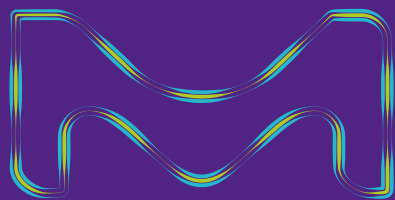


SUPPLIER CODE OF CONDUCT

Your commitment counts!



Effective as of
January 1st 2023

Merck KGaA
Darmstadt, Germany

DEAR SUPPLY PARTNER,

We are curious minds dedicated to human progress. We believe that scientific exploration and responsible entrepreneurship are the keys to technological advances that benefit us all. Acting sustainably is a crucial factor for business success. As a responsible company, Merck KGaA, Darmstadt, Germany, and its affiliated companies ("MDA") have been shaped and guided by strong values for generations, and we consider sustainability to be a fundamental element of our enterprise priorities.

We all know that sustainability transcends company boundaries. That is why you, our suppliers and business partners, are an integral part of our overall sustainability approach.

At MDA, doing business responsibly is deeply embedded in our corporate DNA and company culture. We place the highest demands regarding compliance with social and environmental standards not only on our own processes, but also on you, our suppliers.

Our Supplier Code of Conduct is based on the Code of Conduct and our Human Rights Charter, which are available on our corporate website www.emdgroup.com.

As a signatory to the United Nations Global Compact, we are fully committed to supporting and respecting human rights in line with the United Nations Guiding Principles on Business and Human Rights. We also expect you to do business responsibly, to respect human rights and labor regulations, to protect our environment, and to prevent corruption.

As we work towards making sustainable supply chains a firm element of our sustainability strategy, we Merck KGaA, Darmstadt, Germany, kindly ask you to familiarize yourself with and to comply with these principles – **your commitment counts**.

We would be happy to engage with you on this and support you with any questions or concerns you might have.

Sincerely,



Joachim Christ
Chief Procurement Officer

Dr. Friederike Rotsch
Group General Counsel

TO OUR SUPPLIERS AND SALES INTERMEDIATES

This **Supplier Code of Conduct** ("Code of Conduct") applies to all providers of goods and/or services ("Suppliers") and sales intermediates (e.g. dealers, distributors, wholesalers, agents and resellers) of Merck KGaA, Darmstadt, Germany and/or its affiliated companies ("MDA"). For the purposes of this Code of Conduct, Suppliers and sales intermediates shall each be considered "Suppliers". This Code of Conduct sets forth the minimum standards that Suppliers agree to fulfill with regard to respecting human and labor rights, occupational health and safety, business integrity, protection of the environment, continuous improvement and supplier management.

This Code of Conduct does not prevent MDA and its Suppliers from establishing more specific and stringent requirements either contractually or independently through their respective internal governance documents.



CONTENT

1. ETHICS & GENERAL BUSINESS INTEGRITY



MDA expects its Suppliers to comply with all applicable laws, rules and regulations in the countries they operate or conduct business. If the laws and regulations deviate from this Code of Conduct, the stricter rule/law shall apply.



Anti-corruption and Anti-bribery Commitment

All corruption, extortion and embezzlement practices are prohibited. Suppliers shall under no circumstances grant or accept – neither directly nor indirectly through third parties – any bribes, kick-backs or other illegal payments. Suppliers must comply with

all applicable anti-corruption laws, rules and regulations, such as the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and those enacted under the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.



Gifts, Entertainment, Hospitality, Gratuities and Other Favors

Suppliers shall prohibit the provision or receipt of any payments or gifts such as bribes or kick-backs. Suppliers shall not provide any gifts, gratuities, hospitality, meals, or entertainment to MDA employees, government/regulatory

officials or any other third party in any situation in which it might influence, or appear to influence, the employee's or regulatory official's decision concerning the Suppliers.



Conflict of Interests

Suppliers shall avoid interactions with any MDA employee that might conflict, or appear to conflict, with the employee's ability to act in the best interests of MDA. Suppliers with

associates or members of their immediate family working for MDA shall disclose these potential conflicts of interest before engaging in any business relationship.

