Position on Water and Waste Management

Background
Access to clean water and sanitation is essential for human health and well-being. However, our world today is faced with challenges linked to water scarcity, water pollution, and degraded water related ecosystems.

High levels of waste place a burden on planetary resources, contribute to climate change through methane generation, present risks to biodiversity and human health, and can facilitate the spread of disease.

In the Intergovernmental Panel on Climate Change (IPCC)'s Impacts, Adaptation and Vulnerability Report released in February 2022, they emphasize that climate change is causing widespread harmful effects to the environment and people, with many risks bigger than previously thought.\(^1\) Johnson & Johnson understands that human health is inextricably linked to environmental health—healthy people need a healthy planet. To create healthier societies, we must protect our planet and the vital resources upon which we all rely, today and for the future. Doing so allows economies to use resources efficiently leading to them to be in a position to better support business resilience and continuity.

Relevance
At Johnson & Johnson, we continually strive to improve the environmental footprint of our operations and to support partners across our value chain to do the same. Our long-standing commitment to environmental sustainability is rooted in our company values and in the understanding that the health and well-being of people and the planet are fundamentally linked. This commitment includes our work for more than three decades to improve our waste and water footprint.

Guiding Principles
Everything we do at Johnson & Johnson is guided by Our Credo, which includes our commitment to: “maintain in good order the property we are privileged to use, protecting the environment and natural resources.” We are committed to marshaling our expertise, resources and partnerships to reduce the water and waste footprint of our operations, our products and our extended supply chain while advancing better health for all.

Our Position

As part of our commitment to better health for all, we strive to conserve water resources and meet the water demand for our operations without limiting the availability or quality of water resources to others. We also invest in avoiding, reducing, reusing and recycling waste across our operations globally.

We adhere to all applicable regulatory requirements relating to water withdrawal, consumption, wastewater and waste management at all our sites. We also require our sites to comply with the Johnson & Johnson Environmental Health and Safety (EH&S) Standards governing water and waste management, applying the more stringent standard in cases where there is a difference between regulatory requirements and the Johnson & Johnson Standards. See our Position on EH&S Management.

Water Management

Johnson & Johnson recognizes the human right to water, which, as defined by the United Nations, entitles everyone to sufficient, safe, acceptable, physically accessible and affordable water for personal and domestic use. See our Position on the Human Right to Water.

Our water stewardship strategy and practices include:

Monitoring our water withdrawal: Johnson & Johnson monitors all water withdrawals as part of our approach to water efficiency and water risk management. We commit to providing safe drinking water and sanitation facilities for our employees and require of all Johnson & Johnson facilities is to determine, at least annually, the acceptability of drinking water supply by applying local, regional, or national drinking water-quality standards. Where there are no such standards, the World Health Organization guidelines are applied. Water that is used in process operations is subject to quality verification as determined by our quality assurance requirements.

Prioritizing sustainable water management and water stewardship: We assess water stress at all our manufacturing and R&D sites and prioritize sustainable water management at locations with high water stress, operating in line with the requirements of the International Alliance for Water Stewardship Standard to achieve certification.

Reducing water demand and increasing water reuse: We work to improve water use efficiency across our operations by reducing water demand, increasing water reuse and prioritizing water management actions using a risk-based approach that accounts for location-specific water risks at our sites worldwide. Such measures include manufacturing and engineering improvements and innovation, for example:

- Upgrading water chillers and HVAC installations to the most water-efficient options;
- Applying alternative technologies for cooling towers to reduce water dependence;
- Applying leak detection technologies to support elimination of leaks;
- Designing manufacturing product cycles for water reuse; and
- Investing in modern facilities to achieve high-quality wastewater treatment.

Managing wastewater effluents: We apply strict wastewater controls in terms of quantity and quality of wastewater at all our facilities both to meet regulatory requirements and to voluntarily minimize impacts on the environment. All our facilities have wastewater treatment installations or use approved third-party operations for treatment. Further, we control wastewater quality consistent with our commitment to minimize the impact of pharmaceutical and personal care products in water waste streams. See our Position on Impact of Pharmaceuticals and Personal Care Products in the Environment.
Waste Management
We continually advance initiatives across all our facilities and throughout our supply chain to systematically avoid waste, reduce waste to landfill and increase sustainable management of waste. The waste streams generated directly by our operations include hazardous and non-hazardous waste from research laboratories, manufacturing processes, warehouses and offices.

