

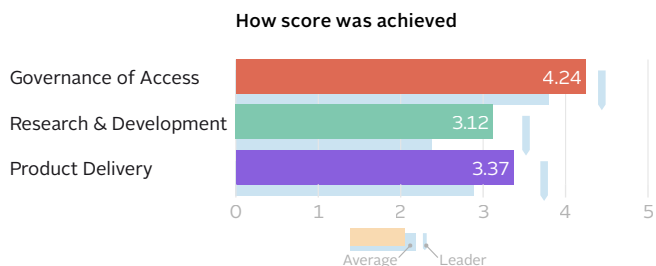
RANK	SCORE
5	3.43
2 (2022)	

Johnson & Johnson

Stock exchange: NYSE • Ticker: JNJ • HQ: New Brunswick, New Jersey, USA • Employees: 134,400

PERFORMANCE IN THE 2024 INDEX

5th place. Johnson & Johnson is a high-performing company. It performs strongly in Research & Development, where it has access plans in place for all pipeline projects. Additionally, it performs above average in Governance of Access and Product Delivery.



OPPORTUNITIES FOR JOHNSON & JOHNSON

Improve the quality and geographic reach of access plans for its non-communicable disease projects. Johnson & Johnson has access plans in place for all its late-stage R&D projects in the pipeline. These access plans focus mostly on registration in emerging markets. For example, its late-stage oncology projects focus primarily on registration preparation and include four countries in scope, on average. The company can expand these, for example, through equitable pricing and by broadening the geographic coverage of these plans to focus on more low- and lower-middle-income countries.

Expand access to its marketed products. Johnson & Johnson has access strategies in place for most of its marketed products assessed; however, these are mostly in upper-middle and lower-middle income countries. It can expand access in low-income countries through implementing access strategies and/or engaging in voluntary licensing. For example, it can increase access to ibrutinib (Imbruvica®),

indicated for multiple cancer types, and prioritised for licensing by public health organisations, through voluntary licensing and/or expanded access strategies.

Maintain a focus on diseases that impact populations in low- and middle-income countries (LMICs). Johnson & Johnson has announced the closure of its R&D infectious disease & vaccine unit, impacting R&D for diseases that disproportionately affect people living in LMICs. It can reaffirm its commitment to enhancing access to its products that target other diseases of global health significance, such as tuberculosis, and leprosy, through R&D access planning and equitable access strategies.

CHANGES SINCE THE 2022 INDEX

- In 2023, Johnson & Johnson granted the Stop TB Partnership's Global Drug Facility (GDF) appropriate licences, allowing it to tender, procure and supply generic versions of bedaquiline (Sirturo®) for the majority of LMICs.
- In September 2023, Johnson & Johnson publicly reported it will not enforce any of its patents for bedaquiline (Sirturo®) in 134 LMICs.
- In August 2023, Johnson & Johnson received primary award position in the GDF open competitive tender, providing a 55% price reduction on bedaquiline (Sirturo®).
- Marked over 2.4 billion doses of mebendazole (Vermox®) donated since 2006.
- Announced an agreement with Sanofi to advance the development of a potential first-in-class vaccine against extraintestinal pathogenic *E. coli* (ExPEC).
- Extended its ongoing long-term donation programme of mebendazole (Vermox® Chewable) in 2024 for an additional five years, ensuring up to 1 billion additional doses are available through 2030, to help control soil-transmitted helminthiasis.
- Launched a new initiative to formally integrate 100,000 community health workers into the Kenyan health system, as part of the Ministry of Health's Community Health Units for Universal Health Coverage (CHU4UHC) platform.
- Supported Empower School of Health to develop an online supply chain training curriculum for frontline health workers.
- Invested USD 15.1bn in R&D within its Innovative Medicine and MedTech sectors in 2023.