References

- U.S. Foreign Corrupt Practices Act
- U.K. Bribery Act
- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions



Anti-Money Laundering

Suppliers shall have robust processes in place to prevent the introduction of illicit funds into the legal economic cycle, or otherwise conceal the

source or destination of funds. They shall strive to combat the financing of terrorism and report any incident to MDA, regardless of materiality.



Fair Competition

Suppliers shall conduct their business in a manner consistent with fair and vigorous competition and in compliance with all applicable anti-trust laws. Suppliers shall neither be involved in anti-competitive agreements with competitors in violation of antitrust law, nor

shall they abuse a market position that may potentially be considered dominant or take part in any other anticompetitive practices. Suppliers shall employ fair business practices including accurate and truthful promotion.



Fraud Prevention

Suppliers shall have robust policies, procedures and controls in place to prevent fraud, theft, embezzlement, and financial misstatement, and report such incidents immediately to MDA, regardless of

materiality. Suppliers shall maintain accurate accounting records in appropriate detail that fairly present transactions, assets, liabilities, revenues, and expenses and do not contain false entries or documentation.



International Trade Compliance

Suppliers shall comply with all applicable import and export controls, sanctions, and other applicable trade compliance laws or

orders. Suppliers shall provide accurate and truthful information to customs and other authorities when required.



Bioethics

Suppliers shall comply with MDA's Bioethical Principles for Stem Cells, Genome Editing and Fertility, which are constantly being adapted by the Ethics Advisory Panel

for Science and Technology to reflect the latest scientific developments of Merck KGaA, Darmstadt, Germany.



Animal Welfare

Animal-using Suppliers shall apply the highest ethical and welfare standards related to quality, housing, husbandry, and veterinary care. Animal testing or other animal use such as for production shall be conducted using accepted and state-of-the-art methods, minimizing pain and only after considering all options to replace, refine and/or reduce (3R) testing. Whenever possible, alternatives to animal-using methods shall be used. For all types of animal usage, proper 3R, environmental enrichment and hygiene and health monitoring programs, as well as processes and procedures for incident and risk management shall be implemented and complied with.

U.S. ILAR Guide and local legislation. Prior to their engagement, all animal-using Suppliers shall be animal science and welfare (ASW) qualified by MDA, based on document reviews and audits. Independent multidisciplinary cross-sectoral Animal Usage Review Boards (MAUR Boards) of Merck KGaA, Darmstadt, Germany must approve all animal work at vendors and suppliers on behalf of MDA.

Animal-using Suppliers shall have knowledge of and adhere to the policies and standards of our Animal Science and Welfare group and work in accordance with European Convention ETS123 Appendix A, the latest edition of the

References

- Stem Cell Principle
- Genome Editing Technology Principle
- Fertility Principle
- ETS123 Appendix A
- US ILAR guide's last edition

2. BUSINESS INTEGRITY IN THE PHARMA SECTOR



Product Quality and Supply Chain Integrity

Suppliers involved in the supply, manufacturing, packaging, re-packaging, testing, storage, and distribution of materials/products to MDA or on behalf of MDA will ensure compliance with applicable quality regulations and Good Manufacturing Practice (GMP), Good Distribution Practice (GDP) and Good Laboratory Practice (GLP) requirements for the markets in which the products are manufactured, registered,

and distributed, and in accordance with all necessary laws and regulations.

Suppliers shall ensure the integrity of their supply chain, avoiding counterfeiting and adulterations to protect patients and products (WHO; EU Falsified Medicine Directive, U.S. Drug Quality and Security Act).



Clinical Trials

All clinical trials conducted on behalf of MDA shall be performed in accordance with the global standards of Good Clinical Practice (GCP), applicable national and local regulatory

requirements, and with the utmost regard for the health and safety of volunteer participants while respecting the interests of science and society.

References

- E.U. Falsified Medicine Directive
- U.S. Drug Quality and Security Act



Pharmacovigilance

Suppliers of medicinal products shall comply with applicable pharmacovigilance (drug safety) laws and regulations and respective agreements to ensure the collection and

reporting of safety data/adverse drug reactions in their conduct of services and activities related to medicinal products.



