

# Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act Annual Report (2023)

This Statement, together with the below Human Rights and Anti-Modern Slavery Statement (together, the “Statement”) has been prepared pursuant to the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act (2023) (the “Act”) for the most recent prior financial year (being 2023).

This Statement is provided by:

- Johnson & Johnson (Canada) Inc.
- Janssen Inc.
- AMO Canada Company

Each of these entities—all of which are subsidiaries of Johnson & Johnson—is a “Reporting Entity” and together are referred to herein as the Reporting Entities.

This Statement provides the steps undertaken to continually improve policies and due diligence. These efforts are aimed at identifying, assessing and addressing human rights impacts—including fair working conditions, anti-modern slavery and child labour<sup>1</sup>. These steps and related policies and due diligence apply to the Reporting Entities, as part of Johnson & Johnson.

Unless expressly stated otherwise, all references to Johnson & Johnson, ‘we,’ ‘us’ and ‘our’ in this Statement refer to parent company Johnson & Johnson, including the Reporting Entities.

## About Johnson & Johnson in Canada

### Our structure

The Reporting Entities represent Johnson & Johnson in Canada and, combined, have approximately 1,200 employees in two offices and one warehousing facility in Ontario. Johnson & Johnson (Canada) Inc. is incorporated federally, is headquartered in Markham, Ontario, and carries on business under the name Johnson & Johnson MedTech. AMO Canada Company is incorporated provincially in Nova Scotia and shares space in the same facility in Markham, Ontario, and also carries on business under the name Johnson & Johnson MedTech. Janssen Inc. is incorporated provincially in Ontario, is headquartered in Toronto, Ontario, and carries on business under the name Johnson & Johnson Innovative Medicine.

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<sup>1</sup> Modern slavery is a broad term commonly used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. It can include but is not limited to forced labour and the worst forms of child labour in which children are subjected to slavery or similar practices and/or engaged in hazardous work.

## Our operations

Johnson & Johnson operates in Canada in two health sectors:

- Johnson & Johnson MedTech: medical technologies and solutions
- Johnson & Johnson Innovative Medicine: pharmaceutical products and services

## Our supply chain

Johnson & Johnson does not manufacture products in Canada. Instead, the Reporting Entities provide sales and marketing support for products manufactured by Johnson & Johnson and its partners throughout the world and then imported into Canada.

Johnson & Johnson's global supply chain and supplier network support the acquisition of goods and services across the operations of the Reporting Entities, including finished products and indirect goods and services to support its business operations.

## Approval and Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Maurizio Romano

Director

May 30, 2024

I have the authority to bind Johnson & Johnson (Canada) Inc. and AMO Canada Company



Karin McCaig

Director

May 30, 2024

I have the authority to bind Janssen Inc.



# Human Rights and Anti-Modern Slavery Statement

For the fiscal year ended December 31, 2023

## Introduction

This Human Rights and Anti-Modern Slavery Statement (the “Statement”) has been prepared pursuant to the California Transparency in Supply Chains Act (2010), the UK Modern Slavery Act (2015), the Australia Modern Slavery Act (2018) (Cth), the Norwegian Transparency Act (2022) and the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act (2023). This Statement sets out steps that the Johnson & Johnson Family of Companies<sup>2</sup> (“Johnson & Johnson” or the “Company”) has taken to continually improve policies and due diligence to identify, assess and address human rights impacts—including fair working conditions, anti-modern slavery and child labor—in our own business operations and our supply base<sup>3</sup>. The Statement constitutes the disclosure for Johnson & Johnson’s 2023 fiscal year ended December 31, 2023.

## About Johnson & Johnson

### Structure

Johnson & Johnson has approximately 130,000 employees worldwide engaged in the research and development, manufacture and sale of a broad range of products in the healthcare field. The Company conducts business in virtually all countries of the world with the primary focus on products related to human health and well-being.

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<sup>2</sup> Following the completion of the separation of the Consumer Health business (Kenvue) in August 2023, Johnson & Johnson is now organized into two business segments: Innovative Medicine and MedTech. Starting with this Human Rights and Anti-Modern Slavery Statement disclosure, Kenvue data will not be included, nor re-stated.

