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MARC.GERBER@SKADDEN.COM

BY EMAIL (shareholderproposals@sec.gov)

December 1, 2021

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

RE: Johnson & Johnson – 2022 Annual Meeting
Omission of Shareholder Proposal of
Laurent Ritter

Ladies and Gentlemen:

Pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), we are writing on behalf of our client, Johnson & Johnson, a New Jersey corporation, to request that the Staff of the Division of Corporation Finance (the "Staff") of the U.S. Securities and Exchange Commission (the "Commission") concur with Johnson & Johnson's view that, for the reasons stated below, it may exclude the shareholder proposal and supporting statement (the "Proposal") submitted by Tulipshare Limited ("Tulipshare") on behalf of Laurent Ritter (the "Proponent") from the proxy materials to be distributed by Johnson & Johnson in connection with its 2022 annual meeting of shareholders (the "2022 proxy materials").

In accordance with Section C of Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("SLB 14D"), we are emailing this letter and its attachments to the Staff at shareholderproposals@sec.gov. In accordance with Rule 14a-8(j), we are simultaneously sending a copy of this letter and its attachments to Tulipshare, on behalf

of the Proponent, as notice of Johnson & Johnson's intent to omit the Proposal from the 2022 proxy materials.

Rule 14a-8(k) and Section E of SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the shareholder proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponent that if the Proponent, or Tulipshare on the Proponent's behalf, submits correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to Johnson & Johnson.

I. The Proposal

The text of the resolution contained in the Proposal is set forth below:

> **RESOLVED**: Shareholders of Johnson & Johnson ("JNJ"), in recognition of the social justice and public health issues raised by multiple organizations and agencies, recommend that JNJ discontinue global sales of its talc-based Baby Powder.

II. Basis for Exclusion

We hereby respectfully request that the Staff concur in Johnson & Johnson's view that it may exclude the Proposal from the 2022 proxy materials pursuant to Rule 14a-8(i)(7) because the Proposal deals with matters relating to Johnson & Johnson's ordinary business operations.

III. Background

On October 28, 2021, Johnson & Johnson received the Proposal, sent via FedEx, accompanied by a cover letter from Tulipshare dated October 26, 2021 and an authorization letter from the Proponent dated October 26, 2021. On October 29, 2021, Johnson & Johnson sent a letter, via email, to Tulipshare requesting a written statement from the record owner of the Proponent's shares verifying that the Proponent had beneficially owned the requisite number of shares of Johnson & Johnson common stock continuously for at least the requisite period preceding and including the date of submission of the Proposal (the "Deficiency Letter"). On November 12, 2021, Johnson & Johnson received a letter, sent via email, from Societe Generale Private Banking verifying the Proponent's continuous ownership of at least the requisite amount of stock for at least the requisite period (the "Broker Letter"). Copies of the Proposal, cover letter, Deficiency Letter, Broker Letter and related correspondence are attached hereto as Exhibit A.

IV. The Proposal May be Excluded Pursuant to Rule 14a-8(i)(7) Because the Proposal Deals with Matters Relating to Johnson & Johnson's Ordinary Business Operations.

Under Rule 14a-8(i)(7), a shareholder proposal may be excluded from a company's proxy materials if the proposal "deals with matters relating to the company's ordinary business operations." In Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"), the Commission stated that the policy underlying the ordinary business exclusion rests on two central considerations. The first recognizes that certain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight. The second consideration relates to the degree to which the proposal seeks to "micro-manage" the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.

In accordance with these principles, the Staff consistently has permitted exclusion under Rule 14a-8(i)(7) of shareholder proposals implicating or relating to a company's litigation strategy and the conduct of ongoing litigation to which the company is a party. *See, e.g.*, *Chevron Corp.* (Mar. 30, 2021)* (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report analyzing how the company's policies, practices and the impacts of its business perpetuate racial injustice and inflict harm on communities of color where the company was involved in litigation seeking to hold the company liable for its alleged role in climate change and the alleged resulting injuries, including the alleged harmful impacts of climate change on communities of color); *Wal-Mart Stores, Inc.* (Apr. 13, 2018) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report on the risks associated with the company's gender pay gap where the company was involved in lawsuits relating to gender discrimination, noting that the proposal would "affect the conduct of ongoing litigation relating to the subject matter of the [p]roposal to which the [c]ompany is a party"); *General Electric Co.* (Feb. 3, 2016) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company issue a report assessing all potential sources of liability related to PCB discharges in the Hudson River while the company was a defendant in multiple pending lawsuits alleging damages related to the company's alleged past release of chemicals into the Hudson River, noting that "the company is presently involved in litigation relating to the subject matter of the proposal"); *Wal-Mart Stores, Inc.* (Apr. 14, 2015) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company prepare an annual report on company actions taken to eliminate gender-based pay inequity where the company was involved in pending lawsuits relating to gender-based pay discrimination, noting the company "is presently involved in litigation relating to the subject matter of the

* Citations marked with an asterisk indicate Staff decisions issued without a letter.

proposal"); *Johnson & Johnson* (Feb. 14, 2012) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report to address the "health and social welfare concerns of people harmed by adverse effects from Levaquin" where the company was litigating cases involving claims that individuals had been injured by the product referenced in the proposal, noting that "the company is presently involved in litigation relating to the subject matter of the proposal"); *Reynolds American, Inc.* (Mar. 7, 2007) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company make statements detailing the health hazards of secondhand smoke, noting that the proposal relates to the company's "ordinary business operations (i.e., litigation strategy)"); *AT&T Inc.* (Feb. 9, 2007) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report containing specified information regarding the alleged disclosure of customer records to governmental agencies, noting that the proposal relates to the company's "ordinary business operations (i.e., litigation strategy)").

In this instance, the Proposal involves the same subject matter as, and implicates Johnson & Johnson's litigation strategy in, pending lawsuits to which Johnson & Johnson is a party involving talc-based Baby Powder. Johnson & Johnson currently is involved in thousands of personal injury claims alleging that talc causes cancer arising out of the use of body powders containing talc, primarily Johnson & Johnson's Baby Powder. Lawsuits have been filed in state and federal courts in the United States as well as in courts outside the United States. The majority of cases are pending in federal court, organized into a multi-district litigation in the United States District Court for the District of New Jersey.[1] The Proposal directly relates to and implicates the ongoing litigation by recommending that Johnson & Johnson "discontinue global sales of its talc-based Baby Powder," while noting that Johnson & Johnson "has been inundated with personal injury lawsuits linking the use of its talc-based Baby Powder to cancer" and advocating for Johnson & Johnson to "halt the sale of its talc-based Baby Powder globally to protect women and marginalized communities." A principal legal issue in the foregoing lawsuits is the safety of Johnson & Johnson's talc-based Baby Powder, including whether such Baby Powder caused certain alleged injuries. Thus, the Proposal recommends that Johnson & Johnson take action relating to the subject matter of pending lawsuits, and implementing the Proposal would, therefore, affect Johnson & Johnson's litigation strategy and intrude upon management's exercise of its day-to-day business judgment with respect to pending litigation in the ordinary course of business operations.

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[1] For more information regarding the pending lawsuits to which Johnson & Johnson is a party involving talc-based Baby Powder, please refer to Johnson & Johnson's 2020 Annual Report on Form 10-K filed with the Commission on February 22, 2021 and Quarterly Report on Form 10-Q filed with the Commission on October 29, 2021. Select excerpts of those filings are attached hereto as Exhibit B.

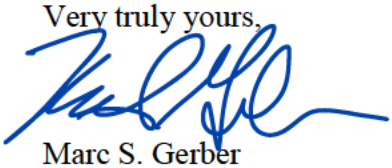
We note that a proposal ordinarily may not be excluded under Rule 14a-8(i)(7) if it is determined to focus on a significant policy issue. Despite this, the Staff has found that proposals addressing a company's litigation strategy are "inherently the ordinary business of management to direct" and are thus excludable under Rule 14a-8(i)(7) regardless of whether or not they focus upon a significant policy issue. *See Philip Morris Companies Inc.* (Feb. 4, 1997). In this instance, the Proposal implicates Johnson & Johnson's litigation strategy and decisions involving its litigation strategy, which are ordinary business matters. Therefore, whether the Proposal also implicates any significant policy issues is irrelevant to determining whether the Proposal may be excluded under Rule 14a-8(i)(7).

