

# Our Principles for Sustainable Water Management

*Valid from July 9, 2021*

At Merck KGaA, Darmstadt, Germany, we consider water a valuable resource and respect the human right for access to clean water, sanitation, and hygiene. Developments like population growth and climate change are increasing both water demand and water scarcity at the same time. Water is important for our business because our manufacturing processes rely on the availability of water in adequate quality. At the same time, our operations have the potential to impact the aquatic environment by the abstraction of fresh water and the discharge of treated wastewater.

Our internal standards are based on globally acknowledged industry standards and are aimed at meeting requirements resulting from the UN SDG 6. Furthermore, we identify physical and political trends, risks for the environment and our business, as well as potential for synergies. We liaise with relevant water stakeholders and foster sustainable use of water. We have medium and long-term goals to prevent or to minimize the impact on the aquatic environment beyond legal requirements, e.g. by fulfilling commitments given as a member of associations and industrial alliances. With the application of our global standards as well as with our two overarching goals on improving water intensity and wastewater quality we move towards water stewardship.

**Our ambition is to preserve the aquatic environment and to demonstrate good citizenship.**

**Thus, we are committed:**

- to use water in an efficient way and strive to optimize water related processes e.g. by
  - creating transparency on the complete water flow in our operations starting from the point of water intake from suppliers or from our own wells via the various steps of processing, use and treatment to the points of discharge.
  - deriving improvement measures regarding water efficiency. Water re-use is considered in all new or significantly modified processes.
  - developing and applying innovative solutions.
  
- to identify and assess potential negative impact on water bodies caused by manufacturing or handling water hazardous substances, e.g. by,
  - preventing or permanently reducing emissions at the source.
  - taking pollution prevention measures to minimize the effects of identified environmental impacts



- to provide accessibility and availability of drinking water of good quality as well as adequate and equitable sanitation to our employees on all our premises
- to support WASH projects (Water, Sanitation and Hygiene) in local communities that aim to prevent transmission of schistosomiasis through the provision of sanitary infrastructure and new access-to-water technologies
- to identify potential water related risks to our own operations at an early stage by tracking trends of water availability and water quality. These risks are reduced as low as reasonable possible and included in our business continuity planning.

