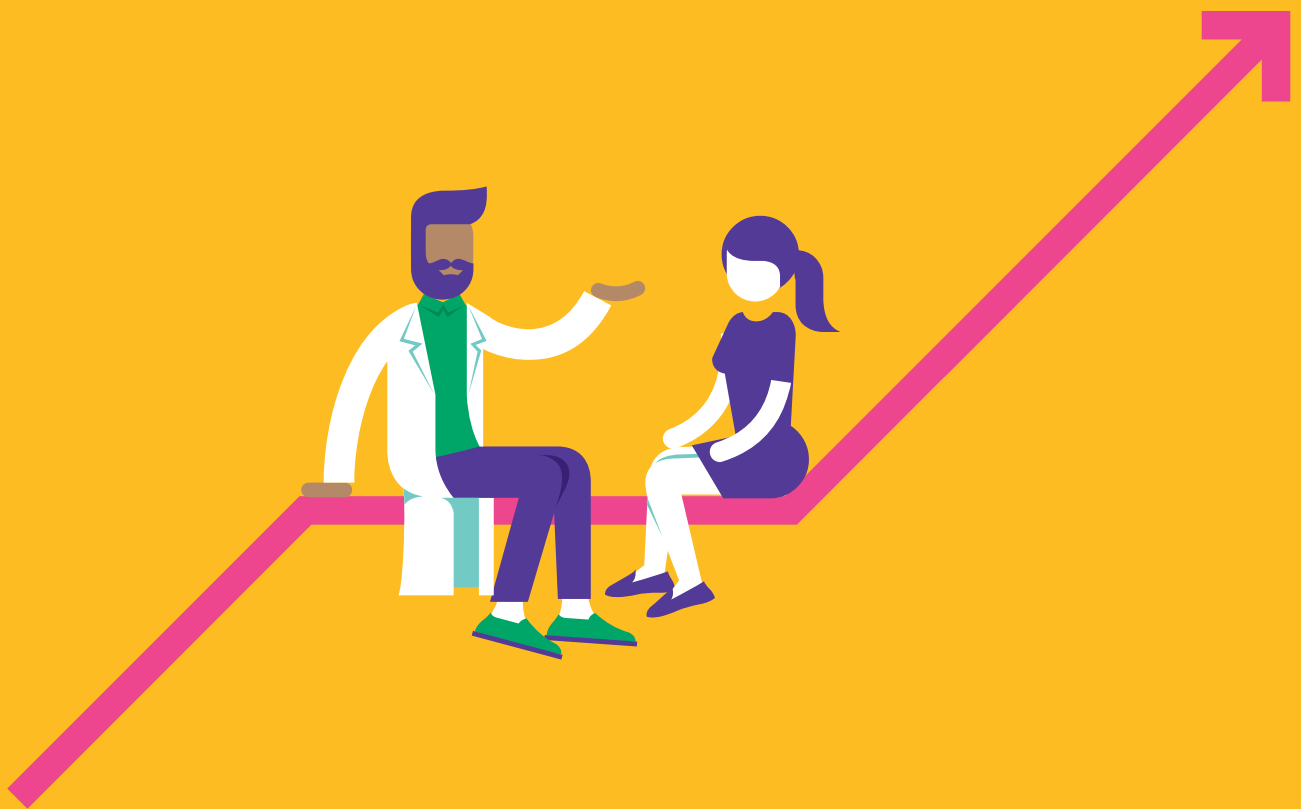


STATE OF CURIOSITY SITY

Report 2020 – Our Company Results

INNOVATION

CURIOSITY



STATE OF CURIOSITY REPORT 2020

Our Company Results

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Foreword

At Merck KGaA, Darmstadt, Germany, we believe that curiosity is key to driving scientific exploration – and, ultimately, the innovations that address society's current and future needs. This is why we continually seek answers to an important question: What is key to driving a culture of curiosity?

Our world is changing. Every day, we are faced with new challenges and presented with new opportunities. With the ongoing Covid-19 pandemic, our globalized world has been challenged by the most significant public health threat of our time. We have seen how crucial innovation is to tackle this crisis effectively. And how important it is that we collaborate both globally and locally to find and deliver appropriate solutions.

Since our founding, everything we do at our company has been fueled by a belief in science and technology as forces for good. A belief that has driven our success since 1668 and that – sparked by scientific curiosity – will continue to be our greatest source of motivation.