Accordingly, the Proposal should be excluded from Johnson & Johnson's 2022 proxy materials pursuant to Rule 14a-8(i)(7) as relating to Johnson & Johnson's ordinary business operations.

V. Conclusion

Based upon the foregoing analysis, Johnson & Johnson respectfully requests that the Staff concur that it will take no action if Johnson & Johnson excludes the Proposal from its 2022 proxy materials. Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of Johnson & Johnson's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response. Please do not hesitate to contact the undersigned at (202) 371-7233.

Very truly yours,



Marc S. Gerber

Enclosures

cc: Matt Orlando
Worldwide Vice President, Corporate Governance and Corporate Secretary
Johnson & Johnson

Antoine Argouges
Chief Executive Officer
Tulipshare Limited

EXHIBIT A

(see attached)

Via FedEx

Tulipshare Ltd.
64 Nile Street, International House
London, England, N1 7SR UK

Office of the Corporate Secretary
One Johnson & Johnson Plaza
New Brunswick, New Jersey 08933
Attn: Corporate Secretary

October 26, 2021

Re: Shareholder proposal for 2022 Annual Shareholder Meeting

Dear Corporate Secretary,

Tulipshare Limited ("Tulipshare") is filing a shareholder proposal on behalf of Laurent Ritter ("Proponent"), a shareholder of Johnson & Johnson (the "Company"), for action at the next annual meeting of Johnson & Johnson. The Proponent submits the enclosed shareholder proposal for inclusion in the Company's 2022 proxy statement, for consideration by shareholders, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

The Proponent has continuously beneficially owned, for at least one year as of the date hereof, at least $25,000 worth of the Company's common stock. Verification of this ownership will be sent under separate cover. The Proponent intends to continue to hold such shares through the date of the Company's 2022 annual meeting of shareholders.

A letter from the Proponent authorizing Tulipshare to act on his behalf is enclosed. A representative of the Proponent will attend the stockholders' meeting to move the resolution as required.

The Proponent is available to meet with the Company via teleconference between the hours of 11am-12pm EST on November 22 - 24, 2021. The Proponent may be contacted at [redacted].

We are available to discuss this issue and appreciate the opportunity to engage and seek to resolve the Proponent's concerns. We may be contacted by email at antoine@tulipshare.com to schedule a meeting and to address any questions. Please send any future correspondence regarding the proposal to this address.

Sincerely,

Antoine Argouges
Tulipshare Ltd., CEO
Encl: Authorization letter

Laurent Ritter
PII
[redacted]

Office of the Corporate Secretary
One Johnson & Johnson Plaza
New Brunswick, New Jersey 08933
Attn: Corporate Secretary

October 26, 2021

To: Corporate Secretary at Johnson & Johnson:

I hereby authorize Tulipshare Ltd. to file a shareholder resolution on my behalf for the Johnson & Johnson 2022 annual shareholder meeting. The specific topic of the proposal is requesting that Johnson & Johnson discontinue global sales of its talc-based Baby Powder in recognition of the social justice and public health issues raised by multiple organizations and agencies.

I support this proposal and specifically give Tulipshare Ltd. full authority to engage with Johnson & Johnson on my behalf regarding the proposal and the underlying issues, and to negotiate a withdrawal of the proposal to the extent Tulipshare Ltd. views Johnson & Johnson's actions as responsive.

I understand that I may be identified on Johnson & Johnson's proxy statement as the filer of the aforementioned resolution.

As of the date of this letter, I own 250 shares of Johnson & Johnson common stock; a letter evidencing my ownership is forthcoming. Additionally, I will notify Johnson & Johnson in writing within five (5) business days after the record date for the 2022 annual shareholder meeting of the class and number of shares of stock of Johnson & Johnson that I held as of the record date for the 2022 annual shareholder meeting.

Sincerely,

Laurent Ritter

Shareholder Proposal

RESOLVED: Shareholders of Johnson & Johnson ("JNJ"), in recognition of the social justice and public health issues raised by multiple organizations and agencies, recommend that JNJ discontinue global sales of its talc-based Baby Powder.

Supporting Statement

In recent years, JNJ has been inundated with personal injury lawsuits linking the use of its talc-based Baby Powder to cancer, including thousands filed by women who used the product and later developed ovarian cancer.[1] As of July 2021, over 25,000 such lawsuits remained outstanding.[2] The costs of litigation have been high: over the past five years, JNJ spent almost $1 billion on defense and another $3.5 billion on verdicts and settlements.[3] In October 2021 JNJ found its ongoing defense costs to be "unsustainable" and created an affiliate to carry its talc claims into chapter 11 bankruptcy, an extraordinary step derided by plaintiffs, advocates, and government officials.[4]

The use of talc in personal care products is a public health concern because talc is prone to asbestos contamination. Talc is found in underground deposits that often contain veins of asbestos; when talc is mined, cross contamination can easily occur.[5]

According to OSHA, there is no "safe" level of exposure to asbestos,[6] a known carcinogen.[7] The National Cancer Institute states that asbestos can cause cancers of the ovary, lung, and larynx in addition to mesothelioma.[8] In 2021, Health Canada concluded that perineal use of talc-based products is associated with ovarian cancer.[9]

Despite knowing for decades that talc was prone to asbestos contamination, JNJ continued to use talc in its Baby Powder and heavily market it to women.[10] Around the time that JNJ's talc supplier started including a label on its talc that it was "possibly carcinogenic," JNJ touted its talc-based Baby Powder as being "fresh and natural" and launched a marketing campaign targeting Black women and overweight women.[11]

In October 2019, the FDA discovered trace levels of asbestos in samples of JNJ's talc-based Baby Powder purchased from an online retailer, prompting JNJ to recall thousands of bottles and

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[1] https://www.nytimes.com/2020/05/19/business/johnson-baby-powder-sales-stopped.html
[2] https://www.nytimes.com/2021/07/27/business/johnson-baby-powder-black-women.html
[3] https://www.wsj.com/articles/johnson-johnson-places-talc-injury-claims-in-bankruptcy-11634248563
[4] https://www.wsj.com/articles/johnson-johnson-places-talc-injury-claims-in-bankruptcy-11634248563; https://www.reuters.com/business/healthcare-pharmaceuticals/jj-unit-manage-talc-claims-files-bankruptcy-protection-2021-10-14/; and https://www.npr.org/2021/10/21/1047828535/baby-powder-cancer-johnson-johnson-bankruptcy
[5] https://www.nytimes.com/2018/12/14/business/talc-asbestos-powder-facts.html
[6] https://www.osha.gov/asbestos
[7] https://www.cancer.org/cancer/cancer-causes/asbestos.html
[8] https://www.cancer.gov/about-cancer/causes-prevention/risk/substances/asbestos
[9] https://healthycanadians.gc.ca/recall-alert-rappel-avis/hc-sc/2021/75453a-eng.php
[10] https://www.reuters.com/investigates/special-report/johnsonandjohnson-cancer/
[11] https://www.reuters.com/article/us-johnson-johnson-marketing-specialrepo-idUSKCN1RL1JZ

advise consumers to "stop using it immediately."[12] Less than a year later, JNJ discontinued the sale of its talc-based Baby Powder in the United States and Canada, citing depressed demand.[13]

JNJ remains vulnerable to further erosion of its reputation as a trusted purveyor of health-related products by continuing to sell and market its talc-based Baby Powder to the rest of the world outside of the US and Canada. The continuance of sales has heightened criticism from women's rights and racial equity groups as well as public health advocates.[14] Over 170 nonprofit groups led by Black Women for Wellness have called on JNJ to halt the sale of its talc-based Baby Powder globally to protect women and marginalized communities across the globe.[15] It is time for shareholders to do the same.