Johnson & Johnson

SALES AND OPERATIONS

Therapeutic areas: Cardiovascular, immunology, infectious diseases & vaccines, metabolism, retina & pulmonary hypertension, neuroscience, oncology

Product categories: Innovative medicines, MedTech

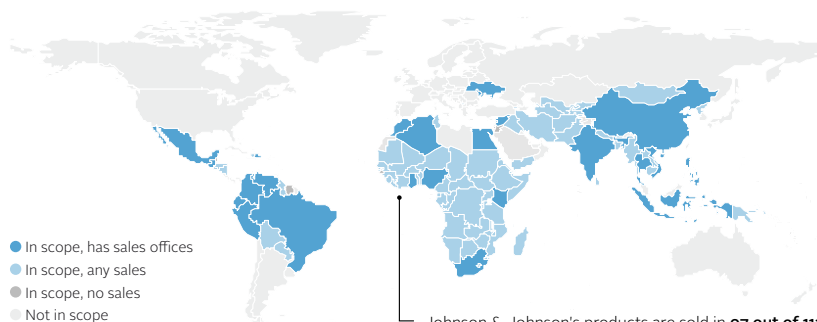
M&A news: Johnson & Johnson acquired Abiomed Inc. for USD 16.6bn in 2022. In 2024

it acquired Ambrx Biopharma Inc. for USD 2bn; Serotiny, Inc. for an undisclosed amount; and Shockwave Medical for USD 13.1bn USD. It divested 80% of its shares in Kenvue Inc. – formerly its consumer health business – and rights for Reminyl® to Essential Pharma in 2023 and 2024, respectively.

Sales by segment (2023) – in USD

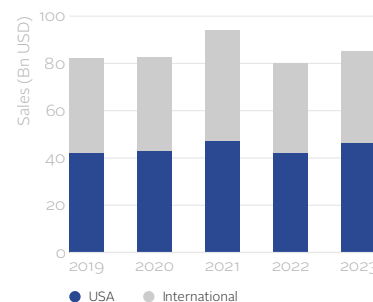
Innovative medicines	54.76 bn
MedTech	30.40 bn
Total	85.16 bn

Sales in countries in scope



Johnson & Johnson's products are sold in **97 out of 113 countries** in scope of the Index. Johnson & Johnson has sales offices in 24 countries and sells via suppliers and/or pooled procurement in an additional 73 countries.

Sales by geographic region



SAMPLE OF PIPELINE AND PORTFOLIO ASSESSED BY THE INDEX

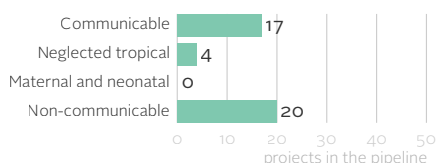
PIPELINE for diseases in scope

Johnson & Johnson has 41 R&D projects in scope, 21 of which target priority diseases, focusing on TB (10) and dengue (3). The remaining 20 projects target other diseases in scope, including cancer (11), cardiovascular diseases (4) and depressive disorders (4). Of the 41 R&D projects, 17 projects are in late-stage development, with evidence of access planning for 100% (17/17) of these.

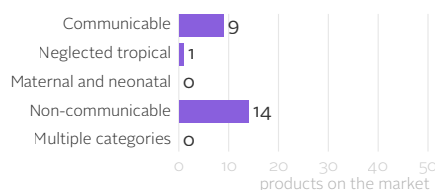
PORTFOLIO as selected for analysis by the Index

Johnson & Johnson has 24 products in scope, including 22 medicines that target various diseases in scope and 2 vaccines, including a vaccine targeting Ebola. Of its 22 medicines, 9 are listed on the WHO EML. Most of its medicines are on patent (18). Its medicines for communicable diseases include HIV (6) and TB (1); its medicines targeting non-communicable diseases include treatments for cancer (8) and diabetes (2).