<sup>3</sup> Modern slavery is a broad term commonly used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. It can include but is not limited to forced labor and the worst forms of child labour in which children are subjected to slavery or similar practices and/or engaged in hazardous work.

## **Operations**

With “Our Credo” as the foundation, the Company’s purpose is to blend heart, science and ingenuity to profoundly impact health for humanity.

The Company is organized into two business segments: Innovative Medicine and MedTech. The Innovative Medicine segment is focused on the following therapeutic areas, including Oncology, Immunology, Neuroscience, Pulmonary Hypertension, Cardiovascular, Metabolism, Other; Infectious Disease. The MedTech segment includes a broad portfolio of products used in the Orthopaedic, Surgery, Interventional Solutions and Vision fields.

## **Supply base**

A critically important link in our value chain, our global supplier network plays a vital role, enabling us to manufacture and deliver essential products and services to our patients and customers. Guided by Our Credo values, we aim to maintain collaborative supplier relationships and work with a broad diversity of suppliers. The Company has approximately 38,500 Suppliers globally.

## **Governance**

Our Enterprise Human Rights Governance Council (EHRGC) leads our global approach to human rights due diligence and program management, including fair working conditions, anti-modern slavery and child labor. EHRGC members are senior leaders representing key functions across our business, including the Office of Sustainability, Human Resources, Procurement, Office of the Chief Medical Officer, Commercial Representation, Government Affairs and Policy, Legal, Corporate Affairs and the Office of the Corporate Secretary. The EHRGC coordinates with other governance bodies that have relevance to our approach to human rights.

Two members of the Johnson & Johnson Executive Committee—the Executive Vice President, Chief Human Resources Officer; and the Executive Vice President, Chief Technical Operations & Risk Officer—serve as executive sponsors of our human rights program and provide executive support and oversight. The Regulatory Compliance & Sustainability Committee of the Johnson & Johnson Board of Directors provides oversight of management’s approach to human rights.

## Policies & Positions

Our [Position on Human Rights](#), first developed in 2012, sets out our commitment to respecting internationally recognized human rights in our own operations and across our value chain, as provided in the International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. Our approach is further guided by the United Nations Guiding Principles on Business and Human Rights, and the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises on Responsible Business Conduct. We have been a signatory of the United Nations Global Compact since 2013 and support the Ten Principles on human rights, labor, environment and anti-corruption set out in this framework.

In 2023, we updated our Position on Human Rights to reflect the establishment of a human rights framework that guides our priority focus areas and related action plans. The update was also informed through benchmarking external good practices for human rights commitment statements and the approaches of our industry peers.

Our Position on Human Rights outlines our commitments on fair working condition topics such as anti-modern slavery; child labor; freedom of association and collective bargaining; working hours and compensation; anti-discrimination and harassment; and safe and healthy working environments. Further to this, our [Anti-Human Trafficking Policy](#) prohibits the use of any forced or bonded labor in the manufacture of any product, or any component of a product, by or for any of our businesses; and our [Employment of Young Persons Policy](#) prohibits the employment of young persons (under the age of 18) anywhere in our business, other than in compliance with International Labour Organization Conventions (ILO Conventions) 138 and 182 and all applicable laws and regulations concerning age, hours, compensation, health and safety.

We expect our suppliers to share our commitment to respecting human rights, including fair working conditions, anti-modern slavery and child labor. All suppliers shall comply with our [Responsibility Standards for Suppliers \(RSS\)](#), which set forth our expectations around business practices.

Further information on our approach is also reflected in related ESG Policies & Positions, including but not limited to our:

- [Position on Employment and Labor Rights](#)

- [Position on Employee Compensation and Benefits](#)
- [Position on Providing a Discrimination-Free Workplace](#)
- [Position on Providing a Safe and Harassment-Free Workplace](#)
- [Position on Environmental Health & Safety Management](#)
- [Environmental Health & Safety Policy](#)
- [Position on Responsible Supply Base](#)

## Due diligence

We have due diligence processes and management systems in place to identify and address potential and actual human rights impacts, including fair working conditions, anti-modern slavery and child labor. We recognize that human rights due diligence is a process of continuous improvement, and we review and refine our approach on an ongoing basis.