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[12] https://www.nytimes.com/2019/10/18/business/johnson-johnson-baby-powder-recall.html

[13] https://www.jnj.com/our-company/johnson-johnson-consumer-health-announces-discontinuation-of-talc-based-johnsons-baby-powder-in-u-s-and-canada

[14] https://www.bwwla.org/v2019/wp-content/uploads/2020/08/BWW-and-200-groups-to-JJ_8.26_final.pdf

[15] https://www.reuters.com/article/us-johnson-johnson-babypowder/nonprofits-urge-johnson-johnson-to-halt-sales-of-baby-powder-globally-idUSKBN24935C

Johnson & Johnson

October 29, 2021

VIA EMAIL

Antoine Argouges
Tulipshare Limited
antoine@tulipshare.com

Dear Mr. Argouges:

This letter acknowledges receipt by Johnson & Johnson, on October 28, 2021, of the shareholder proposal submitted by Tulipshare Limited on behalf of Laurent Ritter (the "Proponent") pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the "Rule"), for consideration at the Company's 2022 Annual Meeting of Shareholders (the "Proposal").

Paragraph (b) of the Rule provides that shareholder proponents must submit sufficient proof of their continuous ownership of:

- at least $2,000 in market value of a company's common stock for at least three years, preceding and including the date that the proposal was submitted;
- at least $15,000 in market value of a company's common stock for at least two years, preceding and including the date that the proposal was submitted; or
- at least $25,000 in market value of a company's common stock for at least one year, preceding and including the date that the proposal was submitted.

Alternatively, a proponent must have continuously held at least $2,000 in market value of a company's common stock for at least one year as of January 4, 2021 and continuously maintained a minimum investment of at least $2,000 in market value of a company's common stock from January 4, 2021 through and including the date that the proposal was submitted.

The Company's stock records do not indicate that the Proponent is a record owner of Company shares, and to date, we have not received sufficient proof that the Proponent has satisfied the Rule's ownership requirements.

Accordingly, please furnish to us, within 14 days of your receipt of this letter, a written statement from the "record" holder of the Proponent's shares (usually a broker or a bank) and a participant in the Depository Trust Company ("DTC") verifying that the Proponent beneficially owned the requisite number of Company shares continuously for at least the requisite period preceding and including October 27, 2021, the date the Proposal was submitted. The Proponent can confirm whether a particular broker or bank is a DTC

participant by asking the broker or bank or by checking DTC's participant list, which is currently available on the Internet at: http://www.dtcc.com/client-center/dtc-directories.

If the Proponent's broker or bank is not on the DTC participant list, the Proponent will need to obtain a written statement from the DTC participant through which the Proponent's shares are held verifying that the Proponent beneficially owned the requisite number of Company shares continuously for at least the requisite period preceding and including October 27, 2021, the date the Proposal was submitted. The Proponent should be able to find who this DTC participant is by asking the Proponent's broker or bank. If the broker is an introducing broker, the Proponent may also be able to learn the identity and telephone number of the DTC participant through the Proponent's account statements, because the clearing broker identified on the account statements will generally be a DTC participant. If the DTC participant knows the Proponent's broker or bank's holdings, but does not know the Proponent's holdings, the Proponent can satisfy the proof of ownership requirement by obtaining and submitting two proof of ownership statements verifying that, for at least the requisite period preceding and including October 27, 2021, the required amount of securities was continuously held – one from the Proponent's broker or bank confirming the Proponent's ownership, and the other from the DTC participant confirming the Proponent's broker or bank's ownership.

The SEC's rules require that any response to this letter be postmarked or transmitted electronically no later than 14 calendar days from the date you receive this letter. Please address any response to me at Johnson & Johnson, One Johnson & Johnson Plaza, New Brunswick, NJ 08933, Attention: Corporate Secretary. For your convenience, a copy of the Rule is enclosed.

Once we receive any response, we will be in a position to determine whether the Proposal is eligible for inclusion in the proxy materials for the Company's 2022 Annual Meeting of Shareholders. We reserve the right to seek relief from the Securities and Exchange Commission as appropriate.

In the interim, you should feel free to contact either my colleague, Pinto Adhola, Assistant Corporate Secretary, at (732) 524-3581 or me at (732) 524-2472 if you wish to discuss the Proposal or have any questions or concerns that we can help to address.

Very truly yours,

Matthew Orlando
Worldwide Vice President Corporate Governance
& Corporate Secretary

Cc: Pinto Adhola

MO/tmk

SOCIETE GENERALE
Private Banking

5th November 2021

Office of the Corporate Secretary
Johnson & Johnson
One Johnson & Johnson Plaza
New Brunswick, New Jersey 08933
Attn: Corporate Secretary
Re: Shareholder proposal submitted by Laurent Ritter

Dear Corporate Secretary,

I write concerning a shareholder proposal (the "Proposal") submitted to Johnson & Johnson (the "Company") by Laurent Ritter.

As of October 27, 2021, Laurent Ritter beneficially owned, and had beneficially owned continuously for at least one year, shares of the Company's common stock worth at least $25,000 (the "Shares").

These Shares are held in Société Générale's global account, for which Brown Brothers Harriman, a DTC participant, acts as record holder. If you require any additional information, please do not hesitate to contact me at +33142139052 and jeremy.pierre@socgen.com.

Very truly yours,

Jeremy PIERRE
Investment Manager

SOCIETE GENERALE
Securities Services

Custody and Settlement Services Luxembourg
Securities Banking Operations
Luxembourg, November 4, 2021

Re: JOHNSON AND JOHNSON – Certification of position

Client : SOGELIFE/FAS10014

Date : 04th November 2021

We act as the custodian bank for SOGELIFE/FAS10014. We hereby certify that the positions shown below concerning ISIN US4781601046 truly and accurately reflect the position held by us in custody at 4th November 2021.

Your sincerely,

Account	Account name	Depositary	Securities holding form	Quantity (UNIT)
PII	SOGELIFE/FAS10014	BBH BOSTON	BEARER	250

Youenn LE BRIS
Head of Securities Banking Operations

Youenn Le Bris

EXHIBIT B

(see attached)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended January 3, 2021

or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from to**

Commission file number 1-3215

JOHNSON & JOHNSON

(Exact name of registrant as specified in its charter)

New Jersey	**22-1024240**
(State of incorporation)	(I R S Employer Identification No)
One Johnson & Johnson Plaza **New Brunswick, New Jersey** (Address of principal executive offices)	**08933** (Zip Code)

One Johnson & Johnson Plaza
New Brunswick New Jersey 08933
(Address of principal executive offices)

Registrant's telephone number including area code: **(732) 524-0400**

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, Par Value $1.00	JNJ	New York Stock Exchange
0.250% Notes Due January 2022	JNJ22	New York Stock Exchange
0.650% Notes Due May 2024	JNJ24C	New York Stock Exchange
5.50% Notes Due November 2024	JNJ24BP	New York Stock Exchange
1.150% Notes Due November 2028	JNJ28	New York Stock Exchange
1.650% Notes Due May 2035	JNJ35	New York Stock Exchange

Indicate by check mark if the registrant is a well-known seasoned issuer as defined in Rule 405 of the Securities Act Yes ☑ No o

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act Yes o No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days Yes ☑ No o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files) Yes ☑ No o

Indicate by check mark whether the registrant is a large accelerated filer an accelerated filer a non-accelerated filer a smaller reporting company or emerging growth company See the definitions of "la ge accelerated filer " "accelerated filer" "smaller reporting company " and "emerging growth company" in Rule 12b-2 of the Exchange Act

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act o

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U S C 7262(b)) by the registered public accounting firm that prepared or issued its audit report Yes ☑ No o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes ☐ No ☑

The aggregate market value of the Common Stock held by non-affiliates computed by reference to the price at which the Common Stock was last sold as of the last business day of the registrant’s most recently completed second fiscal quarter was approximately $363 billion

On February 16 2021 there were 2 628 679 824 shares of Common Stock outstanding

DOCUMENTS INCORPORATED BY REFERENCE

Parts I and III:	Portions of registrant’s proxy statement for its 2021 annual meeting of shareholders filed within 120 days after the close of the registrant’s fiscal year (the "Proxy Statement"), are incorporated by reference to this report on Form 10-K (this "Report").

