Forest Products Sourcing Principles

As the world’s largest, most broadly-based healthcare company, Johnson & Johnson understands that human health is inextricably linked to environmental health—you can’t have healthy people without a healthy planet. This means that to create healthier societies, we must have an unwavering commitment to preserving our planet and the vital resources upon which we all rely, today and in the future.

Forests are a vital resource critical to the health of all people, plants and animals that inhabit our planet. They provide a diverse range of resources like oxygen, food and medicine, as well as functions like water purification, climate regulation, and mitigation of natural hazards. Forests cover approximately 30 percent of the land area on Earth; approximately 300 million people worldwide live in forests; and 1.6 billion people depend on forests for their livelihoods. Deforestation increases the spread of certain diseases; conserving the world’s forests can contribute positively to human health through reducing the spread of disease and the impacts of air pollution and extreme weather.

As a global manufacturer of healthcare products, Johnson & Johnson uses forestry products primarily in paper-based packaging materials. We acknowledge that our sourcing practices could potentially contribute to deforestation. We are, therefore, committed to taking steps to ensure that we source these commodities in a responsible way.

Sourcing Principles

We are positioned to make sourcing decisions that will help influence responsible forest management and secure sustainable livelihoods. We will do so based on the following principles, as guided by the Forest Stewardship Council®:

We commit to sourcing forest products that are:

- harvested and traded in compliance with all laws and legal requirements
- harvested in a manner that respects traditional and human rights
- not harvested from an area that is being converted to plantation or non-forest use
- harvested in a manner that protects high-conservation value areas
In addition:

- The content and country of origin for all forest-based materials purchased shall be known.
- All suppliers of forest-based products shall comply with all applicable legal requirements and the Johnson & Johnson Responsibility Standards for Suppliers.

We are committed to doing our part—through our purchasing, our building construction materials, and in our products—to help eliminate and prevent further deforestation. We aim to source all forest products according to these principles by the end of 2020. In addition, we seek to maximize the amount of recycled content in the forest products we source.

**Forest Products Scope and Sourcing Criteria**

Materiality and risk assessments determine our in-scope suppliers to ensure we focus our efforts in a manner that produces the greatest gains. This prioritization exercise also enables Johnson & Johnson to engage quickly with suppliers and sources that would benefit from near-term intervention. Purchasing of the following forest-based materials is in scope; the materials are expected to conform to our sourcing principles.

These *forest-based product categories* are in scope:

- wood fiber-based product or marketing literature
- wood fiber-based packaging
- wood fiber-based products

These *internal-use categories*, are in scope:

- office paper
- wooden furniture
- wooden construction materials

To verify conformance with these sourcing principles, we prefer Forest Stewardship Council (FSC)-certified material. Other relevant third-party certifications or verifications will be accepted as risk mitigation tools; however, conformance with our sourcing principles may not be guaranteed. In some cases, additional verification may be required.
Implementation

We have partnered with the Rainforest Alliance to support implementation as we work toward our commitment to source all forest products according to these principles by 2020.

Implementation of these principles involves the following for all forest-based materials, products categories, and internal-use categories:

- We have set clear, time-bound targets that provide a roadmap to how Johnson & Johnson will achieve our 2020 commitment and allow for accurate progress reporting.

- We will engage with our value chain and our internal stakeholders to communicate and educate regarding our responsible sourcing criteria for forest products.

- We will collect and confirm data about the materials that we buy and products that we make to ensure our preferences for recycled content and FSC-certified materials are being met.

- We will engage and educate our buying team, and implement a process for identifying responsible suppliers that conform to our sourcing principles for all purchases.

In addition, for forest-based product categories in scope:

- We will prioritize high-risk supply chains, defined through a baseline assessment, for additional verification and—together with our partner, Rainforest Alliance—conduct visits, when needed, to confirm conformance with our expectations.

- If non-conforming sources are verified, it is expected that a time-bound action plan, approved by Johnson & Johnson and our direct supplier, will be developed swiftly and put into action. Progress will be reviewed regularly.

- We will work with our supply chain to build transparency back to the country of origin, and to confirm the content and characteristics of the materials that we buy.

We will report progress on implementing our sourcing principles in our annual sustainability report (Health for Humanity Report).

Last updated: May 2018

1 https://www.worldwildlife.org/threats/deforestation