

Dear shareholders,

March 2026

2025 was a catapult year for Johnson & Johnson, propelling the company into a new era of accelerated impact and growth.

Johnson & Johnson leads the industry as the most comprehensive healthcare innovation powerhouse and today we have the strongest portfolio and pipeline in our history.

Over the last 12 months, we increased our focus on areas of high-growth and high-unmet need, expanding leadership positions across six key areas: Oncology, Immunology, Neuroscience, Cardiovascular, Surgery and Vision.

With a unique business model that spans both Innovative Medicine and MedTech, we have the depth and scale to shape the future of healthcare in ways no other company can.

Performance and priorities

In 2025, Johnson & Johnson delivered strong operational sales growth of 5.3%⁽¹⁾. Excluding STELARA, where sales were negatively impacted by loss of exclusivity, the Company grew 11.5%⁽¹⁾.

Full year adjusted net earnings were \$26.2 billion⁽¹⁾. Adjusted diluted net earnings per share were \$10.79⁽¹⁾. The power and resilience of our portfolio continued to grow, as Shockwave and CARVYKTI joined our list of platforms with more than \$1 billion in annual sales, bringing the total number of platforms to 28 across the portfolio.

Our strong balance sheet, fueled by free cash flow of nearly \$20 billion⁽¹⁾, enables us to drive value for shareholders. In 2025, we increased our dividend for the 63rd consecutive year. Our share price increased 43% yielding a total shareholder return of 47.5%, delivering one of our best annual returns in our 82-year history as a publicly traded company.

We remained steadfast in our capital allocation priorities to position Johnson & Johnson for sustained growth through the end of the decade and beyond. In 2025, we invested more than \$32 billion in research, development and strategic acquisitions, including Intra-Cellular Therapies and Halda Therapeutics, as well as 40 other collaborations, partnerships and licenses.

We also initiated billions of dollars in new state-of-the-art manufacturing facilities as we continue to deliver on our plans to invest \$55 billion in the U.S. over the next four years, accelerating our next wave of innovation.

Innovative Medicine

Innovative Medicine reported operational sales growth of 5.3%⁽¹⁾, with 13 brands growing double digits, and full-year sales exceeding \$60 billion for the first time.

In 2025, we secured 51 approvals and filed 32 submissions across major markets. Additionally, we had positive readouts from 17 key studies and initiated 11 new Phase 3 programs.

In Oncology, we are advancing innovative therapies to treat and intercept disease, with the aspiration to one day cure cancer. Growth was driven through high-performing brands such as DARZALEX, which generated more than \$14 billion in annual sales, and CARVYKTI, our CAR-T therapy in multiple myeloma, which is the most successful cell therapy ever launched with over 10,000 patients treated across 14 markets. Regulatory milestones included FDA approvals for RYBREVAANT FASPRO, the first subcutaneous therapy for EGFR-mutated, non-small cell lung cancer, and INLEXZO, a novel drug-releasing system for bladder cancer that offers a transformative alternative to bladder removal. We also published impressive results on the investigational combination of TECVAYLI and DARZALEX for patients with previously treated multiple myeloma and were awarded a national priority review voucher by the FDA.

In Immunology, we are continuously transforming the standard of care for people living with immune-mediated disease. TREMFYA became the first and only IL-23 inhibitor with a fully subcutaneous treatment regimen for both ulcerative colitis and Crohn's disease, and is now the fastest-growing IL-23 therapy in the U.S. With recent momentum in inflammatory bowel disease, TREMFYA delivered more than \$5 billion in global sales in 2025. Building on that success, we recently filed for approval of icotrokinra. Once approved, icotrokinra will become the first targeted oral peptide to deliver an unprecedented combination of complete skin clearance and favorable safety profile with the simplicity of a daily pill for patients with moderate to severe plaque psoriasis.

In Neuroscience, SPRAVATO continued its strong trajectory with more than 200,000 patients now treated worldwide, and we solidified our leadership in this therapeutic area with the U.S. launch of CAPLYTA as an adjunctive therapy for major depressive disorder.

MedTech

MedTech delivered operational sales growth of 5.4%⁽¹⁾, with record full-year sales of nearly \$34 billion. In 2025, we launched 15 major products and secured more than 40 regulatory approvals across major markets and progressed more than 60 active clinical trials.

Johnson & Johnson is the market leader in three Cardiovascular businesses. In electrophysiology, we expanded our position in pulsed field ablation, with continued global adoption of our VARIPULSE platform, which has been used to treat over 40,000 atrial fibrillation patients. We also received positive 3-month data for our investigational OMNYPULSE Catheter and completed first cases with our Dual Energy THERMOCOOL SMARTTOUCH SF Catheter in Europe.

In Surgery, our advancements in robotics, digital, and surgical instrumentation are creating new possibilities to improve outcomes. We filed our FDA de novo submission for OTTAVA, our next-generation robotic surgery system, and we launched the ETHICON 4000 Stapler, which is designed to minimize risk factors for surgical complications across multiple surgery types.

In Vision, we launched ACUVUE OASYS MAX 1-day disposable lenses for astigmatism and presbyopia and saw newly launched TECNIS Odyssey become the fastest-growing intra-ocular lens in the U.S.

We also announced the planned separation of our Orthopaedics business, a move that will increase our focus on high-growth areas and enable both organizations to pursue leadership positions in their respective markets.

Fueling our success

Johnson & Johnson ended 2025 stronger than ever with an unrivaled portfolio and pipeline, and with sharpened focus and expertise across Oncology, Immunology, Neuroscience, Cardiovascular, Surgery and Vision.

In 2026, this will translate into accelerated growth and impact with game-changing innovation reaching more patients faster. Our people continue to fuel everything we do, and in 2025 more than 90% of our employees said they were willing to go the extra mile to ensure Johnson & Johnson meets its goals. Whether in research labs, manufacturing sites, an office, or in the field, our employees are guided by Our Credo and share a deep commitment to improving lives.

Together we are driving innovation that will profoundly impact health for humanity.



Sincerely,

A handwritten signature in dark ink that reads "Joaquin Duato". The signature is written in a cursive, slightly slanted style.

Joaquin Duato
Chairman and CEO