



Business Continuity at Johnson & Johnson

Business continuity planning at Johnson & Johnson is focused on sustaining the flow of products and services to our customers by maintaining a state of preparedness in anticipation of natural or man-made events that could result in business interruptions. All Johnson & Johnson operating companies adhere to this principal: *to ensure that our people, facilities and products remain safe and secure, and that the ability to serve our customers remains uninterrupted.*

The business continuity planning process consists of three elements: Emergency Response, Incident Management and Operations Recovery. Each operating company location has a Crisis Management Team made up of senior representatives from various disciplines. The crisis communication component of the plan includes procedures for timely transfer of information to employees, customers, regulatory agencies and the media.

The contents of the Business Continuity Plan (BCP) include detailed flow charts that define specific proprietary strategies necessary to expedite the recovery of the operation. Critical supplies, materials and equipment are also included and extend over various time periods. Strategies for alternate capacity to meet the needs of our customers represent a significant aspect of the plan.

All BCPs are evaluated on a periodic basis using table-top exercises conducted at the site level. Outcomes from such exercises are documented and become part of a Management Action Plan with assigned responsibilities and completion dates. A core team of subject-matter experts assist our worldwide operating companies through training, one-on-one consulting and reviews.

An important component of business continuity planning concerns pandemic preparedness. Johnson & Johnson established a Pandemic Preparedness Task Force in October 2005. This multi-disciplinary Task Force is comprised of senior representatives from the medical, scientific, security, supply chain, health and safety, and human resource areas.

The Task Force developed a "Guidance for Preparedness for Human Influenza Pandemic" that was distributed in November 2005 to site coordinators at all operating companies worldwide. The Guidance provides actions that managers can take based on the World Health Organization (WHO) classification. The WHO has divided a pandemic into six (6) phases. The phases refer to an increasing risk of pandemic occurrence. A Pandemic Response Action Table has been developed that triggers various elements of the plan based on increasing risk. The actions differ according to whether an area is currently affected by a WHO-identified type of influenza or not. The Action Table provides detailed information sheets for use by managers and employees at different pandemic phases.

The Pandemic Response Action Table and the Guidance are updated frequently to reflect any type of influenza pandemic. Based on the Guidance, travel advisories are sent to all international business travelers. Our employees have been encouraged to take advantage of seasonal influenza vaccinations, which have been specifically offered to employees in high-risk areas since 2005.

Sites are incorporating the Guidance and Action Tables into existing BCP. The Task Force monitors daily activities associated with the spread of influenza in animals and humans, and is able to respond quickly to changing world events. The team also maintains relationships with medical experts worldwide and is in periodic communication with the Centers for Disease Control & Prevention (CDC).

We believe that the above broad-based approach to business continuity planning will ensure that we will be able to meet the commitments to our worldwide customers and the patients that they serve.

Please note that our Guidance for Preparedness for Human Influenza Pandemic and the Pandemic Response Action Table contain proprietary and confidential information and we do not, as a business practice, distribute these documents outside of the Company.