Interactions with Healthcare Stakeholders

Suppliers shall not cooperate with healthcare professionals (HCPs) in a way that has an inappropriate influence or could be seen by others as an exertion of improper influence. Suppliers shall never grant advantages to reward, or in exchange for, recommending, prescribing, dispensing, purchasing, supplying, selling, administering, referring, arranging for, or ordering pharmaceutical products, or to induce recommending, prescribing, dispensing, purchasing, supplying, selling, administering, referring, arranging for, or ordering pharmaceutical products in the future.

When engaging with healthcare stakeholders such as HCPs, healthcare organizations, and patients and their organizations, Suppliers shall adhere to standards of conduct issued by the relevant industry organizations such as the European Federation of Pharmaceutical Industries & Associations (EFPIA), the International Federation of Pharmaceutical Manufacturers & Associations (IFPMA), and the Pharmaceutical Research and Manufacturers of America (PhRMA).

Suppliers who prepare sales, advertising, promotional, and marketing materials shall ensure that truthful and compliant descriptions and claims are used.

References

- European Federation of Pharmaceutical Industries & Associations (EFPIA)
- Federation of Pharmaceutical Manufacturers & Associations (IFPMA)
- Pharmaceutical Research and Manufacturers of America (PhRMA)



3. PROTECTION OF THE ENVIRONMENT



We expect our Suppliers to take appropriate measures to protect the environment and society at large. The relevant risks shall be monitored by the Suppliers, especially where they impact human health. Suppliers shall be committed to a precautionary approach as regards protecting the environment.



Environmental Authorizations

Suppliers shall comply with all applicable legal requirements for environmental protection and have all necessary licenses, permits and authorizations in place.



Handling of Mercury

Suppliers shall not manufacture mercury-added products, use mercury or mercury compounds in manufacturing processes or treat mercury waste contrary to the provisions of the UN Minamata Convention on Mercury (Minamata Convention).



Chemicals Regulations Compliance

Regarding the production and use of chemicals, Suppliers shall ensure that their business complies with pertinent chemicals regulations. Suppliers shall support MDA by providing information about supplied products and related processes that MDA needs in order to ensure compliance with chemicals regulations in relevant markets, particularly where distribution agreements are in place.

Information must be provided in a timely manner, especially if it serves to remove doubt about the lawful conduct of a supplier.

Suppliers shall also comply with all applicable conventions, including but not limited to the Stockholm Convention on Persistent Organic Pollutants (POPs Convention).

References

- Minamata Convention
- Stockholm Convention on Persistent Organic Pollutants (POP Convention)



Waste, Wastewater and Emissions

Suppliers shall set targets for and monitor their use of waste, electricity and energy as well as their emissions of greenhouse gases (GHG). Moreover, they shall report their progress towards environmentally relevant targets (e.g. reduction of Scope 1, 2 and 3 emissions, energy, water consumption, reduction or recycling of waste).

Suppliers shall reduce material input, energy usage and emissions, also in order to prevent spills and releases of chemical and polluting substances into the environment. MDA encourages Suppliers to move away from landfill and strive for more eco-friendly waste disposal solutions (i. e. recycling, waste-to-energy).

In essence, we expect our Suppliers to support the reduction of GHG emissions by ensuring that over time in accordance with the timelines communicated by MDA:

- A GHG inventory is established in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, covering own operations (Scope 1 and Scope 2) and the value chain (Scope 3),
- An energy management system is established, for example in accordance with ISO 50001,
- Renewable energy is sourced, whereby a target of at least 80% of the total amount of purchased energy should be met,

- CO₂ emissions are reduced during transport (e.g. green logistics) and in warehousing,
- They engage with their own suppliers to reduce CO₂ emissions,
- Circular economy practices are established, e.g. reuse products and material, (e.g. packaging), and/or develop and introduce of recyclable products (e.g. cradle to cradle approach).

Suppliers shall have systems and processes in place to handle and control the storage, recycling, reuse, or disposal of waste and wastewater.

Any waste, wastewater, or emissions that can adversely impact human health or the environment shall be appropriately managed, controlled and treated prior to release into the environment.

