding the ways we think about health, aspiring to help more people live healthier lives through the ideas we generate, products we make and good habits we create.

1993-2000
Johnson & Johnson begins formalizing long-term goals across a range of environmental impacts with **Pollution Prevention Goals**

2005-2010
Johnson & Johnson launches **Healthy Planet 2010 Goals**



2011
Johnson & Johnson launches **Healthy Future 2015**, our five-year strategic roadmap to propel our corporate citizenship and sustainability commitments forward.

2020 Health for Humanity Goals



People

- 🎯 Develop and deliver innovative, life-changing solutions to address the world's major health challenges
- 🎯 Deliver innovative health care access and training programs that impact a billion lives in underserved areas
- 🎯 Collaborate with government, nonprofit and private sector to foster new models of health that improve economic well-being and health care in key emerging markets



Places

- 🎯 Fully integrate sustainable design solutions into our product innovation processes
- 🎯 Reduce our impacts on climate and water resources



Practices

- 🎯 Collaborate with our suppliers to accelerate environmental and social improvements across the value chain
- 🎯 Empower and engage the Johnson & Johnson family of employees to become the healthiest workforce

Our Global Health Care Customers Value Sustainability

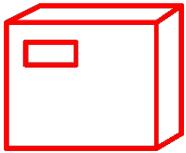
Top Sustainability Focus Areas



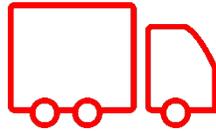
Product End-of-Life,
Disposal



Chemicals of Concern
in Products



Packaging



Shipping Efficiencies

Customers looking for solutions that address these areas —85% indicate that sustainability is essential or very important¹

Sustainability is Good for Business

- Lower operational costs²
- Allows hospitals to direct more resources to patient care²

¹J&J Customer Experience Program Global Results: Sustainability, November 2015

²American Hospitals Association and the Health Research and Educational Trust, "Environmental Sustainability in Hospitals: The Value of Efficiency 2015

Minimize Our Impact

The EARTHWARDS™ Process

EARTHWARDS™ Objectives:

- Support the development of more sustainable products
- Provide tools & resources to enable sustainable innovation
- Enable meaningful and credible claims



MATERIALS



PACKAGING



ENERGY



WASTE



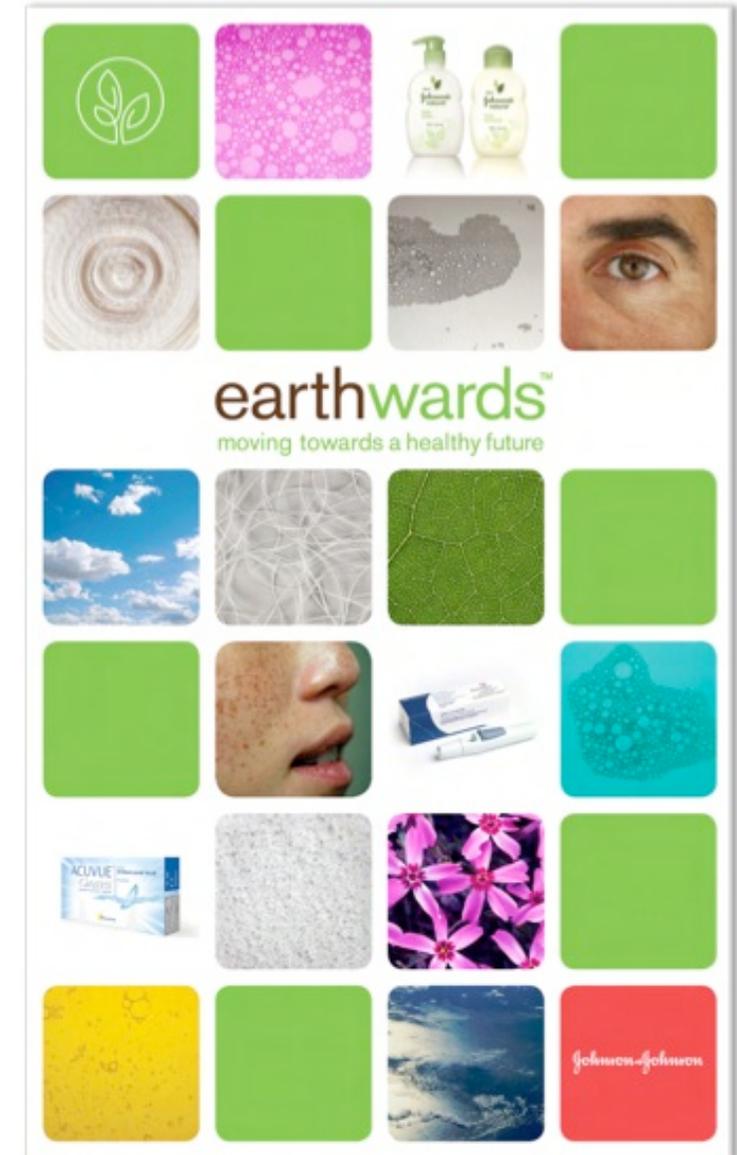
WATER



SOCIAL



INNOVATION



Our Earthwards® Approach

Through life-cycle thinking, we can identify opportunities to improve our performance.