Claims have also been filed against Ethicon and Johnson & Johnson alleging personal injuries arising from the PROCEED® Mesh and PROCEED® Ventral Patch hernia mesh products In March 2019 the New Jersey Supreme Court entered an order consolidating these cases pending in New Jersey as an MCL in Atlantic County Superior Court Additional cases have been filed in various federal and state courts in the US and in jurisdictions outside the US Discovery is underway in these cases

In September 2019 plaintiffs' attorney filed an application with the New Jersey Supreme Court seeking centralized management of 107 PROLENE™ Polypropylene Hernia System ("PHS") cases The New Jersey Supreme Court granted plaintiffs application in January 2020 and those cases have also been transferred to an MCL in Atlantic County Superior Court Discovery is underway in these cases

The Company has established accruals with respect to product liability litigation associated with ETHICON PHYSIOMESH® Flexible Composite Mesh PROCEED® Mesh and PROCEED® Ventral Patch and PROLENE™ Polypropylene Hernia System products

Claims for personal injury have been made against Janssen Pharmaceuticals Inc and Johnson & Johnson arising out of the use of RISPERDAL® and related compounds indicated for the treatment of schizophrenia acute manic or mixed episodes associated with bipolar I disorder and irritability associated with autism Lawsuits have been primarily filed in state courts in Pennsylvania California and Missouri Other actions are pending in various courts in the United States and Canada Product liability lawsuits continue to be filed and the Company continues to receive information with respect to potential costs and the anticipated number of cases The Company has successfully defended a number of these cases but there have been verdicts against the Company including a verdict in October 2019 of $8 0 billion of punitive damages related to one single plaintiff which was subsequently reduced in Janua y 2020 to $6 8 million by the trial judge The Company and plaintiff are each appealing this judgment The Company has settled or otherwise esolved many of the United States cases and the costs associated with these settlements are reflected in the Company's accruals

Claims for personal injury arising out of the use of XARELTO® an oral anticoagulant have been made against Janssen Pharmaceuticals Inc (JPI); Johnson & Johnson (J&J); and JPI's collaboration partner for XARELTO® Bayer AG and certain of its affiliates Cases filed in federal courts in the United States have been organized as a multi-district litigation in the United States District Court for the Eastern District of Louisiana In addition cases have been filed in state courts across the United States Many of these cases were consolidated into a state mass tort litigation in Philadelphia Pennsylvania and in a coordinated proceeding in Los Angeles California Class action lawsuits also have been filed in Canada In March 2019 JPI and J&J announced an agreement in principle to the settle the XARELTO® cases in the United States; the settlement agreement was executed in May 2019 the settlement became final in December 2019 and the settlement was funded in January 2020 This resolved the majority of cases pending in the United States The Company has established accruals for its costs associated with the United States settlement program and XARELTO® related product liability litigation

Personal injury claims alleging that talc causes cancer have been made against Johnson & Johnson Consumer Inc and Johnson & Johnson arising out of the use of body powders containing talc primarily JOHNSON'S® Baby Powder The number of pending personal injury lawsuits continues to increase and the Company continues to receive information with respect to potential costs and the anticipated number of cases Lawsuits have been primarily filed in state courts in Missouri New Jersey and California and suits have also been filed outside the United States The majority of cases are pending in federal court organized into a multi-district litigation (MDL) in the United States District Court for the District of New Jersey In the MDL the parties sought to exclude experts through Daubert motions In April 2020 the Court issued rulings that limit the scope of testimony including some theories and testing methods for certain plaintiff expert witnesses and denied plaintiffs' attempt to limit the scope of testimony of certain of the Company's witnesses With this ruling made case-specific discovery has begun per the Court's directive

In talc cases that have previously gone to trial the Company has obtained defense verdicts in a number of them but there have also been verdicts against the Company many of which have been reversed on appeal In June 2020 the Missouri Court of Appeals reversed in part and affirmed in part a July 2018 verdict of $4 7 billion in *Ingham v Johnson & Johnson, et al* , No ED 207476 (Mo App) reducing the overall award to $2 1 billion and with additional interest as of January 3 2021 as the Company pursues further appeal is currently $2 5 billion (the *Ingham* decision) An application for transfer of the case to the Missouri Supreme Court was subsequently denied and the Company is currently seeking review by the United States Supreme Court The Company continues to believe that it has strong legal grounds for the appeal of this verdict as well as other verdicts that it has appealed Notwithstanding the Company's confidence in the safety of its talc products in certain circumstances the Company has and may settle cases The Company has established an accrual for defense costs and reserves for the resolution of certain cases and claims including the *Ingham* decision currently on appeal, in connection with product liability litigation associated with body powders containing talc

In February 2019 the Company's talc supplier Imerys Talc America Inc and two of its affiliates Imerys Talc Vermont Inc and Imerys Talc Canada Inc (collectively Imerys) filed a voluntary chapter 11 petition commencing a reorganization under

the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (Imerys Bankruptcy) The Imerys Bankruptcy relates to Imerys' potential liability for personal injury from exposure to talcum powder sold by Imerys (Talc Claims) In its bankruptcy filing Imerys noted certain claims it alleges it has against the Company for indemnification and rights to joint insurance proceeds The Company previously proposed to resolve Imerys' (and the Company's) obligations arising out of the Talc Claims by agreeing to assume the defense of litigation of all Talc Claims involving the Company's p oducts waiving the Company's indemnification claims against Imerys and lifting the automatic stay to enable the Talc Claims to proceed outside the bankruptcy forum with the Company agreeing to settle or pay any judgment against Imerys In May 2020 Imerys and the asbestos claimants' committee (Plan Proponents) filed their Plan of Reo ganization (the Plan) and the Disclosure Statement related thereto agreeing to put its North American operations up for auction which was subsequently amended The Company has objected to the Disclosure Statement and intends to object to the Plan of Reorganization as currently structured Additionally in June 2020 Cyprus Mines Corporation and its parent (Cyprus) filed an adversary proceeding against the Company as well as Imerys seeking a declaration of indemnity under certain contractual agreements The Company denies such indemnification is owed and filed a motion to dismiss the adversary complaint arguing among other things that the Court does not have subject matter jurisdiction over Cyprus's claims against the Company The Plan Proponents filed numerous amendments to the Plan and Disclosure Statement to which the Company objected A hearing on the Plan Proponent's Disclosure Statement was held in January 2021 and the Court entered an order approving the Disclosure Statement for the Ninth Amended Joint Chapter 11 Plan of Reorganization of Imerys Talc America Inc and its Debtor Affiliates allowing Debtors to proceed with soliciting votes on the Plan The Company intends to continue to object to the Plan A hearing to consider confirmation of the Plan has been scheduled for June 2021

In February 2018 a securities class action lawsuit was filed against Johnson & Johnson and certain named officers in the United States District Court for the District of New Jersey alleging that Johnson & Johnson violated the federal securities laws by failing to disclose alleged asbestos contamination in body powders containing talc primarily JOHNSON'S® Baby Powder and that purchasers of Johnson & Johnson's shares suffered losses as a result Plaintiff is seeking damages In April 2019 the Company moved to dismiss the complaint and briefing on the motion was complete as of August 2019 In December 2019 the Court denied in part the motion to dismiss In March 2020 Defendants answered the complaint Discovery is underway

In June 2019 a shareholder filed a complaint initiating a summary proceeding in New Jersey state court for a books and records inspection In August 2019 Johnson & Johnson responded to the books and records complaint and filed a cross motion to dismiss In September 2019 Plaintiff replied and the Court heard oral a gument The Court has not yet ruled in the books and records action In October 2019 December 2019 and January 2020 four shareholders filed four separate derivative lawsuits against Johnson & Johnson as the nominal defendant and its current directors and certain o ficers as defendants in the United States District Court for the District of New Jersey alleging a breach of fiduciary duties related to the alleged asbestos contamination in body powders containing talc primarily JOHNSON'S® Baby Powder and that Johnson & Johnson has su fered damages as a result of those alleged breaches In February 2020 the four cases were consolidated into a single action under the caption *In re Johnson & Johnson Talc Stockholder Derivative Litigation*