With this in mind, we are committed to ensuring that our people are optimally equipped to innovate. As a result, our quest to understand, measure and assess curiosity across different markets and workplaces (see our previous State of Curiosity Reports – 2016, 2018) has also evolved. In 2020, we conducted a survey among our own employees to better understand our culture of curiosity and its impact on our ability to

drive innovation. The more we know, the more we can fuel our innovative strength in a sustainable way. And as we scout for and seize new growth opportunities, we will continue to develop and share strategies such as the ones highlighted in this report, to help our people (re)discover and leverage their curiosity.

Our 2020 State of Curiosity Report highlights our unique, collective curiosity, our continued efforts to enhance this essential asset, and the innovations – the “fruits” of our curiosity – developed by our curious people. Through our efforts and learnings, we hope to set an example for the many innovative organizations around the world seeking to address global challenges. I am very proud of the work we do every day. Breakthrough innovations begin with curiosity, and at our company, we are curious minds dedicated to human progress.

Stefan Oschmann, Chairman of the Executive Board and CEO of Merck KGaA, Darmstadt, Germany



Chapter 1

Who we are: Our state of curiosity

Innovation starts with an idea. Ideas start with curiosity.

As a vibrant science and technology company, curiosity is the cornerstone of many of our notable achievements. To explore our workforce's curiosity and how we can continue to fuel our innovation, in August 2020, we launched the State of Curiosity Survey across our company. More than 9,000 of our employees across 23 markets responded to answer questions about the role of curiosity in our workplace and the enhancers and barriers to curiosity, and to help us understand how we compare to the outside.¹ Our results reflect our unique culture and ambition to become a more curious company. This is what we learned...

"In the beginning, the most intriguing aspect about measuring workplace curiosity was that this was at all possible. But once you start on such a journey you notice how much more can be found out or even explained. For example, how individual curiosity predicts innovative work behavior, or whether the needle can be moved on individual levels of curiosity. The Merck KGaA, Darmstadt, Germany Curiosity Council has allowed us and continues to allow us to do that. And the latest findings are equally revealing: Curiosity-driven companies attract curious minds. And it might be the difference that makes the difference when building a futureproof organization."

Dr. Carl Naughton, Ph.D., Linguistics and Educational Sciences, Executive Lecturer at European Business School Wiesbaden, co-founder of Braincheck GmbH and Merck KGaA, Darmstadt, Germany Curiosity Council Member

Merck KGaA, Darmstadt, Germany's overall scores

In total, the survey was completed by over 9,000 of our employees across three business sectors and 23 markets. The overall Merck KGaA, Darmstadt, Germany employee Curiosity Index score for the survey respondents is **79.9** – nearly **14% higher than the score of non-company employees, who scored 70.3**. (Figure 1)

The overall employee Curiosity Index scores by dimension are:

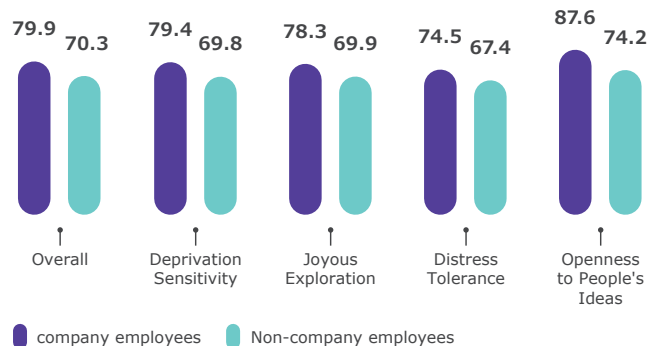
- Deprivation Sensitivity: **79.4**
- Joyous Exploration: **78.3**
- Distress Tolerance **74.5**
- Openness to People's Ideas: **87.6**

Similarly, compared to the scores of non-company employees, the average Merck KGaA, Darmstadt, Germany employee's Openness to People's Ideas is higher than all other dimensions, at 87.6, and the average employee's Distress Tolerance is lower than all other dimensions, at 74.5.

Figure 1

CURIOSITY BY DIMENSION

(on a 100-point scale)



Overall, the average company employees' Curiosity Index scores and individual dimension scores are higher than those of non-company employees. The most important difference is seen in the Openness to People's Ideas score: 87.6 for our employees vs 74.2 for non-company employees.

"As innovation is much more based on the interplay of industries, sectors and departments, the high score on "Openness to People's Ideas" creates confidence. The myth of the genius might be enduring, but it remains a myth. True innovation needs more than just one mind. It requires openness and the sincere interest to listen."