In particular, Suppliers shall not handle, collect, store, or dispose of waste in a manner that is not environmentally sound pursuant to the regulations in force in the applicable jurisdiction under the provisions of the Stockholm Convention on Persistent Organic Pollutants (POPs Convention). Exports and imports of hazardous waste and other forms of waste must only be carried out in accordance with the requirements of the Basel Convention on the Control of Transboundary Movements of Hazardous Waste and their Disposal (Basel Convention).



Biodiversity

Suppliers shall establish, implement and maintain an environmental policy. Within the defined scope of the environmental management system, this environmental policy shall also consider the protection of biodiversity and ecosystems, i.e the natural environment in which the Supplier operates, including air, water, land, natural resources, flora, fauna, humans and their interrelationships.

The consideration of biodiversity shall be appropriately explained, managed, controlled and documented. Suppliers shall offer documentation to satisfy clarification of biodiversity aspects. Sourcing by Suppliers of materials which could lead to the loss of biodiversity (genetic, species or diversity ecosystems) or degradation of ecosystems shall be avoided.



Palm Oil

Suppliers shall have certification from the Roundtable on Sustainable Palm Oil (RSPO) or a comparable certification such as the Malaysian Sustainable Palm Oil (MSPO), if palm oil and/or palm-based products or derivatives are used in the production of materials.

Suppliers shall ensure or work towards traceability of their mills and plantations and report information to MDA on palm oil material origin, including traceability to mill and plantation.

References

- GHG Protocol Corporate Accounting and Reporting Standard
- ISO 50001 on "Energy Management"
- Ellen MacArthur Foundation
- Commission of the European Union on "Circular Economy Concepts"
- Basel Convention on the Control of Transboundary Movements of Hazardous Waste and their Disposal

4. HUMAN AND LABOR RIGHTS



We expect our Suppliers to respect human rights, to operate in line with the United Nations Guiding Principles on Business and Human Rights , and to conduct human rights due diligence.

This includes respecting all internationally recognized human rights, and at a minimum, those expressed in the International Bill of Human Rights (i.e. the Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, and International Covenant on Economic, Social and Cultural Rights) and the principles concerning fundamental rights specified by the International Labour Organization (ILO).



Freely Chosen Employment

Suppliers shall ensure that no form of forced, bonded, indentured, or involuntary labor is used. In particular, Suppliers shall act in accordance with

- Art. 2 (2) of [Convention No. 29 of the ILO](#) and
- Art. 8 (3) (b) and (c) of the [International Covenant on Civil and Political Rights](#).

Every employee should be working of their own free will without being under threat of punishment.

No forms of slavery, practices akin to slavery, serfdom, or other forms of domination or

oppression in the workplace, such as extreme economic exploitation and humiliation shall be tolerated. Suppliers shall not require employees to surrender their passports or other legal documents or pay a deposit as a condition for employment. Nor shall any Supplier demand from their employees the payment of any fees associated with their work, such as recruitment or transportation fees, where transportation is offered by the Suppliers.

Employees shall have the right to terminate the employment relationship in line with the generally accepted period of notice at the place of employment.

References

- United Nations Guiding Principles on Business and Human Rights
- International Bill of Human Rights (i.e., the Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, and International Covenant on Economic, Social and Cultural Rights)
- International Labour Organization Fundamental Principles
- Convention No. 29 of the International Labor Organization
- International Covenant on Civil and Political Rights



Child Labor and Young Workers

Child labor is strictly prohibited. Employment practices must comply with the ILO conventions and national law, whichever is stricter, relating to minimum age, child labor and employment of underage workers. Suppliers shall not employ a child under the age at which compulsory schooling ends according to the law of the place of the employment, provided that the age of employment is not less than 15 years, except where the law of the place of the employment differs in accordance with Art. 2 (4) and Art. 4-8 of Convention No. 138 of the ILO.

Suppliers must also comply with Art. 3 Convention No. 182 of the ILO concerning the prohibition and immediate action for the elimination of the worst forms of child labor such as all forms of slavery or slavery-like practices and work which, by its nature or the circumstances in which it is carried out, is likely to harm the physical and emotional well-being of children.