In July 2020 a report was delivered to the Company's Board of Directors by independent counsel retained by the Board to investigate the allegations in the derivative lawsuits and in a series of shareholder letters that the Board received raising similar issues Four of the shareholders who sent demands are plaintiffs in the *In re Johnson & Johnson Talc Stockholder Derivative Litigation* The independent counsel recommended that the Company reject the shareholder demands and take the steps that are necessary or appropriate to secure dismissal of the derivative lawsuits The Board unanimously adopted the recommendations of the independent counsel's report In October 2020 the shareholders filed a consolidated complaint and in January 2021 Johnson & Johnson moved to dismiss the consolidated complaint

In January 2019 two ERISA class action lawsuits were filed by participants in the Johnson & Johnson Savings Plan against Johnson & Johnson its Pension and Benefits Committee and certain named officers in the United States District Court for the District of New Jersey alleging that the defendants breached their fiduciary duties by offering Johnson & Johnson stock as a Johnson & Johnson Savings Plan investment option when it was imprudent to do so because of failures to disclose alleged asbestos contamination in body powders containing talc primarily JOHNSON'S® Baby Powder Plainti fs are seeking damages and injunctive relief In September 2019 Defendants filed a motion to dismiss In April 2020 the Court granted Defendants' motion but granted leave to amend In June 2020 Plaintiffs filed an amended complaint and in July 2020 Defendants moved to dismiss the amended complaint As of October 2020 briefing on Defendants' motion was complete

A lawsuit pending in the Superior Court of California for the County of San Diego alleging violations of California's Consumer Legal Remedies Act relating to JOHNSON'S® Baby Powder has been resolved in the Company's favor In that lawsuit the plaintiffs allege that Johnson & Johnson violated the CLRA by failing to provide required Proposition 65 warnings In July 2019 the Company filed a notice of removal to the United States District Court for the Southern District of California and plaintiffs filed a second amended complaint shortly thereafter In October 2019 the Company moved to dismiss the second amended complaint for failure to state a claim upon which relief may be granted In response to those motions plainti fs filed a third amended complaint In December 2019 the Company moved to dismiss the third amended complaint for failure to state a claim upon which relief may be granted In April 2020 the Court granted the motion to dismiss but granted leave to amend In May 2020 plaintiffs filed a Fourth Amended Complaint but indicated that they would be filing a motion for leave to file a fifth amended complaint Plaintiffs filed a Fifth Amended Complaint in August 2020 The Company moved to dismiss the Fifth Amended Complaint for failure to state a claim upon which relief may be granted In January 2021 the Court issued an Order and opinion ruling in the Company's favor and granting the motion to dismiss with prejudice

In January 2020 the Abtahi Law Group filed an action under Proposition 65 against Johnson & Johnson and Johnson & Johnson Consumer Inc as well as a number of other alleged talcum powder manufacturers and distributors including one California company In that action the plaintiff alleges contamination of talcum powder products with unsafe levels of arsenic hexavalent chromium and lead The plaintiff seeks civil penalties and injunctive relief Defendants filed a motion for summary judgment in January 2021 and a hearing has been scheduled for April 2021 Limited informal discovery is continuing

In addition the Company has received preliminary inquiries and subpoenas to produce documents regarding these matters from Senator Murray a member of the Senate Committee on Health Education Labor and Pensions the Department of Justice the Securities and Exchange Commission (SEC) and the U S Congressional Subcommittee on Economic and Consumer Policy The Company produced documents as required in response and will continue to cooperate with government inquiries In November 2020 the SEC terminated its investigation

Claims for personal injury have been made against a number of Johnson & Johnson companies including Janssen Pharmaceuticals Inc and Johnson & Johnson arising out of the use of INVOKANA® a prescription medication indicated to improve glycemic control in adults with Type 2 diabetes In December 2016 lawsuits filed in federal courts in the United States were organized as a multi-district litigation in the United States District Court for the District of New Jersey Cases have also been filed in state courts Class action lawsuits have been filed in Canada Product liability lawsuits continue to be filed and the Company continues to receive information with respect to potential costs and the anticipated number of cases The Company has settled or otherwise resolved many of the cases and claims in the United States and the costs associated with these settlements are reflected in the Company's accruals

Claims for personal injury have been made against a number of Johnson & Johnson companies including Janssen Pharmaceuticals Inc and Johnson & Johnson arising out of the use of ELMIRON® a prescription medication indicated for the relief of bladder pain or discomfort associated with interstitial cystitis These lawsuits which allege that ELMIRON® contributes to the development of permanent retinal injury and vision loss have been filed in both state and federal courts across the United States In December 2020 the federal cases including two putative class action cases seeking medical monitoring, were organized as a multi-district litigation in the United States District Court for the District of New Jersey In addition three class action lawsuits have been filed in Canada Product liability lawsuits continue to be filed and the Company continues to receive information with respect to potential costs and the anticipated number of cases The Company has established accruals for defense costs associated with ELMIRON® related product liability litigation

INTELLECTUAL PROPERTY

Certain subsidiaries of Johnson & Johnson are subject from time to time to legal proceedings and claims related to patent trademark and other intellectual property matters arising out of their businesses Many of these matters involve challenges to the coverage and/or validity of the patents on various products and allegations that certain of the Company’s products infringe the patents of third parties Although these subsidiaries believe that they have substantial defenses to these challenges and allegations with respect to all significant patents there can be no assurance as to the outcome of these matters A loss in any of these cases could adversely affect the ability of these subsidiaries to sell their products result in loss of sales due to loss of market exclusivity require the payment of past damages and future royalties and may result in a non-cash impairment charge for any associated intangible asset Significant matters are described below

Medical Devices

In November 2016 MedIdea L L C (MedIdea) filed a patent infringement lawsuit against DePuy Orthopaedics Inc in the United States District Court for the Northern District of Illinois alleging infringement by the ATTUNE® Knee System In April 2017 MedIdea filed an amended complaint adding DePuy Synthes Products Inc and DePuy Synthes Sales Inc as named defendants (collectively DePuy) MedIdea alleged infringement of United States Patent Nos 6 558 426 (’426); 8 273 132 (’132); 8 721 730 (’730) and 9 492 280 (’280) relating to posterior stabilized knee systems Specifically MedIdea alleges that the SOFCAM™ Contact feature of the ATTUNE® posterior stabilized knee products infringes the patents-in-suit MedIdea is seeking monetary damages and injunctive relief In June 2017 the case was transferred to the United States District Court for the District of Massachusetts In November 2019 judgment was entered in favor of DePuy In January 2021 the U S Court of Appeals for the Federal Circuit affirmed

In December 2016 Dr Ford Albritton sued Acclarent Inc (Acclarent) in United States District Court for the Northern District of Texas alleging that Acclarent’s RELIEVA® Spin and RELIEVEA SpinPlus® products infringe U S Patent No 9 011 412 Dr Albritton also alleges breach of contract fraud and that he is the true owner of Acclarent’s U S Patent No 8 414 473 Trial is scheduled to begin in October 2021

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective or complex judgments The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements taken as a whole and we are not by communicating the critical audit matters below providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate

U S Pharmaceutical Rebate Reserves – Managed Care, Medicare and Medicaid

As described in Note 1 to the consolidated financial statements the Company recognizes revenue from product sales when obligations under the terms of a contract with the customer are satisfied Rebates and discounts provided to customers are accounted for as variable consideration and recorded as a reduction in sales The liability for such rebates and discounts is recognized within Accrued Rebates Returns and Promotions on the consolidated balance sheet A significant portion of the liability related to rebates is from the sale of pharmaceutical goods within the U S primarily the Managed Care Medicare and Medicaid programs which amounted to $7 2 billion as of January 3 2021 For significant rebate programs which include the U S Managed Care Medicare and Medicaid rebate programs rebates and discounts estimated by management are based on contractual terms historical experience patient outcomes trend analysis and projected market conditions in the U S pharmaceutical market