41 projects in the pipeline



24 products in the portfolio



Breakdown of projects

	Discovery	Pre-clinical	Phase I	Phase II	Phase III	Phase IV	Approval	Other	Total
Targets established R&D priorities	8	4	1	5	1	0	1	1	21
with access plan				5	1	0	1		7
Other projects in scope			10	2	6	0	2	0	20
with access plan			2	6	0	2			10

Breakdown of products

	WHO EML	Non-EML	WHO EDL	Other	Total
Medicines on patent	6	12			18
off patent	3	1			4
Vaccines	0	2			2
Contraceptives	0	0			0
Diagnostics			0		0
Other				0	0

Johnson & Johnson

GOVERNANCE OF ACCESS

RANK 6

SCORE 4.24

6th place. Johnson & Johnson performs above average in this Technical Area. It has a comprehensive access-to-medicine strategy integrated within its overall corporate strategy, as well as direct board-level responsibility for access. The company provides a patient reach process that covers one product and all countries in scope, and has a measurable patient reach goal. Further, Johnson & Johnson has a robust set of controls to promote ethical conduct and mitigate risk to ensure that governance efforts are not undermined by non-compliant or corrupt activities.

The highest responsibility for access lies directly with the Board. Johnson & Johnson incentivises its senior executives and regional managers to act on access to medicine with financial and non-financial rewards. Senior management, including the CEO, have enterprise-level targets, as well as access-related performance indicators, including KPIs to improve access to medicine, as part of their annual goals and objectives.

Comprehensive access-to-medicine strategy integrated within the overall corporate strategy. Its strategy, embedded in its Access and Pricing Principles, covers all therapeutic areas in which the company is involved. Johnson & Johnson publicly discloses its commitments to access to medicine, along with company-specific measurable targets, goals and objectives. Reporting is clear, linked to these goals, centrally available, and updated regularly in its Health for Humanity Report.

Shows comparatively strong commitment to responsible business practices. Johnson & Johnson sets individual-level targets for sales agents, but incentives are not solely based on sales volume. It also incentivises sales agents on qualitative performance indicators like technical knowledge and service quality to healthcare professionals. It also does not have marketing and sales agents for some products related to diseases in scope, like HIV/AIDS medicines. The company has a global policy on ensuring ethical interactions with healthcare professionals and declares that transfers of value to healthcare professionals (e.g., payments for facilitating scientific workshops) are made at fair market value. However, it only publicly discloses information on such payments in countries in scope if required by law or local regulation.

Has robust set of controls to promote ethical conduct and mitigate risk to ensure that governance efforts are not undermined by non-compliant or corrupt activities. Johnson & Johnson performs strongly in this respect.

It has policies to mitigate non-compliance risks, including processes to ensure third-party compliance with company standards, fraud-specific risk assessments and region or country risk-based assessments. It also has an ethical decision-making framework for employees. No breaches in countries in scope were found in the period of analysis.

Johnson & Johnson publicly supports the Doha Declaration on TRIPS and Public Health. However, it expresses reservations on some provisions of TRIPS flexibilities, namely compulsory licensing. The company states that compulsory licensing should be used in certain limited circumstances.

Fulfils some criteria across 4 processes for measuring and reporting patient reach. The process for its bedaquiline product (for the treatment of multidrug-resistant TB), which covers all countries (where the company operates) in scope of the Index, Johnson & Johnson publicly provides the metrics. The resulting patient reach numbers are published regularly and demonstrate improvements, including potential cases averted based on WHO data. The process also has a measurable patient reach goal but no associated health outcomes goal was identified.

RESEARCH & DEVELOPMENT

RANK 3

SCORE 3.12

3rd place. Johnson & Johnson performs strongly in this Technical Area. It has a medium-sized priority pipeline, but the number of projects has decreased. It has access plans in place for all late-stage pipeline candidates – although plans for non-communicable disease projects mostly focus on registration preparation in emerging markets. It performs strongly in R&D capacity building and has an access planning framework, with public commitments to access planning from Phase II onwards. However, it does not publicly disclose disaggregated R&D investment data.

