

[Johnson & Johnson: Rule 14a-8 Proposal, November __, 2021]

[This line and any line above it – Not for publication.]

ITEM 4*: Report on public health cost of protecting vaccine technology

RESOLVED, shareholders ask that the Board of Directors commission and publish a report on (1) the public health costs created by the limited sharing of the Company's COVID-19 vaccine technologies and any consequent reduced availability in poorer nations and (2) the manner in which such costs may affect the market returns available to its diversified shareholders.

Supporting Statement:

A recent headline emphasizes the financial rewards accruing to the Company for being an early developer of a COVID-19 vaccine: "Johnson & Johnson Stock Gains as Vaccine Sales Boost Q3 Earnings, 2021 Forecasts."¹

But while the Company is boosting earnings with vaccine sales, many countries struggle to obtain vaccines for their most susceptible communities. The imbalance in COVID-19 vaccination between rich and poor countries is striking: As of early September 2021, more than 50 percent of U.S. and European Union populations were fully vaccinated, compared with just 3 percent of Africa's population.²

This vaccine inequality is caused in part by the enforcement of patents and limitations on technology transfer designed to prevent competition.³ Civil society and government leaders—including U.S. President Biden—have called for waivers of intellectual property rights to vaccine technology. Human rights organization Oxfam has called for governments and corporations to suspend patent rules and openly share technology.⁴ Some argue that such moves would disincentivize investment and lead to low-quality vaccines, but others have exposed the weaknesses in these arguments.⁵ The Company has not been neutral in this debate; it supports a trade group that lobbies against patent waivers.⁶

To the extent our Company is increasing its own financial returns by preventing vaccine production in poorer nations, its own increased profits are coming at a severe cost to the global economy, because failure to vaccinate the world's vulnerable communities is inhibiting worldwide economic recovery and creating opportunities for more dangerous SARS-CoV-2 variants to develop.

This is a bad trade for most of the Company's shareholders, who are diversified and thus rely on broad economic growth to achieve their financial objectives. A Company strategy that increases its own financial returns but threatens global GDP is counter to the best interests of most of its shareholders: the

¹ <https://www.thestreet.com/markets/johnson-johnson-stock-gains-as-vaccine-sales-boost-q3-earnings>

² <https://www.cnn.com/2021/09/07/who-says-wealthy-nations-are-prolonging-pandemic-by-hoarding-covid-treatments-and-vaccines.html> (citing World Health Organization).

³ *Supra*, n.2.

⁴ <https://www.oxfam.org/en/take-action/campaigns/covid-19-vaccine>

⁵ <https://inthesetimes.com/article/pfizer-moderna-vaccine-apartheid-trips-waiver-wto-intellectual-property-patents>

⁶ <https://www.msn.com/en-us/news/other/big-pharma-lobbyists-launch-campaign-against-biden-over-covid-vaccine-patent-waiver/ar-AAKBxDs>

potential drag on GDP created by hoarding vaccine technology will directly reduce diversified portfolio returns over the long term.⁷

Despite this risk, the Company has not disclosed any analysis of the trade-offs between Company profit and global public health from the perspective of its largely diversified shareholders, whose investment portfolios may be at grave risk from undue limitations on vaccine production.

The requested report will help shareholders determine whether current Company policies serve shareholders' best interests.

Please vote for: Report on public health cost of protecting vaccine technology – Proposal [4*]

[This line and any below are *not* for publication]

Number 4* to be assigned by the Company

⁷ https://www.unepfi.org/fileadmin/documents/universal_ownership_full.pdf