The principal considerations for our determination that performing procedures relating to U S pharmaceutical rebate reserves - Managed Care Medicare and Medicaid is a critical audit matter are the significant judgment by management due to the significant measurement uncertainty involved in developing these reserves and the high degree of auditor judgment subjectivity and audit effort in performing procedures and evaluating the assumptions related to contractual terms historical experience patient outcomes trend analysis and projected market conditions in the U S pharmaceutical market Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements These procedures included testing the effectiveness of controls relating to U S pharmaceutical rebate reserves - Managed Care Medicare and Medicaid including controls over the assumptions used to estimate these rebates These procedures also included among others (i) developing an independent estimate of the rebates by utilizing third party information on price and market conditions in the U S pharmaceutical market the terms of the specific rebate programs and the historical experience and trend analysis of actual rebate claims paid; (ii) testing rebate claims processed by the Company including evaluating those claims for consistency with the contractual and mandated terms of the Company's rebate arrangements; and (iii) comparing the independent estimates to management's estimates

Litigation Contingencies – Talc

As described in Notes 1 and 19 to the consolidated financial statements the Company records accruals for loss contingencies associated with legal matters including talc when it is probable that a liability will be incurred and the amount of the loss can be reasonably estimated To the extent adverse verdicts have been rendered against the Company management does not record an accrual until a loss is determined to be probable and can be reasonably estimated For these matters management is unable to estimate the possible loss or range of loss beyond the amounts already accrued Amounts accrued for legal contingencies often result from a complex series of judgments about future events and uncertainties that rely heavily on estimates and assumptions including timing of related payments The ability to make such estimates and judgments can be affected by various factors including, among other things whether damages sought in the proceedings are unsubstantiated or indeterminate; scientific and legal discovery has not commenced or is not complete; proceedings are in early stages; matters present legal uncertainties; there are significant facts in dispute; procedural or jurisdictional issues; the uncertainty and unpredictability of the number of potential claims; ability to achieve comprehensive multi-party settlements; complexity of related cross-claims and counterclaims; and/or there are numerous parties involved There have been verdicts against the Company for this matter including a verdict in July 2018 of $4 7 billion which was reversed in part and affirmed in part by the Missouri Court of Appeals in June 2020 reducing the overall award to $2 1 billion and with additional interest as of January 3 2021 as the Company pursues further appeal is currently $2 5 billion An application for transfer of the case to the Missouri Supreme Court was subsequently denied and the Company is currently seeking review by the United States Supreme Court As described by management the Company continues to believe that it has strong legal grounds for the appeal of this verdict as well as other verdicts it has appealed Notwithstanding the Company's confidence in the safety of its talc products in certain circumstances the Company has and may settle cases The Company has established an accrual for defense costs and reserves for settlement of certain cases and claims as well as one case currently on appeal in connection with product liability litigation associated with body powders containing talc

The principal considerations for our determination that performing procedures relating to the talc litigation is a critical audit matter are the significant judgment by management when assessing the likelihood of a loss being incurred and when

determining whether a reasonable estimate of the loss or range of loss for each claim can be made which in turn led to a high degree of auditor judgment subjectivity and effort in performing procedures and evaluating management's assessment of the loss contingencies associated with this litigation

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements These procedures included testing the effectiveness of controls relating to management's evaluation of the talc litigation including controls over determining whether a loss is probable and whether the amount of loss can be reasonably estimated as well as financial statement disclosures These procedures also included among others (i) gaining an understanding of the Company's process around the accounting and reporting for the talc litigation; (ii) discussing the status of significant known actual and potential litigation with the Company's in-house legal counsel as well as external counsel when deemed necessary; (iii) obtaining and evaluating the letters of audit inquiry with internal and external legal counsel for significant litigation; (iv) evaluating the reasonableness of management's assessment rega ding whether an unfavorable outcome is reasonably possible or probable and reasonably estimable; and (v) evaluating the sufficiency of the Company's litigation contingencies disclosures

Litigation – Opioids

As described in Notes 1 and 19 to the consolidated financial statements the Company records accruals for loss contingencies associated with legal matters including opioids when it is probable that a liability will be incurred and the amount of the loss can be reasonably estimated To the extent adverse verdicts have been rendered against the Company management does not record an accrual until a loss is determined to be probable and can be reasonably estimated For these matters management is unable to estimate the possible loss or range of loss beyond the amounts already accrued Amounts accrued for legal contingencies often result from a complex series of judgments about future events and uncertainties that rely heavily on estimates and assumptions including timing of related payments The ability to make such estimates and judgments can be affected by various factors including, among other things whether damages sought in the proceedings are unsubstantiated or indeterminate; matters present legal uncertainties; there are significant facts in dispute; procedural or jurisdictional issues; the uncertainty and unpredictability of the number of potential claims; ability to achieve comprehensive multi-party settlements; complexity of related cross-claims and counterclaims; and/or there are numerous parties involved The Company has been named in numerous lawsuits brought by certain state and local governments related to opioids matters The trial in the matter filed by the Oklahoma Attorney General resulted in a judgment against the Company in the amount of $572 million which was subsequently reduced to $465 million The Company has appealed the judgment and as described by management believes that it has strong grounds to overturn this judgment Separately in October 2019 the Company announced a proposed agreement in principle that would include the Company paying $4 billion as settlement of the lawsuits In October 2020 the Company agreed to contribute up to an additional $1 billion to an all-in settlement amount that would resolve opioid lawsuits filed and future claims by states cities counties and tribal governments for a total of $5 billion which has been accrued subject to various conditions and an agreement being finalized As described by management this agreement in principle is not an admission of liability or wrong-doing and would resolve opioid lawsuits filed and future claims by states cities and counties

The principal considerations for our determination that performing procedures relating to the opioids litigation is a critical audit matter are the significant judgment by management when assessing the likelihood of a loss being incurred for the judgment against the Company in Oklahoma and when determining whether a reasonable estimate of the range of loss for the proposed agreement in principle to settle opioids litigation can be made which in turn led to a high degree of auditor judgment subjectivity and effort in performing procedures and evaluating management's assessment of the loss contingencies associated with this litigation

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements These procedures included testing the effectiveness of controls relating to management's evaluation of the opioid litigation including controls over determining whether a loss is probable and whether the amount of loss can be reasonably estimated as well as financial statement disclosures These procedures also included among others (i) gaining an understanding of the Company's process around the accounting and reporting for the opioids litigation; (ii) discussing the status of significant known actual and potential litigation and ongoing settlement negotiations with the Company's in-house legal counsel as well as external counsel when deemed necessary; (iii) obtaining and evaluating the letters of audit inquiry with internal and external legal counsel for significant litigation; (iv) evaluating the reasonableness of management's assessment regarding whether an unfavorable outcome is reasonably possible or probable and reasonably estimable; and (v) evaluating the sufficiency of the Company's litigation contingencies disclosures

/s/ PricewaterhouseCoopers LLP
Florham Park New Jersey
February 22 2021
We have served as the Company's auditor since at least 1920 We have not been able to determine the specific year we began serving as auditor of the Company

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☑ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
for the quarterly period ended October 3, 2021

or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
for the transition period from to

Commission file number 1-3215

Johnson & Johnson

(Exact name of registrant as specified in its charter)

New Jersey	22-1024240
(State or other jurisdiction of incorporation or o ganization)	(I R S Employer Identification No)

One Johnson & Johnson Plaza
New Brunswick New Jersey 08933
(Address of principal executive offices)

Registrant's telephone number including area code (732) 524-0400

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days ☑ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files) ☑ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer an accelerated filer a non-accelerated filer a smaller reporting company or an emerging growth company See the definitions of "la ge accelerated filer " "accelerated filer " "smaller reporting company " and "emerging growth company" in Rule 12b-2 of the Exchange Act

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company indicated by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) ☐ Yes ☑ No

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, Par Value $1.00	JNJ	New York Stock Exchange
0.250% Notes Due January 2022	JNJ22	New York Stock Exchange
0.650% Notes Due May 2024	JNJ24C	New York Stock Exchange
5.50% Notes Due November 2024	JNJ24BP	New York Stock Exchange
1.150% Notes Due November 2028	JNJ28	New York Stock Exchange
1.650% Notes Due May 2035	JNJ35	New York Stock Exchange