Non-Discrimination & Fair Treatment

Suppliers shall provide a workplace in which all employees are treated fairly, free of discrimination and physical or verbal harassment based on, but not limited to, gender, race, skin color, age, sex, gender identity or expression, transgender status, sexual orientation, genetic information (including testing and characteristics), pregnancy (including childbirth, lactation or related medical conditions), religion, ethnic or national origin or ancestry, language, physical or mental disability, union membership, political affiliation, marital status, uniformed service member status, veteran status or any other status protected by applicable law.

Physical abuse, corporal punishment, harassment of any kind, mental or physical assault, and verbal abuse of employees shall be strictly prohibited.

Suppliers shall ensure that employees are not discriminated against in hiring practices including applications for jobs, promotion, rewards, access to training and senior positions, job assignments, conditions of employment including wages, benefits, discipline, or termination based on non-work-related personal characteristics.



Protection of Livelihoods

Suppliers must not cause any harmful soil change, water pollution, air pollution, harmful noise emission or excessive water consumption that could have negative impacts on communities. Negative impacts include the impairment of natural bases for the preservation and production of food or the denial of access to safe and clean drinking water.

Suppliers are prohibited from unlawfully taking land, forests and waters in the acquisition,

development or other use of land, forests and waters that secures the livelihood of communities. Suppliers shall respect the principle of free, prior and informed consent. In the acquisition, development or other use of the aforementioned resources, Suppliers shall regularly conduct social and environmental impact assessments and provide mitigation and/or remediation in case of infringements.



Use of Private Security Services

If security forces are hired or used by the Suppliers, it must be ensured that they do not violate the prohibition of torture and cruel,

inhumane, or degrading treatment, do not cause damage to life or limb and do not impair the right to organize or the freedom of association.



Freedom of Association and Representation

Suppliers shall encourage open communication and direct engagement with workers to resolve workplace and compensation issues. Suppliers shall also respect the legal rights of employees to form and join worker organizations

of their own choosing, including labor organizations or trade unions and shall not discriminate based on an employee's decision to join or not join a labor organization.

References

- Convention No. 138 of the International Labor Organization
- Convention No. 182 of the International Labor Organization



Fair Wages, Benefits and Payment

Suppliers shall pay fair, at least minimum wages and benefits according to the practices and applicable laws at the place of employment. Wages shall include local statutory entitlements (e.g. national insurance, paid leave). Wages and

benefits shall be paid regularly, on time and in full and should provide an adequate standard of living for employees and their families. Equal compensation for work of equal value shall be provided. Payment shall be recorded.



Working Time

The right to work and local national law on working time, or the ILO standards, if no national law exists, shall be respected. Overtime hours of workers shall be voluntary and shall

not be requested on a regular basis. Supplier shall have in place guidelines and processes to record working hours which shall be fully compensated.



Diversity, Equity & Inclusion

Suppliers are expected to provide a working environment that recognizes and supports diversity, equity and inclusion. This means advocating for an inclusive culture and nurturing an environment where all individuals can be their individual and unique selves. Suppliers are expected to foster such a culture through respective strategies, training and

incentives, and enable employees to report concerns or potentially unlawful practices at the workplace. Likewise, MDA aims to create an inclusive supply chain and thus recognizes small and minority-owned businesses. MDA encourages Suppliers to have an active supplier diversity program in place.



Requirements for Labor Providers

Suppliers providing labor services to MDA shall comply with all requirements mentioned in this Code of Conduct. In addition, and in particular, Suppliers providing labor services shall provide and translate contracts, job

descriptions and other documents in a language the worker understands and speaks proficiently. Suppliers providing labor services shall ensure that workers have legal documents.



Sourcing of Minerals

Suppliers shall duly exercise their duty of care to promote responsible raw material supply chains and comply with all applicable laws and international standards pertaining to minerals. In particular, Suppliers shall comply with the

- EU Conflict Minerals Regulation (EU) 2017/821 and respective local implementing legislation;
- Dodd-Frank Wall Street Reform and Consumer Act, Sec. 1502, and
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.
- The Responsible Minerals Sourcing Charter from us

Suppliers shall ensure that products supplied to MDA do not contain minerals derived from conflict regions that directly or indirectly finance or benefit armed groups and cause or foster human rights abuse.

Suppliers shall immediately disclose any changes to the minerals' status (including, but not limited to the conformant status of smelters within their supply chain) of any products. Suppliers shall execute and deliver an update of the mineral reporting templates on a yearly basis as requested by MDA.

