

1. What was announced?

- Johnson & Johnson announced that it has initiated a process to resolve all claims related to the Company's cosmetic talc products in a manner that is equitable to all parties, including any current and future claimants.
- To reach this equitable resolution, LTL Management LLC (LTL), a newly created separate subsidiary of Johnson & Johnson responsible for the management of claims in the cosmetic talc litigation moving forward, has filed for voluntary Chapter 11 bankruptcy protection.
- Johnson & Johnson and its other affiliates did not file for bankruptcy protection and will continue to operate their businesses as usual.
- LTL's Chapter 11 proceedings will have no impact on Johnson & Johnson's business operations or on its employees, patients, healthcare providers, customers, consumers, partners or other stakeholders.
- To demonstrate its commitment to resolving the cosmetic talc cases and remove any financial objections to the process, Johnson & Johnson has agreed to provide funding to LTL for the payment of amounts the Bankruptcy Court determines are owed by LTL and will also establish a \$2 billion trust in furtherance of this purpose. In addition, LTL has been allocated certain royalty revenue streams with a present value of over \$350 million to further contribute to potential costs.
- While Johnson & Johnson continues to stand firmly behind the safety of its cosmetic talc products, the Company believes resolving this matter as quickly and efficiently as possible is in the best interests of the Company and all stakeholders.

2. Why are these actions being taken? Why now?

- This action allows for an equitable solution for all parties, including any current and future claimants.
- In the absence of these actions, including the Chapter 11 filing by LTL, it is anticipated that upwards of hundreds of millions per year would be spent in defense costs.
- This established process allows companies facing a massive number of tort claims to resolve those claims in a manner that is equitable to all parties.
- While Johnson & Johnson has prevailed in the majority of talc cases tried, including six out of the eight jury trials faced in 2021 alone, there have been arbitrary, extraordinary verdicts in state courts that have contradicted the science.
- If only a small fraction of the pending cases yields these types of awards, the assets available to pay current and future claimants could be exhausted. This, coupled with the excessive associated legal costs, would make continued litigation unsustainable for any company.

3. What impact does this have on the operations of Johnson & Johnson and its other affiliates?

- Johnson & Johnson and other affiliates of Johnson & Johnson did not file for bankruptcy protection.
- Accordingly, this has no impact on the operations of Johnson & Johnson or its other affiliates, and they will continue to operate their businesses as usual.
- The separation of LTL from Johnson & Johnson allows the Company to move forward and focus on what Johnson & Johnson does best – delivering lifesaving therapies and innovative solutions that help people live their healthiest lives.

- 4. What impact does this have on stakeholders of Johnson & Johnson and its other affiliates? How will this affect customers, consumers, business partners, employees, healthcare providers, etc.?**
- Johnson & Johnson and its other affiliates did not file for bankruptcy protection.
 - Accordingly, LTL's Chapter 11 proceedings will have no impact on Johnson & Johnson's business operations or on its employees, patients, healthcare providers, customers, consumers, partners or other stakeholders.
- 5. How does this impact the Johnson & Johnson Consumer Health business?**
- Johnson & Johnson and its other affiliates, including Johnson & Johnson Consumer Health, did not file for bankruptcy protection and will continue to operate their businesses as usual.
 - LTL's Chapter 11 proceedings will have no impact on any of Johnson & Johnson's business operations or stakeholders – including employees, patients, healthcare providers, customers, consumers, partners or others.
- 6. What will happen to current and pending cases in the cosmetic talc litigation?**
- While LTL pursues this equitable resolution, all current and pending cases in the cosmetic talc litigation will be stayed pending the outcome of the proceedings. This provides the parties time to reach an agreement approved by the claimants and the court.
- 7. How will LTL fund the payment of any claims?**
- To demonstrate its commitment to resolving the cosmetic talc cases and remove any financial objections to this process, Johnson & Johnson has agreed to provide funding to LTL exclusively for the payment of amounts the Bankruptcy Court determines are owed by LTL and will also establish a \$2 billion trust in furtherance of this purpose. LTL has also been allocated certain royalty revenue streams with a present value of over \$350 million to further contribute to potential costs.
- 8. What are next steps? When will the trust be established? How long will this process take to complete?**
- As part of the Chapter 11 process, LTL will seek to confirm, as quickly as possible, a Plan of Reorganization that would address all cosmetic talc claims in a manner that is equitable to all parties, including any current and future claimants. The way this will be done is through a dedicated trust that would efficiently process and pay alleged claims.
 - This established process will allow for a more efficient and consistent resolution for all parties.
- 9. Where can I find additional information about LTL and its Chapter 11 case?**
- Court filings and information about LTL's Chapter 11 case are available on a separate website administered by its claims agent, Epiq, at <https://dm.epiq11.com/LTL>; by calling Epiq representatives at (855) 675-3078 from the U.S. or (503) 520-4497 from international locations; or by emailing Epiq at LTLinfo@epiqglobal.com.