In 2023, we strengthened due diligence on fair working conditions for our employees and workers in our supply base by more deeply integrating due diligence procedures, risk assessment and accountabilities into human resources and procurement management systems.

- **Our Workforce**

We believe in upholding our employees' rights as individuals in the workplace and in helping them thrive and prosper throughout their lifetime. We celebrate the richness that a diverse workforce brings to our businesses, and to each of us as individuals, and we practice inclusion so that everyone can be heard, recognized and rewarded.

Our Environmental Health and Safety (EH&S) Management approach is how we ensure compliance with our EH&S Policy, applicable regulatory requirements, and EH&S Standards. We aim to ensure that all our employees around the world, as well as temporary contractors and visitors to our sites, can work safely. Our workplace health and safety programs include adherence to our robust global safety standards, risk assessments, extensive training and communications. In 2023, we continued to deploy our Six Safety Habits to relevant J&J employees across our manufacturing and commercial organizations to reinforce our commitment to safety, ensure safety continues to be an essential part of our culture, and make sure everyone understands the role they can play.

In line with our commitment to fair working conditions, we continued in 2023 to implement an annual living wage assessment to ensure employees in all the countries in which we operate

receive pay that is both market competitive and sufficient to attain a sustainable standard of living. As in previous years, we made a small number of wage adjustments in countries to ensure our living wage standards were met.

- **Our Supply Base**

All suppliers shall comply with our [RSS](#), which set forth our expectations around business practices. We expect suppliers to demonstrate they have policies and management systems in place to identify, prevent, mitigate and account for their potential or actual negative impacts on human rights in their own operations, supply base and business relationships—including fair working conditions, anti-modern slavery and child labor.

Johnson & Johnson's approach encourages constructive engagement with our suppliers and aims to assist in building their capabilities in line with these Standards. Johnson & Johnson may disqualify any potential supplier or terminate any relationship with a current supplier that has failed to conform to these Standards.

In 2023, we continued to strengthen our processes and tools to identify, assess and address risks in our supply base as part of our compliance with laws and regulations and to check conformance to the Human and Labor Rights section of our RSS. Examples of key activities undertaken in 2023 are:

- **Risk screening:** Johnson & Johnson first-tier suppliers were monitored using a tech-enabled risk screening tool to evaluate risk across a range of potential human rights and environmental metrics—including fair working conditions, anti-modern slavery and child labor—using country and industry risk indicators.
- **EcoVadis Assessments:** Broad-based assessments of our suppliers' environmental, human rights, ethics and sustainable procurement capabilities—including fair working conditions, anti-modern slavery and child labor—were administered through EcoVadis. These assessments were completed by suppliers identified as potential high risk, as well as strategic suppliers that represent high spend and high impact to Johnson & Johnson. Depending on the risk(s) identified in a supplier's EcoVadis assessment score, further action may have been required. For example, low scoring suppliers must complete a re-assessment within a year, while higher scoring suppliers are required to repeat the

assessment on a two- or three-year basis. In 2023, 989 Johnson & Johnson suppliers completed EcoVadis assessments.