References

- EU Conflict Minerals Regulation (EU) 2017/821
- Dodd-Frank Wall Street Reform and Consumer Protection Act, Sec. 1502
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
- Our Responsible Minerals Sourcing Charter

5. OCCUPATIONAL HEALTH AND SAFETY



We expect our Suppliers to offer their employees a safe and healthy working environment at all their facilities worldwide. Upon request, we expect them to provide us with the relevant information as assurance of this.



Worker Protection

Suppliers shall comply with the occupational health and safety obligations applicable under the law of the place of employment. Suppliers shall ensure safe workplaces for all employees. Employees shall be provided with appropriate personal protective equipment.

Employees shall be adequately protected from overexposure to chemical, biological and physical hazards as well as physically

demanding tasks. In order to prevent accidents and work-related illnesses in the best possible way, Suppliers shall provide adequate technical protective measures and implement safety standards for the provision and maintenance of the workplace, workstation and work equipment. Moreover, Suppliers shall establish appropriate measures to prevent excessive physical and mental fatigue, caused by an improper balance of working hours and rest breaks.



Hazardous Materials

Suppliers shall have programs in place to prevent or mitigate unintended releases of chemicals associated with operations and processes. Suppliers shall regularly conduct specific risk assessments for hazardous

installations and implement measures that prevent incidents such as chemical releases, fires or explosions. Suppliers shall provide safety information for all hazardous materials including chemical and pharmaceutical substances.



Training and Emergency Management

Suppliers shall conduct risk assessments, train and instruct their employees to contribute to a healthy and safe working environment. Suppliers

shall identify and evaluate emergencies and minimize their impact by implementing adequate emergency plans and emergency equipment.



Drinking Water and Sanitation at Suppliers' Premises

Suppliers shall provide accessibility and availability of drinking water of good quality as well as adequate and equitable sanitation to their employees on all their premises. Supplier

activities shall not destroy sanitary facilities or make it difficult for a person to access them, nor shall the health of a person be harmed.

6. SECURITY AND PROTECTION OF ASSETS

We expect our Suppliers to implement appropriate security and crime prevention programs in compliance with our requirements, applicable laws as well as industry security standards and best practices.



Security Risk Management and Business Continuity

Suppliers shall guarantee application of asset and security risk management activities across their organization, thereby ensuring that security risks to tangible and intangible, digital and non-digital assets, employees, and customer assets processed on their behalf are systematically identified, assessed and, where appropriate, effectively mitigated. Supplier

shall guarantee application of security incident detection, response, and recovery processes, including business continuity and disaster recovery management. Suppliers shall report such incidents affecting MDA immediately, regardless of materiality, and ensure timely reporting of any significant security risk.



Proprietary Information and Privacy

Suppliers shall ensure protection of the proprietary and confidential information of others. This includes written materials, software, patents, and other intellectual property. We require our Suppliers to respect

our confidential information and intellectual property rights of others by protecting them against misuse, mishandling, counterfeiting, theft, fraud or improper disclosure according to applicable laws and our contract terms.



Data Privacy and Data Protection

Our Group-wide understanding of data privacy is based on European legislation, including the EU General Data Protection Regulation (GDPR), and also takes local data privacy requirements and needs into consideration. Suppliers shall only process personal data from MDA on behalf of and for the purposes of MDA, and as outlined in a written agreement. Suppliers' information systems that contain or are used to process such personal data or other confidential information from MDA shall be appropriately managed and protected against unauthorized access,

use, disclosure, modification, or destruction. Suppliers shall only collect other personal data of individuals for their own legitimate business purposes if processed in a legal, transparent and secure manner. Such data shall only be shared with those who are allowed to access it, protected in accordance with security policies, retained for as long as necessary, and commissioned to sub-processors under adequate safeguards.

References

- EU General Data Protection Regulation

7. COMMITMENTS, CONTINUOUS IMPROVEMENT AND MANAGEMENT SYSTEMS



We require our Suppliers to demonstrate commitment by implementing respective measures which ensure that the principles set forth in this Code of Conduct are met.



