



PRESS RELEASE

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SHAREHOLDERS WIN A VOTE AT JOHNSON & JOHNSON
Investors Call for Transparency and Accountability on Opioid Risks

HARTFORD, CT — A majority of shareholders of Johnson & Johnson, at the company’s annual general meeting held on April 23, voted in support of a resolution calling on the company’s board of directors to investigate and report to investors on opioid-related risks to the company. The resolution was filed by Illinois State Treasurer Michael W. Frerichs and co-filed by Connecticut State Treasurer Shawn T. Wooden; Mercy Investment Services; Catholic Health Initiatives; Dignity Health; and Trinity Health.

“Johnson & Johnson’s shareholders just sent a clear message that the company needs to increase transparency and accountability,” said Illinois State Treasurer Frerichs. “We are pleased that shareholders supported our call for the company to do what is best for their customers, communities and investors and take measures to prevent future missteps. Looking ahead, my team and I are eager to continue our discussion with the company to ensure effective oversight and reporting procedures are in place.”

Connecticut State Treasurer Wooden, principal fiduciary of the \$34 billion Connecticut Retirement Plans and Trust Funds, stated, “The opioid epidemic continues to have a devastating impact on communities across the country. Pharma companies like Johnson & Johnson face ongoing, expensive litigation that impacts the long-term value of the company. It’s high time that the board take ownership of their responsibility to oversee these risks, and to report on the concrete steps they are taking to address them.”

The resolution calls on the company’s board of directors to report on the governance measures implemented since 2012 to more effectively monitor and manage financial and reputational risks related to the opioid crisis. The report would provide investors with valuable information about Johnson & Johnson’s board oversight process and the measures taken to monitor and manage material risks. The boards of several companies, including Endo Pharmaceutical, McKesson, Cardinal Health, CVS and Walgreens have produced similar reports.

Two of the leading proxy advisory firms, Institutional Shareholder Services (ISS) and Glass Lewis, recommended support for the shareholder proposal.

Investors have pressed Johnson & Johnson for fuller disclosure of the governance measures taken in response to the opioid crisis, in light of ongoing and significant lawsuits and settlements over the last several years. In 2019, an Oklahoma judge ruled Johnson & Johnson’s subsidiary Janssen Pharmaceuticals engaged in “false, deceptive and misleading” marketing regarding opioids that

contributed to the opioid crisis in Oklahoma, and ordered damages of \$465 million.

Donna Meyer, Director of Shareholder Advocacy for Mercy Investment Services, stated: “With medical professionals reporting that COVID-19 is worsening the opioid epidemic, we continue to address this urgent issue that is impacting our communities. We’re reassured that Johnson & Johnson shareholders recognize that the opioid epidemic is not going away and should remain a focus for the company. We ask that the company take ownership of and be responsible for the oversight of opioid risks.”

Filers of this resolution are members of [Investors for Opioid and Pharmaceutical Accountability](#) (IOPA), a coalition of 61 investors that collaboratively engage with manufacturers, distributors and retailers of opioids around the risks associated with the opioid epidemic. Since IOPA’s inception in 2017, companies with which IOPA has engaged have agreed to investors’ demands for stronger board oversight, more transparent accountability measures and robust reporting processes. Companies such as Cardinal Health and Assertio Therapeutics have established new board level committees with responsibility for overseeing opioid business risks. McKesson established a stand-alone compliance committee to provide better oversight, and CVS and Walgreens Boots Alliance each have published reports about the board’s role in oversight.

As of April 23, 2020, the CRPTF’s \$34 billion portfolio included equity holdings in Johnson & Johnson valued at \$96.7 million, and fixed income holdings of \$2.2 million. The Illinois State Treasurer is the state’s Chief Investment and Banking Officer and actively manages approximately \$30 billion.

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