- Defines how we address **environmental and social impacts** of our products
- Challenges employees to design **innovative solutions** across a product's lifecycle
- Validated by annual **3rd party audit and NGO and academic Board members**
- Achieve Earthwards® recognition, for **sustainable innovation improvements**, for 20% of Johnson & Johnson revenue by 2020



Earthwards® Areas of Measurement

The Earthwards® approach leverages innovation to improve our products in seven key areas:



MATERIALS



PACKAGING



ENERGY



WASTE



WATER

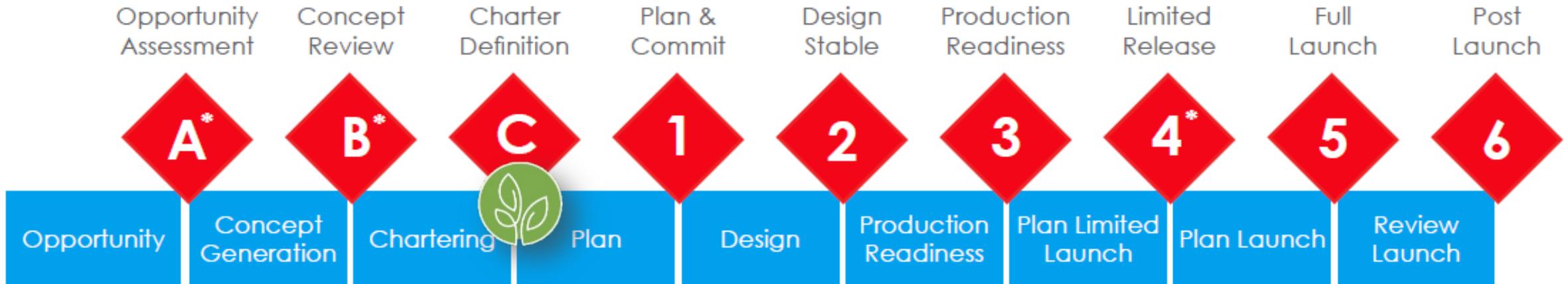


SOCIAL



INNOVATION

Shifting Earthwards in the Stage Gate review process



Prompted at: **Gate C – Charter – Project Management & RISK**

- ✓ ~~Agree overall approach to Earthwards for the project.~~
- ✓ Earthwards Innovation session suggested for ideation