Application to Suppliers and Their Own Supply Chain

Suppliers shall assure that all principles set forth in this Code of Conduct are also endorsed and observed by their own suppliers and business partners (e.g. dealers, distributors and agents).

In particular, Suppliers shall monitor, address and document risks to the principles set forth in this Code of Conduct in their supply chains.



Legal and Other Requirements

Suppliers shall identify and comply with all applicable international, national and local laws and regulations, contractual agreements and internationally recognized

standards. All applicable permits, certificates, licenses, and registrations must be obtained, maintained and kept up to date.



Training and Competency

Suppliers shall inform all employees and contracted workers about the principles of this Code of Conduct and make it available in their native language. In the event that the Supplier has its own Code of Conduct, the provisions of which are substantially the same as the principles of this Code of Conduct, it shall be sufficient for the Supplier to inform its employees and contracted workers of the provisions of its Code of Conduct.

Suppliers shall provide training programs for their employees and contracted workers regarding the principles covered in this Code of Conduct, or as applicable, its own Code of Conduct. Such training programs shall be repeated and updated periodically.



Continuous Improvement

We expect our Suppliers to continuously improve the implementation of the principles of this Code of Conduct by setting performance targets, executing implementation plans and taking necessary corrective actions for deficiencies

identified by internal or external assessments and audits. Suppliers shall impose them on their suppliers and business partners (in particular dealers, distributors and agents) as well.



Documentation, Recordkeeping

Suppliers shall maintain documentation necessary to demonstrate compliance with this Code of Conduct or as applicable, their own

Code of Conduct, as well as applicable laws and regulations. Upon request, Suppliers shall provide MDA access to such documentation.



Grievance Mechanism/Complaints Procedure

Suppliers shall have in place a grievance mechanism or respective complaints procedure in line with the effectiveness criteria of the United Nations Guiding Principles on Business and Human Rights or other applicable laws. They will encourage and enable their employees to report concerns or illegal activities.

Suppliers shall follow up on concerns and take corrective actions if needed. The grievance mechanism or complaints procedure also needs to be made available and actively communicated to external rights holders.

All Suppliers guarantee that individuals filing complaints will not be subject to reprisals or disciplinary action of any kind.



Monitoring and Compliance

MDA may conduct or engage in monitoring activities to confirm Supplier's compliance with this Code of Conduct, including on-site assessments of facilities, use of questionnaires, review of available documentation or other measures necessary to review the Suppliers' performance. When doing so, MDA will adhere to applicable data protection, confidentiality and antitrust requirements.

With reasonable advance notice, Suppliers shall grant MDA the right to review their compliance

with this Code of Conduct. The review shall be conducted directly by MDA or by a qualified third party in the form of an assessment or an audit, for example. Suppliers shall grant MDA or the third party the right to conduct interviews with workers and management separately.

MDA reserves the right to demand information if there are suspicions that the principles set forth in this Code of Conduct are not met by the Supplier.



Accountability and Termination of Business Relationships

If Suppliers violate the principles set forth in this Code of Conduct, MDA reserves the right to request the Suppliers in writing (or, if another form is specified in the related contract, in the form specified in such contract) to take corrective actions within a reasonable grace period set by MDA.

MDA may terminate any individual or all contractual/business relations by giving written notice to the Supplier (or, if another form is specified in the related contract, in the form specified in such contract) at no cost

with immediate effect, if (i) the Supplier fails to take corrective actions within the grace period or if (ii) MDA, taking into account all the circumstances of the specific case and weighing the interests of both parties, cannot reasonably be expected to continue the contractual relationship until the agreed end or until the expiry of a notice period.

YOUR COMMITMENT COUNTS!

For us, doing business responsibly is deeply embedded in our corporate DNA and culture. If you have concrete information or have observed behaviors that violate the principles of this Code of Conduct, we ask you to share this information with us and actively assist in the investigation. This is imperative in order for us to address problems within our company or in our supply chain. In such cases, please contact the MDA compliance hotline via the following link:

www.bkms-system.net/ISPEAKUP

This platform employs the latest technology to protect you and to also ensure your anonymityon request.

You are sincerely invited to report your concerns because YOU are an essential part of our supply chain – MDA counts on your commitment!

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