



Johnson & Johnson

Ticker : JNJ

Country of Operation : USA

Meeting Date : 4/28/2022

Meeting Type : Annual

Item #	Proposal Text	Proponent	Mgmt Rec	Vote Instruction	Vote Rationale
1	Report on Government Financial Support and Access to COVID-19 Vaccines and Therapeutics	Share Holder	Against	Against	While we agree with the spirit of the proposal and recognize the importance of asking for a company to review its pricing mechanism on COVID-19 products, regulatory bodies are better-positioned to demonstrate how government financial support is reflected in COVID-19 vaccine pricing (i.e. Bayh-Dole Act, Taxpayer Research and Coronavirus Knowledge Act of 2020). Further, given that the companys existing disclosures regarding COVID-19 vaccine development process include financial support received from the government, it is unclear how the requested report will explicitly show how JNJ reflects that support as part of its pricing.
2	Adopt Policy to Include Legal and Compliance Costs in Incentive Compensation Metrics	Share Holder	Against	For	Legal or compliance costs should be considered as part of the companys operating cost, particularly when a relevant metric such as Adjusted EPS is used for determining executives pay. Excluding litigation cost, in principle, can be understood as such costs will be born by shareholders and other stakeholders, but not by the executives. Further, relying solely on clawbacks in case of oversight failures while excluding litigation costs from calculating KPIs used for executive pay does not seem consistent and calls for a significant scandal to hold any executive accountable. Support for the proposal is warranted.