Position on Water and Waste Management

Background

Access to clean water and sanitation is essential for human health and well-being. The United Nations recognizes access to clean drinking water and sanitation as a basic human right and essential to the realization of all human rights. Further, Sustainable Development Goal 6—"CLEAN WATER AND SANITATION"—of the UN 2030 Agenda urges all societal players to come together to achieve universal and equitable access to safe and affordable drinking water for all by 2030.

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. Sustainable Development Goal 12—"RESPONSIBLE CONSUMPTION AND PRODUCTION"—aims to improve resource efficiency, reduce waste and pollution, and shape a new circular economy.

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

As stated in Our Credo, "We must 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

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. 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 aim to follow the waste management hierarchy and 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
Our water stewardship program and practices include:

**Monitoring our water withdrawal:** Johnson & Johnson monitors all water withdrawals at our facilities 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 at least annually to determine, the acceptability of the 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.

**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.

**Assessing water stress and focusing on higher priority locations for enhanced water stewardship:** We assess water stress at all our manufacturing and R&D sites and enhance sustainable water management at prioritized locations with high water stress, operating in line with the requirements of the Alliance for Water Stewardship (AWS) International Water Stewardship Standard to achieve certification. The AWS Standard is a globally applicable framework to work collaboratively for sustainable water management within a catchment context by engaging stakeholders in understanding and addressing shared catchment water challenges—as well as site water risks and opportunities—through the development and implementation of a site water stewardship action plan.

**Managing wastewater effluents:** We apply strict wastewater controls concerning the 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

Employees who collect and manage waste are trained annually in the site’s waste management practices, as per compliance with the Johnson & Johnson EH&S Standards.

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

**Action to reduce waste and increase recyclability:** In alignment with our EH&S Standards, all facilities at Johnson & Johnson need to have plans in place to divert non-hazardous waste from landfill, and plans also for incineration, increasing recycling, and reuse. 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.
- Striving to reduce and recycle food waste at our facilities.
- Working with suppliers to assure optimum packaging profiles for raw materials, and for 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 toward zero waste using industry-leading tools such as Green Business Certification Inc. 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.

**Related Water Stewardship and Waste Management Practices**

**Delivering more sustainable products:** We integrate sustainable design solutions aimed 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 on water stewardship and waste management through incremental enrollment of 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 a positive rating annually by CDP. See our Health for Humanity Report for annual CDP scores.

Our Governance

We implement processes to assure adherence to this Position including our EH&S site-based audit program, which monitors adherence to relevant regulations and our EH&S Standards. 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. We provide updates relating to water and waste management in our annual Health for Humanity Report.

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