- **Human Rights audits:** We select suppliers for human rights audits if they have, for example, a low EcoVadis Labor and Human Rights score; they operate in a high-risk country or industry; and/or we identify risks relating to the supplier through other channels. Human Rights audits are conducted using the Sedex Members Ethical Trade Audit (SMETA) 4-pillar guidelines by an accredited external organization on behalf of Johnson & Johnson. A SMETA 4-pillar audit comprises labor standards, health and safety, management systems, human rights, recruitment, entitlement to work, subcontracting and homeworking, environmental assessment and business ethics.
- **Environmental Health & Safety (EH&S) audits:** We select suppliers for EH&S audits based on an overall risk assessment using EcoVadis scores, types of goods and services provided, and geographical location. EH&S site audits are conducted using the audit protocol developed by the Pharmaceutical Supply Chain Initiative (PSCI). New external manufacturers and new suppliers of Active Pharmaceutical Ingredients (APIs) or biologics located in a high-risk country are automatically selected for an on-site audit. In 2023, Johnson & Johnson completed over 150 supplier EH&S audits and technical visits.
- **Conflict Minerals:** As a member of the Responsible Minerals Initiative and in line with regulatory requirements, we remain committed to taking steps to determine the use, country of origin and source of tin, tungsten, tantalum and gold (3TG) in our global product portfolio. We support government and industry efforts to prevent human rights abuses in 3TG sourcing. For more information, see our [Position on Conflict Minerals](#) and SEC Filings (Form SD) on our [Investor webpage](#) for our 2023 Conflict Minerals Report.

## Grievance mechanisms

The Johnson & Johnson [Our Credo Integrity Line](#) provides a global, accessible channel for reporting concerns and is available 24 hours a day, 7 days a week, and in 24 languages. It is independent, secure and confidential, offering a safe mechanism for anonymous reporting (where permitted by local law) of suspected concerns or potential violations of our policies or the law. We do not tolerate threats or acts



of retaliation in any circumstance. We communicate the Our Credo Integrity Line so that employees and other stakeholders such as workers in our supply base can access this channel to raise grievances at any time.

Additionally, employees can report potential violations by telephone, e-mail or in person within their local business segment or to the Company's global internal audit & assurance, healthcare compliance, legal, security or human resources organizations.

## **Building knowledge and capabilities**

- **Our workforce**

Every Johnson & Johnson employee has a role to play in delivering on our commitment to respect human rights, including fair working conditions, anti-modern slavery and child labor.

Our [Code of Business Conduct](#) applies to all our employees around the world as well as identified contingent workers. The Code of Business Conduct is available in 27 languages and is designed to inform employees and contingent workers of relevant laws, Company policies and ethical standards, including fair working conditions. All Company employees and contingent workers are required to complete training on the Code of Business Conduct on a biannual basis and all new employees must complete training upon joining the Company.

This is supplemented by our Foundational Human Rights Learning and Education course, available to all employees globally. In addition, we provide training in responsible supply chain practices for all Procurement and other relevant employees, comprised of the Johnson & Johnson Responsibility Standards for Suppliers and our Foundational Human Rights Learning and Education course, both mandatory for all Procurement employees.

- **Our supply base**

In 2023, as part of Johnson & Johnson's Onward Sustainability Training Program for suppliers, we held a dedicated 'Anti-Modern Slavery' training session for suppliers to build awareness of Johnson & Johnson's RSS; modern slavery risks and the importance of conducting due diligence to identify, assess and address potential and actual risks.

## External engagement

We engage with a range of internal and external stakeholders in our due diligence processes to identify, assess and address potential and actual human rights impacts—including fair working conditions, anti-modern slavery and child labor—and take consideration of rightsholders that are potentially more vulnerable to human rights impacts.

We work with specialist human rights organizations to inform and support our approach to human rights and we participate in various external platforms to share insights and good practices across industry.

## Monitoring

We recognize the importance that tracking effectiveness plays in supporting continuous improvement of our approach to respecting human rights, including fair working conditions, anti-modern slavery and child labor. Examples of monitoring activities undertaken in 2023 are:

- Periodically updating our policies and positions to reflect our approach;
- Setting timebound annual action plans, aligned to priority focus areas and overseen by the EHRGC;
- Strengthening due diligence processes through post implementation analysis;
- Tracking metrics (e.g., suppliers completing EcoVadis Assessments; trainings completed; percentage of Our Credo Integrity Line inquiries and reports)<sup>4</sup>.

## Conclusion

We are committed to continuous improvement in our efforts to identify, prevent and remedy human rights impacts in our own operations and in our supply chain. As we make further progress, we will report on that progress through subsequent versions of this statement and other disclosures.

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<sup>4</sup> See Johnson & Johnson [Health for Humanity Report](#) for more information.