Indicate the number of shares outstanding of each of the issuer’s classes of common stock as of the latest practicable date

On October 22 2021 2 632 596 969 shares of Common Stock $1 00 par value were outstanding

The Company has established accruals with respect to product liability litigation associated with ETHICON PHYSIOMESH® Flexible Composite Mesh PROCEED® Mesh and PROCEED® Ventral Patch and PROLENE™ Polypropylene Hernia System products

Claims for personal injury have been made against Janssen Pharmaceuticals Inc and Johnson & Johnson arising out of the use of RISPERDAL® and related compounds indicated for the treatment of schizophrenia acute manic or mixed episodes associated with bipolar I disorder and irritability associated with autism Lawsuits primarily have been filed in state courts in Pennsylvania California and Missouri Other actions are pending in various courts in the United States and Canada Product liability lawsuits continue to be filed and the Company continues to receive information with respect to potential costs and the anticipated number of cases The Company has successfully defended a number of these cases but there have been verdicts against the Company including a verdict in October 2019 of $8 0 billion of punitive damages related to one plaintiff which the trial judge reduced to $6 8 million in January 2020 In September 2021 the Company entered into a settlement in principle with the counsel representing plaintiffs in this matter and in substantially all of the outstanding cases in the United States The costs associated with this and other settlements are reflected in the Company's accruals

Claims for personal injury arising out of the use of XARELTO® an oral anticoagulant have been made against Janssen Pharmaceuticals Inc (JPI); Johnson & Johnson; and JPI's collaboration partner for XARELTO® Bayer AG and certain of its affiliates Cases filed in federal courts in the United States have been organized as a multi-district litigation in the United States District Court for the Eastern District of Louisiana In addition cases have been filed in state courts across the United States Many of these cases were consolidated into a state mass tort litigation in Philadelphia Pennsylvania and in a coordinated proceeding in Los Angeles California Class action lawsuits also have been filed in Canada In March 2019 JPI and Johnson & Johnson announced an agreement in principle to settle the XARELTO® cases in the United States; the settlement agreement was executed in May 2019 the settlement became final in December 2019 and the settlement was funded in January 2020 This resolved the majority of cases pending in the United States The Company has established accruals for its costs associated with the United States settlement program and XARELTO® related product liability litigation

A significant number of personal injury claims alleging that talc causes cancer were made against Johnson & Johnson Consumer Inc and Johnson & Johnson arising out of the use of body powders containing talc primarily JOHNSON'S® Baby Powder The number of these personal injury lawsuits filed in state and federal courts in the United States as well as outside of the United States continued to increase through and including October 2021

In talc cases that previously have gone to trial the Company has obtained a number of defense verdicts but there also have been verdicts against the Company many of which have been reversed on appeal In June 2020 the Missouri Court of Appeals reversed in part and affirmed in part a July 2018 verdict of $4 7 billion in *Ingham v Johnson & Johnson, et al* , No ED 207476 (Mo App) reducing the overall award to $2 1 billion An application for transfer of the case to the Missouri Supreme Court was subsequently denied and in June 2021 a petition for certiorari seeking a review of the *Ingham* decision by the United States Supreme Court was denied In June 2021 the Company paid the award which including interest totaled approximately $2 5 billion The facts and circumstances including the terms of the award were unique to the *Ingham* decision and not representative of other claims brought against the Company The Company continues to believe that it has strong legal grounds to contest the other talc verdicts that it has appealed Notwithstanding the Company's confidence in the safety of its talc products in certain circumstances the Company has and may settle cases

In October 2021 Johnson & Johnson Consumer Inc (Old JJCI) implemented a corporate restructuring (the 2021 Corporate Restructuring) As a result of that restructuring, Old JJCI ceased to exist and three new entities were created: (a) LTL Management LLC a North Carolina limited liability company (LTL or Debtor) (b) Royalty A&M LLC a North Carolina limited liability company and a direct subsidiary of LTL (RAM); and (c) the Debtor's direct parent Johnson & Johnson Consumer Inc a New Jersey company (New JJCI) The Debtor received certain of Old JJCI's assets and became solely responsible for the talc-related liabilities of Old JJCI including all liabilities related in any way to injury or damage or alleged injury or damage sustained or incurred in the purchase or use of or exposure to talc including talc contained in any product or to the risk of or responsibility for any such damage or injury except for any liabilities for which the exclusive remedy is provided under a workers' compensation statute or act (the Talc-Related Liabilities)

In October 2021 notwithstanding the Company's confidence in the safety of its talc products the Debtor filed a voluntary petition with the United States Bankruptcy Court for the Western District of North Carolina Charlotte Division seeking relief under chapter 11 of the Bankruptcy Code (the LTL Bankruptcy Filing) As a result of the LTL Bankruptcy Filing the Court entered a temporary restraining order staying all litigation against LTL and Old JJCI Further hearings on whether a permanent restraining order staying all litigation against those entities as well other entities such as Johnson & Johnson its affiliates and certain other third parties are scheduled in November 2021 The Company has agreed to provide funding to LTL for the payment of amounts the Bankruptcy Court determines are owed by LTL through the establishment of a $2 billion trust in furtherance of this purpose The Company has established a reserve for approximately $2 billion in connection with the aforementioned trust resulting in an incremental $1 4 billion litigation cha ge Subsequent to the fiscal third quarter the

Company has de-consolidated LTL as a result of the bankruptcy filing The impact of the de-consolidation is not material to the Company

In February 2019 the Company's talc supplier Imerys Talc America Inc and two of its affiliates Imerys Talc Vermont Inc and Imerys Talc Canada Inc (collectively Imerys) filed a voluntary chapter 11 petition under chapter 11 of title 11 of the United States Code (the Bankruptcy Code) in the United States Bankruptcy Court for the District of Delaware (Imerys Bankruptcy) The Imerys Bankruptcy relates to Imerys's potential liability for personal injury from exposure to talcum powder sold by Imerys (Talc Claims) In its bankruptcy Imerys alleges it has claims against the Company for indemnification and rights to joint insurance proceeds During the bankruptcy the Company proposed to resolve Imerys's (and the Company's) obligations arising out of Talc Claims involving the Company's products by agreeing to assume the defense of litigation of all such Talc Claims waiving the Company's indemnification claims against Imerys and lifting the automatic stay to enable the Talc Claims to proceed outside the bankruptcy forum with the Company agreeing to settle or pay any judgment against Imerys Imerys rejected that proposal In May 2020 Imerys its parent Imerys S A the Tort Claimants' Committee (TCC) and the Future Claimants' Representative (FCR) (collectively the Plan Proponents) filed their Plan of Reorganization (the Plan) and the Disclosure Statement related thereto The Plan Proponents have since filed numerous amendments to the Plan and Disclosure Statement A hearing on the Plan Proponent's Disclosure Statement was held in January 2021 and the Court entered an order approving the Disclosure Statement allowing Imerys to proceed with soliciting votes on the Plan In March 2021 the Company voted to reject the Plan and opted out of the consensual releases in the Plan In April 2021 the Plan Proponents announced the Plan had received the requisite number of accepting votes to confirm the Plan In October 2021 the Bankruptcy Court issued a ruling deeming almost 16 000 votes in favor of the Plan as withdrawn based upon evidence that no due diligence had been done by the plaintiff's counsel to ascertain whether the votes were cast on behalf of individuals who used the Company's products The Bankruptcy Court also ruled that more than 1 500 votes cast by another firm should count as rejecting instead of accepting In October 2021 Imerys filed a notice on the docket cancelling the confirmation hearing on its Plan that was scheduled to begin in November 2021

In July 2021 Imerys commenced an adversary proceeding against the Company in the Imerys Bankruptcy (the Imerys adversary proceeding) The Imerys adversary proceeding sought among other things certain declarations with respect to the indemnification obligations allegedly owed by the Company to Imerys The TCC and FCR simultaneously filed a motion for temporary restraining order and preliminary injunction seeking to enjoin the Company from undergoing a corporate restructuring that would separate the Company's talc liabilities from its other assets The bankruptcy court denied the motion The Company thereafter filed a motion to dismiss the adversary proceeding The Bankruptcy Court has not yet decided the motion to dismiss In October 2021 the Company filed a Notice of Bankruptcy Filing and Stay of Proceedings clarifying that the automatic stay arising upon the LTL Bankruptcy Filing should apply to the Imerys adversary proceeding.

