

# Position on Freedom of Association

## Background

The right of workers and employers to form and join organizations of their own choosing is an integral part of a free and open society.<sup>1</sup> Collective bargaining is a fundamental right. It is rooted in the [ILO Constitution](#) and reaffirmed as such in the [1998 ILO Declaration on Fundamental Principles and Rights at Work](#).

## Relevance

As the largest and most broadly based healthcare company in the world, Johnson & Johnson has a considerable impact on the lives of many individuals whom we directly employ and others in our extended value chain, and on the communities of which they are a part. In respecting our employees' right to freedom of association, we help maintain a fair working environment for our employees and others in our extended value chain as sound basis for encouraging their full contribution to advancing our purpose of blending heart, science and ingenuity to change the trajectory of health for humanity. At the same time, as a large and responsible corporation, we make a positive global contribution by helping create a fair and just society.

## Guiding Principles

As stated in [Our Credo](#): “We are responsible to our employees who work with us throughout the world... Compensation must be fair and adequate and working conditions clean, orderly and safe. We must support the health and well-being of our employees and help them fulfill their family and other personal responsibilities.”

Freedom of association is a key principle of the United Nations Global Compact to which Johnson & Johnson is a signatory. Principle 3<sup>2</sup> states: “Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.”

## Our Position

We respect the right of our employees and others in our extended value chain to freedom of association and collective bargaining. We always observe laws and regulations around the world relating to freedom of association. Where such laws do not exist, we apply best practice of Johnson & Johnson operating companies consistent with local circumstances. Therefore, representation structures vary globally. Our position includes:

<sup>1</sup> <https://www.ilo.org/global/topics/freedom-of-association-and-the-right-to-collective-bargaining/lang--en/index.htm>

<sup>2</sup> <https://www.unglobalcompact.org/what-is-gc/mission/principles/principle-3>

- Respecting the right of employees to form and join a trade union of their choice without fear of intimidation or reprisal, in accordance with national law, and recognizing such organizations for the purpose of collective bargaining;
- Maintaining non-discriminatory policies and procedures with respect to trade union organization, union membership and activity in such areas as applications for employment and decisions on advancement, dismissal or transfer. The following is not an exhaustive list but is representative of the comprehensive benefits we offer at the time of this update (see below for date). Where possible, we apply benefits globally. However, in certain cases, local regulations or market norms govern local practice.
- Typically, collective agreements at Johnson & Johnson operating companies include provisions addressing:
  - Wages and benefits;
  - Employee safety;
  - Minimum notice periods;
  - The management of reorganizations and layoffs, and the policies associated with such actions, in line with the location, nature, size and scale of the action and law; and
  - Severance and separation pay and benefits.
- Establishing respect for human rights including freedom of association with our suppliers through the Johnson & Johnson [Responsibility Standards for Suppliers](#), and selecting suppliers based on their adherence to these standards. See also our [Position on Responsible Supply Base](#).

## Application

This position is relevant for the Johnson & Johnson Family of Companies, as detailed in our [governance materials](#). See also our [Position on Human Rights](#).

*Last Updated: June 2020*