Structured process in place to develop access plans during R&D. The process is intended to be applied to all R&D projects in scope, no later than Phase II. The company makes a public commitment addressing its systematic approach to access planning for LMICs.

Large-sized priority R&D pipeline, compared to peers, with access plans in place for 100% (7/7) of the late-stage candidates. Priority R&D pipeline of 21 projects, including 7 late-stage projects that target a priority gap. The company focuses on various priority areas, including TB and dengue. Of Johnson & Johnson's 7 late-stage candidates targeting a priority product gap, 7 (100%) have evidence of an access plan in place,

mostly focusing on registration preparation and including special populations in clinical trials.

Average-sized pipeline, compared to peers, addressing other diseases in scope, with 100% (10/10) of late-stage projects covered by access plans. The company has 10 late-stage R&D projects targeting diseases in scope that have not been established as a priority by global health stakeholders. The projects mainly target cancer, cardiovascular diseases and depressive disorders. Johnson & Johnson provides evidence of access plans for all 10 late-stage projects, including registration preparation, equitable pricing and the inclusion of special populations in clinical trials.

Johnson & Johnson does not publicly disclose R&D investment data disaggregated by disease category, product type or phase of development. However, it does disclose anonymised disaggregated R&D investment data to Impact Global Health (formerly Policy Cures Research).

Four of the five R&D capacity building initiatives included for analysis meet all Good Practice Standards (GPS). One example is the Clinical Trials Community Africa Network (CTCAN). Johnson & Johnson is one of the parties involved in the initiative, which aims to build clinical trial capacity in sub-Saharan Africa.

Johnson & Johnson

PRODUCT DELIVERY

RANK 6

SCORE 3.37

6th place. Johnson & Johnson performs above average in this Technical Area. The company has access strategies for its products and reports some information on the outcomes; however, reach in low-income countries is limited. It no longer shows evidence of new intellectual property sharing agreements with drug discovery initiatives or research institutions, but it has a non-exclusive voluntary licensing agreement for one compound. Nearly all capacity building initiatives included meet all Good Practice Standards.

Johnson & Johnson registers newer products* in 18 countries in scope on average. The company registers 67% of products assessed in at least 1 of the 10 countries with the highest disease burden.** Its COVID-19 vaccine (Johnson & Johnson COVID-19 vaccine) is most widely registered, totalling 41 countries in scope. The company reports engaging in multiple mechanisms to facilitate registration for multiple products, such as the WHO Collaborative Registration Procedure.

Supplies 3 products in scope through different supranational agreements. Johnson & Johnson supplies 3 products, indicated for MDR-TB, COVID-19 and HIV, via different procurers. For 2 of the 3 products assessed in this category, the company demonstrates access strategies in at least one country not eligible for supranational supply. For the third product, bedaquiline (Sirturo®), the company stated that as of August 2023, all countries in scope were eligible to procure via the Stop TB Global Drug Facility supranational supply mechanism.

Quality of access strategies for healthcare practitioner (HCP)-administered products varies across products and countries, with some information on outcomes. For 2 of the 5 products selected for analysis, Johnson & Johnson provides access strategy examples in all 3 country income classifications (UMIC, LMIC, LIC); 3 products lack access strategies in LICs. Access strategies in UMICs are more comprehensive in addressing product- and country-specific barriers to access, including additional strategies to complement pricing ones. However, in the majority of the LMIC and LIC examples analysed, the company provides evidence of initiatives to strengthen health systems and build capacity to ensure the continuum of care for the product. The company has high-level goals to increase access to its products and provides evidence of the number of patients reached, but did not share detailed approaches on how it measures this outcome and tracks the progress of its access strategies.

Provides evidence of access strategies for most self-administered products, supported by some information on outcomes. For 2 of the 5 products selected for analysis, Johnson & Johnson provides access strategy examples in all 3 country income classifications (UMIC, LMIC, LIC); 3 products lack access strategies in LICs. The company provides evidence of considering different payers' ability to pay in setting its pricing strategies and applying

patient access programmes. Furthermore, all access strategies analysed are complemented by additional strategies, such as healthcare professional education. The company has goals to increase access to its products and provides evidence of plans for advancing this. For almost all of the products analysed, it provides evidence of patient reach; in some instances, supported by more details on the approaches applied to measure outcomes.

