



NEWS RELEASE

Merck Reports Strong Progress in ESG Focus Areas

8/30/2022

- Merck Committed 91.5 Million Doses of Human Papillomavirus (HPV) Vaccine for Use in Gavi-Supported Countries
- Developed and Executed Ground-Breaking Access Strategy to Accelerate the Timely Distribution of the Company's Investigational COVID-19 Therapeutic to Governments Globally
- In 2021, >99% Pay Equity Achieved in the U.S. for Female and Male Employees, as well as for Non-White and White Employees in Equivalent Positions
- On Track to Achieve Carbon Neutrality Across Company Operations by 2025 (Scope 1 & 2 emissions)
- Issued Inaugural \$1 Billion Sustainability Bond

RAHWAY, N.J.--(BUSINESS WIRE)-- Merck (NYSE: MRK), known as MSD outside the United States and Canada, today issued its 2021/2022 Environmental, Social and Governance (ESG) Progress Report. The report highlights the company's performance and progress in its four ESG focus areas: Access to Health, Employees, Environmental Sustainability and Ethics & Values.

"For more than 130 years, our global team has pursued ESG excellence. Today, our ESG approach helps propel and enable our business strategy in ways that make us a better company — and a better corporate citizen. To that end, ESG underpins our Corporate Strategic Framework and every decision we make," said Robert M. Davis, chief executive officer and president, Merck. "We recognize that ESG is not a destination, but instead a journey. We're excited and energized about the road ahead as we continue to operate on behalf of society, shareholders and all our stakeholders to enable a safe, sustainable and healthy future for people and communities everywhere."

The report reflects that Merck's longstanding ESG commitment is fully integrated in the company's Corporate Strategic Framework, which is anchored in the company's purpose of using the power of leading-edge science to



save and improve lives around the world. The report also reflects such milestones as the company's December 2021 launch of its Sustainability Financing Framework to raise and direct funds to critical ESG projects and support our overall ESG strategy. The company's first offering was an inaugural \$1 billion sustainability bond intended to support projects and partnerships in our four ESG priority areas.

To further accelerate Merck's ESG efforts, the company will also continue its membership in the Billion Dollar Roundtable (BDR), a leading industry organization that recognizes and celebrates companies that achieve spending of at least \$1 billion with minority-, women-, veteran-, LGBT- and disability-owned enterprises. Merck also hosted the most recent BDR Summit, which provided an opportunity for companies to optimize their positive economic impact.

Other key highlights from this year's report include:

Access to Health:

- The company committed 91.5 million doses of its human papillomavirus (HPV) vaccines for use in Gavi-supported countries from 2021 to 2025 and completed expansions to its Elkton, VA, manufacturing facility to increase capacity and supply. With plans for additional expansions to existing and new facilities, Merck expects supply of HPV vaccines to double between 2020 and 2023.
- In alignment with its approach to ensuring broad, equitable access to health, the company began executing on a comprehensive supply and access strategy early in the COVID-19 pandemic to accelerate equitable global access to the company's investigational oral antiviral COVID-19 medicine.
- The company pursues programs to provide access to its medicines and vaccines when market-based solutions are inadequate or unavailable. For example, as the war in Ukraine continues, we're committed to getting life-saving support, medicines, vaccines and supplies to those who need them most. In the first half of 2022, Merck committed more than \$93 million in essential products and funds to ensure that refugees of Ukraine and those who remain inside the country have access to health care.
- In addition to the billions of people Merck has reached with innovative medicines, vaccines and access strategies throughout its history, the company's goal is to enable 100 million more people to access its innovative portfolio globally through access strategies, solutions, and partnerships by 2025.

Employees:

- In 2021, the company achieved >99% pay equity in the U.S. for female and male employees, as well as for non-white and white employees in equivalent positions.
- The company has set goals to increase representation in senior management roles by 2024 and reported strong progress in 2021:

- The company increased representation of women globally to 36%, up from 31% in 2020. By 2024, the company aims to increase representation to 40%.
- The company increased representation of Black/African Americans in the U.S. to 7%, up from 3% in 2020. By 2024, the company aims to increase representation to 10%.
- The company increased representation of Hispanics/Latinos in the U.S. to 6%, up from 5% in 2020. By 2024, the company aims to increase representation to 10%.

Environmental Sustainability:

- Merck is on track to achieve carbon neutrality across our operations by 2025. In 2021, with a goal of reducing its operational greenhouse gas (GHG) emissions (Scopes 1 & 2) 46% by 2030 from a 2019 baseline, the company achieved a 9% reduction in Scope 1 & 2 emissions from a 2019 baseline.
- With a goal of sourcing 100% of its purchased electricity from renewables by 2025, Merck sourced 41% of its purchased electricity from renewables in 2021. The company continues to work toward transitioning to renewable sources of energy to meet its 2025 renewable energy target.

Ethics & Values:

- In 2021, Merck maintained 100% compliance to regulatory requirements for active incident monitoring, risk/harm analysis and on-time notification of data breaches.
- The company fosters a “speak up” culture with a goal of maintaining or exceeding its current percentage of employees responding favorably to the “Willingness to Report” question in its employee survey as an annual average.

Learn more about Merck’s approach to ESG, the company’s commitment to creating value for society and all its stakeholders and its progress on key goals in **Merck’s 2021/2022 ESG Progress Report**.

About Merck

At Merck, known as MSD outside of the United States and Canada, we are unified around our purpose: We use the power of leading-edge science to save and improve lives around the world. For more than 130 years, we have brought hope to humanity through the development of important medicines and vaccines. We aspire to be the premier research-intensive biopharmaceutical company in the world – and today, we are at the forefront of research to deliver innovative health solutions that advance the prevention and treatment of diseases in people and animals. We foster a diverse and inclusive global workforce and operate responsibly every day to enable a safe, sustainable and healthy future for all people and communities. For more information, visit www.merck.com and connect with us on **Twitter**, **Facebook**, **Instagram**, **YouTube** and **LinkedIn**.

Forward-Looking Statement of Merck & Co., Inc., Rahway, N.J., USA

This news release of Merck & Co., Inc., Rahway, N.J., USA (the “company”) includes “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements are based upon the current beliefs and expectations of the company’s management and are subject to significant risks and uncertainties. There can be no guarantees with respect to pipeline candidates that the candidates will receive the necessary regulatory approvals or that they will prove to be commercially successful. If underlying assumptions prove inaccurate or risks or uncertainties materialize, actual results may differ materially from those set forth in the forward-looking statements.

Risks and uncertainties include but are not limited to, general industry conditions and competition; general economic factors, including interest rate and currency exchange rate fluctuations; the impact of the global outbreak of novel coronavirus disease (COVID-19); the impact of pharmaceutical industry regulation and health care legislation in the United States and internationally; global trends toward health care cost containment; technological advances, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approval; the company’s ability to accurately predict future market conditions; manufacturing difficulties or delays; financial instability of international economies and sovereign risk; dependence on the effectiveness of the company’s patents and other protections for innovative products; and the exposure to litigation, including patent litigation, and/or regulatory actions.

The company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in the company’s Annual Report on Form 10-K for the year ended December 31, 2021 and the company’s other filings with the Securities and Exchange Commission (SEC) available at the SEC’s Internet site (www.sec.gov).

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Media Contacts:

Patrick Ryan
(973) 275-7075

Leland Laury
(610) 659-8856

Investor Contacts:

Peter Dannenbaum
(908) 740-1037

Steven Graziano
(908) 740-6582

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