Waste management across Johnson & Johnson includes the following:

**Defined hierarchy of waste management:** Every Johnson & Johnson site must comply with local regulations regarding waste and, in addition, develop its own waste management program, applying the following hierarchy of waste management practices:

1. Source Reduction
2. Reuse
3. Recycle/Compost
4. Energy Recovery
5. Treatment and Disposal

Treatment results for both non-hazardous and hazardous waste are disclosed in our annual Health for Humanity Report. Waste treatment and disposal facilities (hazardous and non-hazardous) are subject to a Johnson & Johnson audit as part of the requirement of Johnson & Johnson approval before services can be used.

**Positive action to reduce waste and increase recyclability:** Our operations around the world adopt a wide range of practices to avoid, reduce, reuse or recycle waste wherever possible. Such practices include, for example:

- Applying lean manufacturing principles at our facilities to reduce waste generation at the source;
- Identifying specific waste streams for different materials and segregating waste at all our facilities;
- Engaging teams at manufacturing sites to collaborate for waste reduction in the manufacturing process, and partnering with external organizations to identify and progress environmentally positive reuse or disposal options;
- Adopting innovative technology for waste streams to recover materials that can be reused;
- Strive to reduce and recycle food waste at our facilities;
- Working with suppliers to assure optimum packaging profiles for raw materials, and intermediate and finished products to reduce potential packaging waste compatible with required product protection.
- At prioritized locations, based on non-hazardous waste footprints, we drive towards zero waste using industry-leading tools such as Green Business Certification Inc. (GBCI) and TRUE (Total Resource Use and Efficiency) Zero Waste.

**Minimizing packaging waste through our value chain:** Packaging plays a critical role in maintaining the quality and safety of our products throughout our value chain. However, we also evaluate and define our packaging needs with an intent to minimize packaging volumes while increasing recycled content of packaging and recyclability. See our Position on Sustainable Products and Packaging.

**Additional Water Stewardship and Waste Management Practices**

**Delivering more sustainable products:** We integrate sustainable design solutions aiming at reducing water and waste into our product innovation processes, taking into account the environmental impacts throughout a product’s lifecycle—from design and formulation, through raw material sourcing and manufacturing, to
packaging and delivery, and product use and end-of-life. See our Position on Sustainable Products and Packaging.

**Driving responsible practices through our supply chain:** We engage with our suppliers across the world to take a responsible position on water stewardship and waste management through incremental enrollment in our suppliers in our Sustainable Procurement Program (SPP). The SPP ensures supplier conformance with Johnson & Johnson’s Responsibility Standards for Suppliers and encourages and supports suppliers in achieving excellence by embedding sustainable social and environmental practices – including transparency, target setting, and public disclosure – into their businesses and respective supply chains. We also request prioritized suppliers based on water risk to report to the CDP Supply Chain Water Security Questionnaire.

**Reporting water and waste impacts:** We publicly disclose a wide range of water and waste performance metrics annually in our Health for Humanity Report, as well as providing updates on progress against our specific water and wastewater commitments.

Johnson & Johnson has been a participant in the CDP Water Program since its inception in 2010, and our disclosure continues to receive an annual positive rating by CDP. See our Health for Humanity Report for annual CDP scores.

**Our Governance**

We implement processes to assure adherence to this Position. This Position has been reviewed by senior management, is applicable to the Johnson & Johnson Family of Companies and is shared publicly with stakeholders. Multiple elements of the Position are embedded in our EH&S Standards, as part of Johnson & Johnson’s EH&S Management. See our Position on EH&S Management.

**Application**

This position is relevant for the Johnson & Johnson Family of Companies, as detailed in our governance materials.

*Last Updated: April 2022*