## Johnson & Johnson Shareholder Meeting - Item #6 Statement National Center for Public Policy Research, April 28, 2022

For years Johnson & Johnson has been engaging in Diversity, Equity and Inclusion policies (otherwise known as "DEI" policies).<sup>1</sup> The company's "senior leaders" have "DEI-related goals embedded in their work plans," achievement of which is "incorporated in compensation." The company also "deliver[s] unconscious bias training to reinforce inclusion in [its] corporate culture, policies and processes....<sup>2</sup>

But what DEI policies such as the aforementioned overlook is that there is much disagreement across the ideological spectrum over whether instead of combatting discrimination, DEI practices actually foment a discriminatory environment due to its insistence on placing superficial characteristics such as race, sex, and sexual orientation above merit.

In doing so, DEI polices can lead to discrimination against groups that the company doesn't recognize as "diverse." They are grounded in principles such as Critical Race Theory, which reduces human existence to surface elements that no one can control – like skin tone or sex.

That's why our proposal seeks to ensure that ALL employees – not just those deemed diverse by the company – feel included and receive equal treatment when it comes to workplace dynamics and career advancement. But as the company points out in its opposition statement, progress on DEI goals is a consideration when it comes to the company's compensation and benefits program.<sup>3</sup> It is difficult to therefore reconcile the company's DEI policy with its non-discrimination policy, when it attaches financial incentives to necessarily suppressing the advancement of those the company deems "non-diverse."

In its opposition statement, the company also proffers the results of its Our Voice Survey as proof of employee satisfaction with its DEI initiatives; however, this survey appears to be conducted by the company itself. If true, this means its results only serve to underscore the need for our proposal, which allows for an unbiased third-party to conduct an audit to provide a true picture of employee sentiment of DEI policies.

Voting "yes" on Item 6 would provide shareholders and the public with an impartial assessment of how the company's policies and practices are impacting the business and potentially causing discrimination in the name of opposing it.

Please vote "YES" on Item 6. Thank you.

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<sup>&</sup>lt;sup>1</sup> See <u>https://www.jnj.com/johnson-johnson-releases-inaugural-you-belong-diversity-inclusion-impact-review;</u> <u>https://www.jnj.com/johnson-johnson-to-address-racial-and-social-injustice-through-platform-that-aims-to-</u>

eliminate-health-inequities-for-people-of-color; https://www.jnj.com/about-jnj/diversity; https://youbelong.jnj.com/ <sup>2</sup> https://youbelong.jnj.com/\_document/johnson-diversity-equity-inclusion-impact-review-

<sup>&</sup>lt;sup>3</sup> <u>https://www.investor.jnj.com/annual-meeting-materials/2022-proxy-statement</u>

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