2018 Q1-3 PROGRESS UPDATE

Following is the summary of Johnson & Johnson's progress in meeting its palm oil commitments so far in 2018:

- In an effort to increase transparency in its supply chains, Johnson & Johnson published a list of its top direct suppliers who gave permission for such disclosure. These suppliers represent about 83% of the Company's palm oil derivatives volumes. In addition, Johnson & Johnson published a list of potential mills that its direct suppliers provided to Earthworm Foundation and that they gave permission to disclose.
- In an attempt to optimize its efforts around verification and actions surrounding non-conforming producers, Johnson & Johnson also significantly refined its non-conformance process to differentiate the types of action pathways it may take as a palm oil derivatives buyer. Based on this revised approach, Johnson & Johnson has taken the following actions:
  - 3 producers have been removed following Johnson & Johnson's requests
  - 2 subsidiaries of producers in Johnson & Johnson's extended supply chain are facing commercial restrictions
  - 8 producers are at various stages of Earthworm Foundation's High Impact Supplier Program (HISP)
  - 5 producers are awaiting viability assessments for inclusion in the HISP

Lastly, Johnson & Johnson initiated two additional partnerships to create impact on the ground – one with Ecohealth Alliance in Liberia and another in the final stages of development with a global NGO in Malaysia.