Our Impact

Reduced
67,000
total tonnes of materials



*That's nearly 2.5x as heavy
as The Statue of Liberty¹*

Reduced
4,500
total tonnes of packaging



*Or the equivalent of about
nine Boeing 747 planes²*

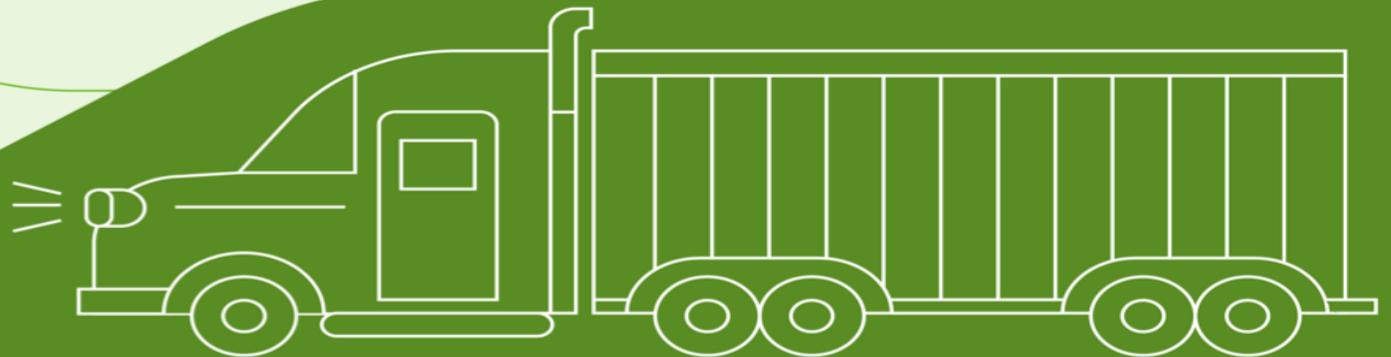
Saved
215 million
total liters of water



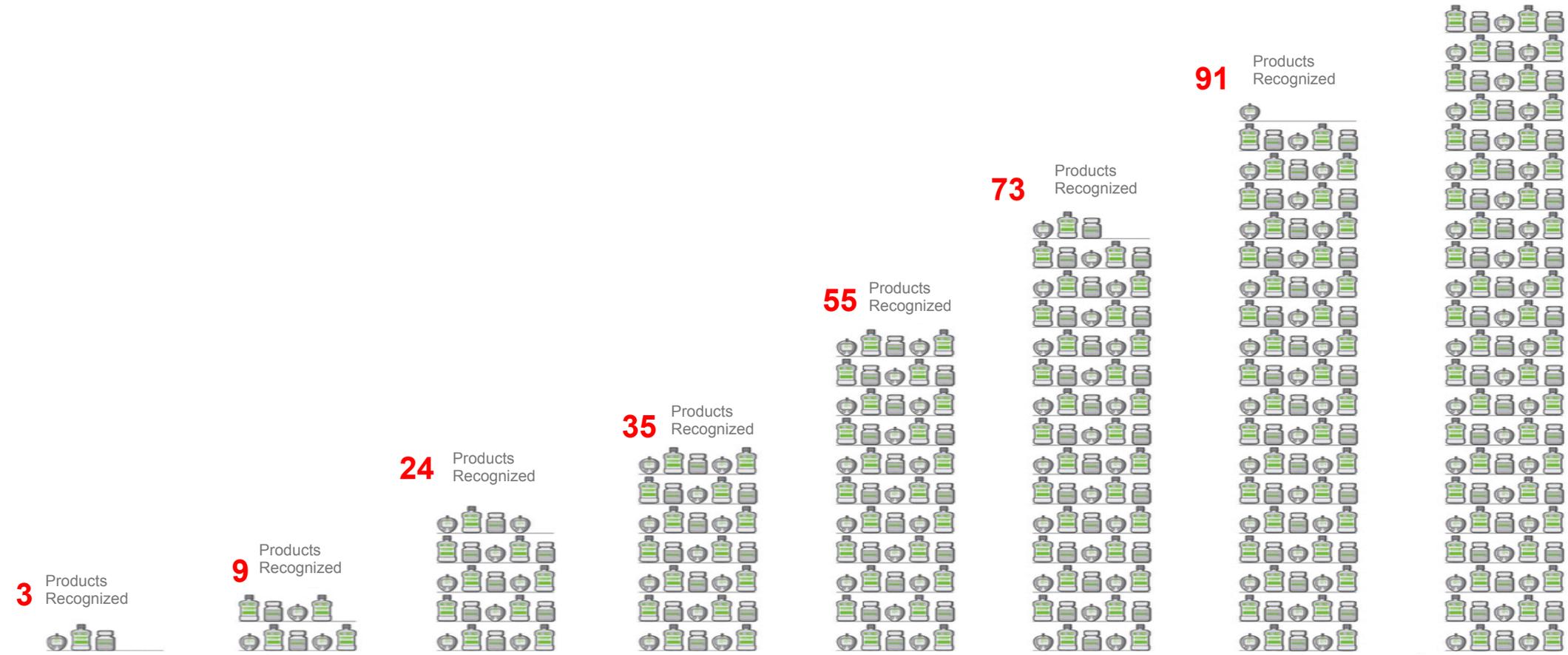
*Or the equivalent of nearly 85
Olympic-sized swimming pools³*

Diverted
690,000
total tonnes from landfills

*Or the equivalent of about
17,250 18-wheeler trucks³*



Growth of Earthwards® Recognized Products



2009 2010 2011 2012 2013 2014 2016 2020

First prescription product and medical device recognized

First full product line recognized—Neutrogena Naturals

First external audit of Earthwards® products
\$2 billion in revenue

Moved to online scorecard

Incorporate PVC removal into global EHS standards

Saved 3500 tons of PVC from packaging since 2010
>\$8 billion In revenue

\$11.5 billion in revenue

Goal: 20% of revenue

ENSEAL® G2 Articulating Tissue Sealers (U.S.)



- Eliminated PVC from ENSEAL® G2 Articulating Tissue Sealer¹
- Reduced product weight by 13% compared to existing ENSEAL® G2 Tissue Sealers²
- Reduced packaging weight by 33% compared to existing ENSEAL® G2 Tissue Sealers³



¹removed 2.40 ounces of PVC weight compared to ENSEAL® G2 Tissue Sealer

²Product weight reduction from .67 lbs (NSLG2S35) to .58 lbs (NSLG2S35A).

³Packaging weight reduction from .47 lbs (NSLG2S35) to .32 lbs (NSLG2S35A).

DePuy Synthes Attune LOGICLOCK Tibial Base



- 24% reduction in water used to manufacture each part
- 31% reduction in electricity offset by input by an on site wind turbine
- 33% reduction in the alloy required to cast each part



OneTouch® UltraMini Testing Kit



- A 55% reduction in materials as compared to the OneTouch® Basic® Testing Kit
- Reduced tertiary packaging by 35%
- Incorporated 70% post-consumer recycled materials into packaging
- Eliminated materials and chemicals covered in NGO lists of concern including:
 - Latex and PVC (polyvinylchloride)
 - DEHP (dioctyl phthalate) from the carrying cases
 - Removed antimony trioxide from the test strips



Johnson & Johnson