

Position Statement – U.S. Diversity, Equity & Inclusion

Executive Summary

We are a leading science and technology company with more than 13,000 U.S. employees across 70 facilities in 20 states around the country. Sustainability, which has fueled our company's success for more than 350 years, requires us to constantly adapt to a changing market environment, client demands, and the needs of our most precious capital: our employees. We believe that every employee must feel comfortable bringing their authentic self to work without fear of discrimination, harassment, retaliation, or bullying.

We believe that in addition to committing ourselves to creating an inclusive, equitable, and diverse workplace, our company has a role to play in taking action to promote these values externally. To that end, we strongly support policies, laws, and regulations that prohibit discrimination and promote diversity, equity, and inclusion. We do not support legislation or regulations that may result in discriminatory treatment or condone discrimination of any kind.

Why It Matters

Our company values guide everything we do. They further drive diversity across our workforce and strive to create fair conditions and equal opportunities for advancement for all our employees, regardless of race or ethnicity, color, religion or creed, age, gender or gender identity, sexual orientation, national origin, family or marital status, ancestry, citizenship, disability, military or veteran status, genetic information, political affiliation, or language, in accordance with applicable law.

Our employees bring a broad range of backgrounds, experiences, and points of view to the table and incorporate this richness into their work on a daily basis. Research studies have shown that fostering diverse and inclusive workplaces help companies increase innovation, retain top talent, boost recruitment, enhance corporate reputation, and outperform their peers.¹ As a result, we are proud to have implemented a variety of activities and initiatives around the globe supporting diverse, equitable, and inclusive work environments. These include attracting, developing, and retaining diverse talent; expressing support for our surrounding communities and the communities our employees represent; and addressing customers with an inclusive approach through our products and services.

Our Position

We believe that a diverse workforce – paired with an equitable and inclusive corporate culture – is fundamental to our ability to innovate and contributes significantly to our business success.

- We aspire to mirror the diversity of our customers and the communities in which we live and serve as well as empower our employees to bring their authentic selves to work.
- Globally, our employees represent 141 nations, and we conduct our global employee engagement survey in 21 different languages. Our global management represents 75 different nationalities, and women make up 43 percent of our global workforce and 35 percent of our company's leadership positions.
- Our company sponsors several Employee Resource Groups (ERGs) in the U.S., which are open to all employees who wish to join and seek to foster a diverse, equitable, and inclusive workplace aligned with our company's mission, values, priorities, business practices, and objectives.
- Our ERGs seek to promote the voices and increased connection of those from historically underserved and underrepresented populations, including women (Women in Leadership), LGBTQ employees (Rainbow Network), Black employees (Black Leadership Network), Hispanic and Latino employees (Hispanic Organization of Latino Allies), Asian employees (North American Asian Network), employees with seen and unseen disabilities (I'M Able), and

¹ Diversity wins: How inclusion matters (May 2020). McKinsey & Company. Retrieved from <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters>



veterans. In addition, our ERGs help raise awareness of important issues related to diversity, equity, and inclusion through events, programs, and shared resources throughout the year.

- Our company has made diversity, equity, and inclusion a pillar of our company's strategy. We factor diversity into compensation-relevant corporate goals and have embedded inclusion into our Human Resources tools and processes. We promote inclusion and unconscious bias training and have taken steps to reduce unconscious bias in our hiring processes. We offer numerous mentoring, sponsorship, and talent programs for target populations. We also engage leadership and employees in dialogue and action through our Global Diversity Council, which includes senior executives from our business sectors and Group functions.

We are committed to protecting the rights and promoting the advancement of all our employees, especially those from historically disadvantaged populations and communities.

- We are a signatory of the [National Association of Manufacturers' Pledge for Action](#) to increase equity and parity for underrepresented communities.
- Our Healthcare and Life Science businesses have signed the [MassBio CEO Pledge for a More Equitable and Inclusive Life Sciences Industry](#), which aims to increase racial equity in the life sciences industry through comprehensive equity, diversity, and inclusion initiatives.
- We are members of the Human Rights Campaign's (HRC) [Business Coalition for the Equality Act](#), which supports federal legislation that would provide the same protections to members of the LGBTQ community as are provided to other protected groups under federal law.
- We received a score of 100% and were designated as one of the Best Places to Work for LGBTQ Equality by the HRC Foundation's [2021 Corporate Equality Index](#).
- We have signed and strongly support a [business coalition letter](#) organized by HRC and Freedom for All Americans opposing state-based legislation targeting the LGBTQ community.
- Our company has joined a [business coalition](#) supporting the passage of a comprehensive bias-motivated crimes bill in Wyoming.
- This year, our company participated in the [Disability Equality Index \(DEI\)](#), a comprehensive benchmarking tool that helps companies build a roadmap of measurable, tangible actions that they can take to achieve disability inclusion and equality.
- In November 2020, the [Financial Times](#) ranked our company as one of the top 100 most inclusive European companies for gender, age, ethnicity, disability, and sexual orientation.
- In 2019, we signed the [United Nations Women's Empowerment Principles](#), an initiative of UN Women and the UN Global Compact to advance and empower women in the workplace, marketplace, and community.

Our company strongly supports policies, laws, and regulations that prohibit discrimination of any kind and that promote diversity, equity, and inclusion. We pledge to work with federal, state, and local policymakers and government officials to protect the rights of all of our employees and help ensure they have an equal opportunity to contribute to the health, prosperity, and competitiveness of the American economy and society.

About Merck KGaA, Darmstadt, Germany

Merck KGaA, Darmstadt, Germany, a leading science and technology company, operates across healthcare, life science and electronics. Around 58,000 employees work to make a positive difference to millions of people's lives every day by creating more joyful and sustainable ways to live. From advancing gene editing technologies and discovering unique ways to treat the most challenging diseases to enabling the intelligence of devices – the company is everywhere. In 2020, Merck KGaA, Darmstadt, Germany, generated sales of € 17.5 billion in 66 countries.

The company holds the global rights to the name and trademark "Merck" internationally. The only exceptions are the United States and Canada, where the business sectors of Merck KGaA, Darmstadt, Germany operate as EMD Serono in healthcare, MilliporeSigma in life science, and EMD Electronics. Since its founding 1668, scientific exploration and responsible entrepreneurship have been key to the company's technological and scientific advances. To this day, the founding family remains the majority owner of the publicly listed company. For more information about Merck, KGaA, Darmstadt, Germany, visit www.emdgroup.com.

