

Johnson & Johnson Climate Friendly Energy Policy

Our Credo is the foundation for our Climate Friendly Energy Policy. It provides us with a clear, compelling and enduring reminder of our responsibilities. Our Credo states we must be good citizens in the global community; we must protect the environment and natural resources; and we must strive to reduce costs in order to maintain reasonable prices. We are committed to excellence in fostering the efficient, cost-effective, and environmentally responsible purchasing and use of energy.

The diligent management of energy helps to lower manufacturing cost. Over the long term, global energy cost will likely continue to increase. Since the technology associated with energy generation, distribution, and consumption is continually advancing, the opportunities available for meaningful cost reduction and avoidance through vigilant energy management will endure.

In the field of climate science, there is consensus that human activity is causing climate change. Many sources of data demonstrate that the earth’s climate is changing rapidly. The majority of climate scientists agree that human activity is increasing the concentration of green-house gases (GHG) in the earth’s atmosphere, which is forcing the climate to change. Carbon dioxide, released by burning fossil fuels, is the GHG of highest concern.

A warming climate has the significant potential to impair human health. Climate change is expected to have, economic and social consequences far into the future. Leading scientists predict that our warming climate will trigger harmful human health impacts that include: increased incidence of extreme weather events, higher incidence of asthma and allergies, the spread of infectious disease, and food insecurity.

We believe that business has a responsibility to conserve energy and help abate climate change. Energy is an indispensable ingredient for a healthy, economy and sustainable business growth. Until effective public energy policies are in place to reduce GHG emissions, companies should lead by implementing voluntary reductions of GHG’s within their control. Companies should continually strive to improve the energy efficiency of their operations, products, and services.

We are committed to improving our energy efficiency and reducing carbon emissions. Our business operations require continuous flows of raw material, fuel, electricity, and many other resources to bring our products to market. This value chain is enormously complex and offers continual opportunities to reduce energy cost and emissions. We are committed to using a systematic approach to energy management that incorporates the following:

- Setting long-term goals for emission reductions
- Driving energy efficiency improvements in all of our operations
- Installing on-site renewable and clean energy generation
- Constructing highly efficient new buildings
- Securing cost-effective long-term renewable electricity purchase contracts in support of new renewable energy technology
- Improving the efficiency of our transportation needs
- Partnering with key suppliers and customers to help reduce emissions across the value chain
- Supporting sound public policy intended to abate climate and human health risks

We implement processes to assure adherence to this Climate Friendly Energy Policy. This policy is applicable to all businesses of Johnson & Johnson companies, and is to be shared publicly for all stakeholders to view. We measure and verify that adherence through internal and external audits and management reviews.

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