In June 2020 Cyprus Mines Corporation and its parent (together Cyprus) which had owned certain Imerys talc mines filed an adversary proceeding against the Company and Imerys in the Imerys Bankruptcy seeking a declaration of indemnity rights under certain contractual agreements (the Cyprus adversary proceeding) The Company denies such indemnification is owed and filed a motion to dismiss the adversary complaint In February 2021 Cyprus filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code and filed its Disclosure Statement and Plan The Plan contemplates a settlement with Imerys and talc claimants where Cyprus would make a monetary contribution to a trust established under the Imerys Plan in exchange for an injunction against Talc Claims asserted against it Cyprus has not yet sought approval of its Disclosure Statement and Plan In October 2021 the Company filed a Notice of Bankruptcy Filing and Stay of Proceedings clarifying that the automatic stay arising upon the LTL Bankruptcy Filing should apply to the Cyprus adversary proceeding

In February 2021 several of the Company's insurers involved in coverage litigation in New Jersey State Court (the Coverage Action) filed a motion in the Imerys Bankruptcy Court proceeding seeking a determination that the automatic stay does not apply to the Coverage Action and in the alternative seeking relief from the automatic stay to allow them to continue to litigate their claims in the Coverage Action In March 2021 the Company filed a limited response and reservation of rights with respect to the motion The Court entered an agreed order modifying the stay to allow the litigation in the Coverage Action to continue In October 2021 LTL filed a Notice of Bankruptcy Filing and Stay of Proceedings clarifying that the automatic stay arising upon the LTL Bankruptcy Filing should apply to the Coverage Action

In February 2018 a securities class action lawsuit was filed against Johnson & Johnson and certain named officers in the United States District Court for the District of New Jersey alleging that Johnson & Johnson violated the federal securities laws by failing to disclose alleged asbestos contamination in body powders containing talc primarily JOHNSON'S® Baby Powder and that purchasers of Johnson & Johnson's shares suffered losses as a result Plaintiff is seeking damages In April 2019 the Company moved to dismiss the complaint and briefing on the motion was complete as of August 2019 In December 2019 the Court denied in part the motion to dismiss In March 2020 Defendants answered the complaint In April 2021 briefing on Plaintiffs' motion for class certification was completed Discovery is ongoing

In June 2019 a shareholder filed a complaint initiating a summary proceeding in New Jersey state court for a books and records inspection In August 2019 Johnson & Johnson responded to the books and records complaint and filed a cross motion to dismiss In September 2019 Plaintiff replied and the Court heard oral a gument The Court has not yet ruled in the books and records action In October 2019 December 2019 and January 2020 four shareholders filed four separate derivative lawsuits against Johnson & Johnson as the nominal defendant and its current directors and certain o ficers as defendants in the United States District Court for the District of New Jersey alleging a breach of fiduciary duties related to the alleged asbestos contamination in body powders containing talc primarily JOHNSON'S® Baby Powder and that Johnson & Johnson has su fered damages as a result of those alleged breaches In February 2020 the four cases were consolidated into a single action under the caption *In re Johnson & Johnson Talc Stockholder Derivative Litigation* In July 2020 a report was delivered to the Company's Board of Directors by independent counsel retained by the Board to investigate the allegations in the derivative lawsuits and in a series of shareholder letters that the Board received raising similar issues and demanding that suit be brought against certain Directors Four of the shareholders who sent demands are plaintiffs in the *In re Johnson & Johnson Talc Stockholder Derivative Litigation* The independent counsel recommended that the Company reject the shareholder demands and take the steps that are necessary or appropriate to secure dismissal of the derivative lawsuits The Board unanimously adopted the recommendations of the independent counsel's report In October 2020 the shareholders filed a consolidated complaint and in January 2021 Johnson & Johnson moved to dismiss the consolidated complaint In March 2021 Plaintiffs filed a motion for discovery The Court temporarily terminated Johnson & Johnson's motion to dismiss pending a decision on Plaintiff's motion for discovery In October 2021 the Court requested supplemental briefing on Plaintiff's motion for discovery

In January 2019 two ERISA class action lawsuits were filed by participants in the Johnson & Johnson Savings Plan against Johnson & Johnson its Pension and Benefits Committee and certain named officers in the United States District Court for the District of New Jersey alleging that the defendants breached their fiduciary duties by offering Johnson & Johnson stock as a Johnson & Johnson Savings Plan investment option when it was imprudent to do so because of failures to disclose alleged asbestos contamination in body powders containing talc primarily JOHNSON'S® Baby Powder Plainti fs are seeking damages and injunctive relief In September 2019 Defendants filed a motion to dismiss In April 2020 the Court granted Defendants' motion but granted leave to amend In June 2020 Plaintiffs filed an amended complaint and in July 2020 Defendants moved to dismiss the amended complaint As of October 2020 briefing on Defendants' motion was complete In February 2021 the Court granted Defendants' motion and granted Plaintiffs leave to amend In April 2021 Plaintiffs informed the Court that they did not intend to file an amended complaint and the Court dismissed the case with prejudice In May 2021 Plaintiffs filed a notice of appeal with the Third Circuit In July 2021 Plaintiffs filed their opening brief in the Third Circuit and in September 2021 Defendants filed their response brief In October 2021 Plaintiffs filed their reply brief

A lawsuit was brought against the Company in the Superior Court of California for the County of San Diego alleging violations of California's Consumer Legal Remedies Act (CLRA) relating to JOHNSON'S® Baby Powder In that lawsuit the plaintiffs allege that Johnson & Johnson violated the CLRA by failing to provide required Proposition 65 warnings In July 2019 the Company filed a notice of removal to the United States District Court for the Southern District of California and plaintiffs filed a second amended complaint shortly thereafter In October 2019 the Company moved to dismiss the second amended complaint for failure to state a claim upon which relief may be granted In response to those motions plainti fs filed a third amended complaint In December 2019 the Company moved to dismiss the third amended complaint for failure to state a claim upon which relief may be granted In April 2020 the Court granted the motion to dismiss but granted leave to amend In May 2020 plaintiffs filed a Fourth Amended Complaint but indicated that they would be filing a motion for leave to file a fifth amended complaint Plaintiffs filed a Fifth Amended Complaint in August 2020 The Company moved to dismiss the Fifth Amended Complaint for failure to state a claim upon which relief may be granted In January 2021 the Court issued an Order and opinion ruling in the Company's favor and granting the motion to dismiss with prejudice In February 2021 Plaintiffs filed a Notice of Appeal with the Ninth Circuit In October 2021 a Notice of Suggestion of Bankruptcy was filed with the Ninth Circuit

In addition the Company has received preliminary inquiries and subpoenas to produce documents regarding talc matters from Senator Murray a member of the Senate Committee on Health Education Labor and Pensions the Department of Justice and the U S Congressional Subcommittee on Economic and Consumer Policy The Company produced documents as required in response and will continue to cooperate with government inquiries

Claims for personal injury have been made against a number of Johnson & Johnson companies including Janssen Pharmaceuticals Inc and Johnson & Johnson arising out of the use of INVOKANA® a prescription medication indicated to improve glycemic control in adults with Type 2 diabetes In December 2016 lawsuits filed in federal courts in the United States were organized as a multi-district litigation in the United States District Court for the District of New Jersey Cases have also been filed in state courts Class action lawsuits have been filed in Canada Product liability lawsuits continue to be filed and the Company continues to receive information with respect to potential costs and the anticipated number of cases The Company has settled or otherwise resolved many of the cases and claims in the United States and the costs associated with these settlements are reflected in the Company's accruals