Johnson & Johnson publicly commits not to enforce patents for only 2 products. In September 2023, Johnson & Johnson committed not to enforce patents for bedaquiline (Sirturo®), indicated for multidrug-resistant TB in 134 LMICs. Previously, in 2012, Johnson & Johnson committed not to enforce patents for darunavir (Prezista®) in sub-Saharan Africa and least developed countries and in 2015 it expanded the policy to paediatric formulations in additional countries.

Publicly discloses product patent status for countries in scope. Like most peers, Johnson & Johnson publicly discloses patent information for small molecules in scope via the Pat-INFORMED database, including information such as filing date, grant number, grant date and jurisdiction.

Johnson & Johnson has 1 non-exclusive voluntary licensing agreement to enable generic supply of rilpivirine, indicated for HIV. The licence was issued in 2011 and covers 85 countries in scope. The terms of the licence are not publicly available.

All 5 manufacturing capacity building initiatives included for analysis meet all GPS. In 1 initiative, Johnson & Johnson is transferring technology to a manufacturer in one country in scope for secondary packaging for one of the company's oncology products. The transfer includes training, expertise and pharmacological data.

Four of the five supply chain capacity building initiatives included for analysis meet all GPS. For example, Johnson & Johnson funded Empower School of Health, East, Central and Southern African College of Nursing (ECSACONM) and the Ecumenical Pharmaceutical Network (EPN) to develop a free, online supply chain management training curriculum for frontline health workers. The curriculum is available in 5 countries in scope.

All 5 health system strengthening initiatives included for analysis meet all GPS. For example, Johnson & Johnson supports multiple initiatives tackling underdiagnosis of TB in 6 countries in scope. The company and partners launched a youth TB awareness and care programme in the Philippines, targeting at-risk 15-24-year-olds for education, screening, and to support the promotion of early diagnosis and treatment.

Johnson & Johnson remains engaged in existing IP-sharing agreements with public research institutions and drug discovery initiatives to accelerate drug development. In 1 agreement, the company shared IP assets with the Clinton Health Action Initiative and PENTA to accelerate development of a paediatric fixed-dose combination HIV treatment. However, Johnson & Johnson has not engaged in new agreements during the period of analysis.

Fulfils all criteria for ad hoc donations. Johnson & Johnson has public policies and supply processes to carry out ad hoc donations rapidly in response to expressed need, with delivery monitored to ensure donations reach patients. Additionally, the company publicly commits to adhering to the most recent WHO Guidelines for Medicine Donations.

Johnson & Johnson publicly commits to continue long-term donation programme to support the control of soil-transmitted helminthiasis. Its programme is active in 55 countries in scope, with the company extending its commitment to donate mebendazole (Vermox® Chewable) through 2030 to help control soil-transmitted helminthiasis.

Fulfils all criteria for mechanisms to ensure continuous supply in LMICs. For example, Johnson & Johnson is transferring technology for the production of a product, indicated for HIV, to manufacturers in a country in scope to supply to the local market.

Johnson & Johnson has a procedure for reporting substandard and falsified medicines in countries in scope. It reports cases to national or local regulatory authorities within 5 days. The company discloses that it aims to report within 2 days if the case presents a direct and serious or life-threatening risk to a patient or healthcare professional. Further, it distinguishes quicker reporting timeframes for cases that only require visual inspection for confirmation.

No evidence of inclusive business models that meet inclusion criteria. However, Johnson & Johnson engages in initiatives that address access needs of neglected populations, including through patient access programmes.

*Products that received their first marketing authorisation within the last 5 years.

**For one product assessed, global burden of disease data is only available for two countries.