

## Independent Assurance Statement to Johnson & Johnson

ERM Certification and Verification Services (ERM CVS) was engaged by Johnson & Johnson (J&J) to provide limited assurance on the consolidated 2016 and 2017 progress against the Company’s 2020 Targets related to its SDG 2030 vision and aspirations as presented in the Johnson & Johnson 2017 Health for Humanity Report and on jnj.com.

### Our conclusion

Based on our assurance activities, nothing has come to our attention to indicate that the consolidated 2016 and 2017 progress reported against the 2020 SDG targets in the SDG Progress Scorecard as presented on pages 22 to 25 in the Report is not, in all material respects, fairly presented.

### Limitations

The reliability of the assured information is subject to inherent uncertainties, given the nature of the ambitious J&J aspirations and targets and the dependence on partner organisations to deliver programs and provide performance information, as well as the use of estimates, assumptions and extrapolations to report progress. J&J describes these uncertainties in ‘The Challenges of reporting and assuring progress against the SDG goals’ on page 25 of the Report. It is important to understand our assurance conclusions in this context. Regarding the information on jnj.com, we provide no assurance over changes to the content of the web-based information after the date of this assurance statement.

### Our assurance activities

We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusions. A multi-disciplinary team of sustainability and assurance specialists performed assurance procedures as follows:

- A review of the 2020 SDG goal definitions, underlying programs and reporting guidance, where available.
- A visit to J&J Corporate Offices in New Brunswick, NJ and a number of conference calls in order to:
  - interview J&J management representatives to understand the Vision 2030 strategy and the philosophy behind the goals and 2020 targets;
  - understand and evaluate the systems and processes used to manage the performance commitments, related programs and associated partner organisations, and monitor progress against these;
  - interview goal owners and business unit representatives involved in collecting, evaluating and reporting progress against the 2020 targets.

### Engagement Summary

<b>Scope of our assurance engagement</b>	Whether the consolidated progress for the two-year period ending 31 December 2017 against the 2020 targets as presented in the 2017 SDG Progress Scorecard on pages 22 to 25 in the 2017 Health for Humanity Report (the Report) and on jnj.com is fairly presented, in all material respects.
<b>Reporting criteria</b>	The 2020 targets (under Vision 2030) as described in the Progress Scorecard.
<b>Assurance Standard</b>	ERM CVS’ assurance methodology, based on the International Standard on Assurance Engagements (ISAE 3000 Revised).
<b>Assurance level</b>	Limited assurance.
<b>Respective responsibilities</b>	J&J is responsible for preparing the Report and for the collection and presentation of the information within it. ERM CVS’ responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and on exercising our professional judgement.

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- Interviews with selected J&J Partners responsible for delivering programs and providing the data used to report the 2016 and 2017 progress towards the targets.
- A review of completeness and the consolidation of the program results in 2016 and 2017 for each target in order to reduce the risk of double counting and to understand assumptions as well as overlaps with some of the J&J Health for Humanity 2020 goals for which we undertook a separate assurance engagement.
- A review of the explanatory notes in the 'Notables' column in the SDG Progress Scorecard and in the section on 'The Challenges of reporting and assuring progress against the SDG goals' to ensure consistency with our findings.

**Our independent commentary and observations**

We have provided J&J with a separate confidential Management Report. In addition to, and not affecting our formal assurance conclusion above, we have the following key observations:

J&J has reported considerable progress in the first 2 years of the 5-year SDG goal period. Taking into account the ambitious nature of the goals and targets and the extensive range of supporting programs with many partners around the world, the results achieved to date demonstrate the positive impacts of the Company's 2030 vision and underline the extensive effort and investment in 2016 and 2017. J&J recognises that the collection and reporting of reliable and consistent performance information and data in relation to these targets is challenging, and it may be difficult in some instances to reach a final data point that does not use extrapolations, estimates, or assumptions. Further work is also needed to improve

the detailed data collection processes from partner organisations. This should focus on areas where there is potential for double counting of beneficiaries, whether through geographic overlap of different programs or through multiple touchpoints with the same individual or, conversely, to improve completeness and avoid underreporting through timely reporting by all program partners.



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 04 June 2018



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