

Overview of Long-Term Incentive (LTI) Award Treatment at the Final Separation of Kenvue from Johnson & Johnson

What will happen to my Johnson & Johnson LTI awards at the final separation?

At the final separation, your outstanding Johnson & Johnson (“J&J”) LTI awards will remain J&J LTI awards. The value of your J&J LTI awards will also continue to be based on the value of J&J’s common stock. This ensures that the value of your LTI awards remain aligned with the performance of J&J after the final separation.

What guiding principles will be used for my LTI awards at the final separation?

1	The value of your LTI awards will be kept the same at the time of the final separation	2	The total exercise price of your options will be kept the same	3	Key terms and conditions such as vesting and expiration dates will generally be kept the same
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Here is a simple example of how your LTI awards will be treated:

	J&J LTI Award (Before the final separation)		J&J LTI Award (After the final separation)
RSUs & PSUs	Value of underlying J&J stock \$10,000	→	Value of underlying J&J stock \$10,000
	Value of underlying J&J stock \$10,000	→	Value of underlying J&J stock \$10,000
Options	Total exercise price \$7,000 <small>(Exercise price per J&J share x number of options)</small>	→	Total exercise price \$7,000 <small>(Exercise price per J&J share x number of options)</small>
	Total gain \$3,000	→	Total gain \$3,000

What will happen to my PSUs?

At the time of the final separation, your J&J PSUs will remain J&J PSUs, subject to the same vesting terms, but with adjusted performance goals to reflect the final separation. Given that the current PSU performance goals include the Consumer Health sector, the performance goals will be adjusted to only measure against the remaining sectors of J&J.

- EPS goals will be adjusted to remove the impact of earnings from the Consumer Health sector.
- Peer companies used in the relative TSR metric will be adjusted to reflect the final separation of the Consumer Health sector from J&J.

Additional information regarding your LTI awards will be provided as we get closer to the final separation date, including whether any different treatment is required based on legal requirements in your location.

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A registration statement relating to the securities of Kenvue has been filed with the SEC but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This memorandum shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities of the company in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

This document provides a brief overview of what is expected to happen to Johnson & Johnson LTI awards held by Johnson & Johnson employees or retirees at the final separation. The examples are provided for illustrative purposes only and do not reflect actual awards granted. The total gain from your LTI awards will vary depending on Johnson & Johnson’s stock price performance. The treatment of your LTI award may vary from this summary based on legal requirements in your location. Johnson & Johnson reserves the right to alter, modify, amend, or terminate the LTI award treatment in whole or in part at any time without prior notification. In the event of any discrepancy between the overview provided here and the official documents governing your LTI award, the governing documents will control.