

## Gender-Based Compensation Gaps and Associated Risks

**WHEREAS:** Compensation and benefits inequities persist across employee gender categories, and pose substantial risk to companies and society at large.

The United States Department of Labor states that “equal pay” is required if persons of different genders “perform equal work in the same workplace,” and that “all forms of compensation are covered, meaning not only pay, but also benefits.”<sup>1</sup> The U.S. Equal Employment Opportunity Commission adds:<sup>2</sup>

*It is illegal for an employer to discriminate against an employee in the payment of wages or employee benefits on the bases of race, color, religion, sex (including gender identity, sexual orientation, and pregnancy), national origin, age (40 or older), disability or genetic information. Employee benefits include sick and vacation leave, insurance, access to overtime as well as overtime pay, and retirement programs.*

**SUPPORTING STATEMENT:** Johnson & Johnson (“Company”) provides health benefits to employees who suffer gender dysphoria/confusion, and who seek medical, chemical, and/or surgical treatments, offering “coverage for surgery to change the sex of any employee diagnosed with gender identity disorder.”<sup>3</sup> The Company boasts about its 100 percent score on the Human Rights Campaign’s Corporate Equality Index (“CEI”) and HRC’s designation as a “Best Places to Work for LGBTQ+ Equality.”<sup>4</sup>

Company policy *affirms* it is possible for dysphoria sufferers to transition to a different sex. Yet an increasing body of scientific evidence shows no benefits result from such treatments.<sup>5</sup> In the United States and Europe, the medical community is increasingly cautious about transitioning therapies and surgeries.<sup>6 7</sup>

Victims report transition treatments and surgeries are harmful. Examples include long-lasting or permanent outcomes like chronic pain, sexual dysfunction, unwanted hair loss or hair gain, menstrual irregularities, urinary problems, and other complications.<sup>8</sup> Rather than resolve health problems, “gender affirming” therapies often exacerbate them.<sup>9</sup> In such instances, those who

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<sup>1</sup> <https://www.employer.gov/EmploymentIssues/pay-and-benefits/Equal-pay/>

<sup>2</sup> <https://www.eeoc.gov/prohibited-employment-policiespractices>

<sup>3</sup> <https://www.careers.jnj.com/careers/what-makes-johnson-johnson-a-global-leader-in-diversity-inclusion>.

<sup>4</sup> <https://belong.jnj.com/2022/>

<sup>5</sup> <https://www.foxnews.com/politics/crenshaw-grills-dem-witness-failure-name-one-study-citing-benefits-surgeries-trans-kids>

<sup>6</sup> <https://www.wsj.com/articles/second-thoughts-on-gender-affirming-care-american-academy-pediatrics-doctors-review-medicine-a7173276>

<sup>7</sup> <https://www.wsj.com/articles/u-s-becomes-transgender-care-outlier-as-more-in-europe-urge-caution-6c70b5e0>

<sup>8</sup> <https://www.dailymail.co.uk/health/article-11629421/Half-trans-surgery-patients-suffer-extreme-pain-sexual-issues-years-later.html>

<sup>9</sup> <https://www.dailymail.co.uk/femail/article-12250695/I-trans-surgery-woman-19-four-years-later-Im-man.html>

desire to “detransition” cannot find medical care or insurance coverage, and are permanently mutilated.<sup>10</sup> Many of these sufferers litigate against those who misled or harmed them.<sup>11 12</sup>

HRC contemplates no accommodations for detransitioners or restorative health care for such individuals – instead, it denies there is need for such care.<sup>13</sup> Hence, the CEI-perfect Company appears to offer no such insurance coverage in its employee benefits – only for so-called “gender-affirming care,” which includes a medical travel benefit.<sup>14</sup> Detransitioners are protected under “gender identity” and “sexual orientation” EEOC categories and therefore cannot be discriminated against.

**RESOLVED:** Shareholders request the board of directors issue a report by March 31, 2025 about compensation and health benefit *gaps*, which should include how they address dysphoria and detransitioning care across gender classifications, including associated reputational, competitive, operational and litigative risks, and risks related to recruiting and retaining diverse talent. The report should be prepared at reasonable cost, omitting proprietary and private information, litigation strategy and legal compliance information, and should be published on the Company’s website.

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<sup>10</sup> <https://thefederalist.com/2023/02/10/detransitioners-are-being-abandoned-by-medical-professionals-who-devastated-their-bodies-and-minds/>

<sup>11</sup> <https://public.substack.com/p/why-this-detransitioner-is-suing>.

<sup>12</sup> <https://www.dailymail.co.uk/news/article-12310887/Young-North-Carolina-woman-sues-doctors-testosterone-age-17-saying-needed-therapy-not-double-mastectomy-latest-blockbuster-detransition-lawsuit.html>

<sup>13</sup> <https://www.hrc.org/resources/myths-and-facts-battling-disinformation-about-transgender-rights>

<sup>14</sup> <https://www.jnj.com/innovation/employee-benefits-that-help-make-johnson-johnson-a-great-company>