Andreas Steinle, Managing Director of Zukunftsinstitut Workshop and Merck KGaA, Darmstadt, Germany Curiosity Council Member

Figure 2

CURIOSITY BY DIMENSION AND COUNTRY

(on a 100-point scale)



More specifically, when taking a closer look at the 2018 survey markets, namely the United States, China and Germany, we see that the company employees in these countries scored significantly higher than the non-company employees. (Figure 2)

¹ To compare curiosity levels with the outside, we used data from the previous State of [Curiosity Report 2018](#)

Curiosity Dimensions

Our research shows that highly curious individuals, i.e. high performers with the greatest potential to innovate in organizations, possess four distinct characteristics, or curiosity dimensions, which together form the basis of our new Multi-Dimensional Work-Related Curiosity Scale:

JOYOUS EXPLORATION

Gaining great pleasure from recognizing and seeking out new knowledge and information at work, and the subsequent joy of learning and growing.

DEPRIVATION SENSITIVITY

Recognizing a gap in knowledge and pondering abstract or complex ideas to try to solve the problem and reduce the gap (offers a sense of relief when solved).

OPENNESS TO PEOPLE'S IDEAS

Valuing diverse perspectives and ideas from others, and intentionally seeking out different approaches at work.

DISTRESS TOLERANCE

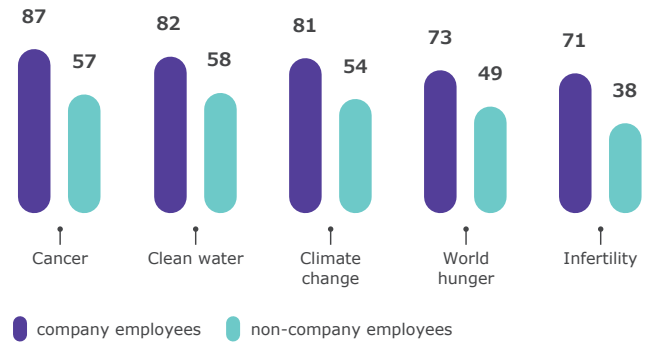
Willingness to embrace the anxiety and discomfort that come from exploring the new, unfamiliar and uncertain.

Curiosity and global challenges

In addition to being more curious than non-company employees, employees at Merck KGaA, Darmstadt, Germany also recognize that curiosity plays a major role in tackling global challenges, including addressing the rising burden of non-communicable diseases such as cancers, confronting pressing matters such as climate change, reducing the rate of infertility, increasing access to clean water, and finding sustainable solutions for world hunger. Merck KGaA, Darmstadt, Germany employees appreciate the value of curiosity in addressing global issues more than non-company employees. For instance, 87% of company employees believe that curiosity plays a critical or large role in addressing the rising burden of cancer, compared to only 57% of non-company employees. (Figure 3)

Figure 3

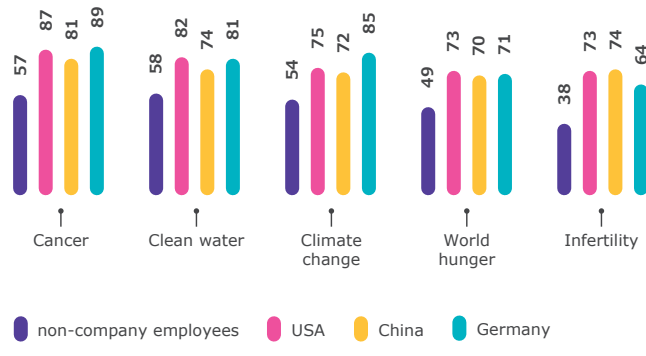
"CURIOSITY PLAYS A LARGE ROLE IN ADDRESSING THESE GLOBAL CHALLENGES"
(in percentages)



More specifically, when we take a closer look at the markets we focused on in the 2018 external survey, namely the United States, China and Germany, and make a direct comparison with the Merck KGaA, Darmstadt, Germany employees in these markets, we see that the proportion of company employees who believe that curiosity plays a large role in tackling global challenges is significantly higher than the proportion of non-company employees. (Figure 4)

Figure 4

"CURIOSITY PLAYS A LARGE ROLE IN ADDRESSING THESE GLOBAL CHALLENGES" BY COUNTRY
(in percentages)



"At Merck KGaA, Darmstadt, Germany, people across countries and business sectors believe that curiosity is key to cracking the biggest global challenges. In this regard, company employees are far ahead of the rest of the world and poised to continue leading innovation across industries. Merck KGaA, Darmstadt, Germany stands as a proud example for how fostering curiosity as an organizational culture will inspire leadership and advancement."

Sophie von Stumm, Ph.D., Director Hungry Mind Lab, Department of Education, University of York

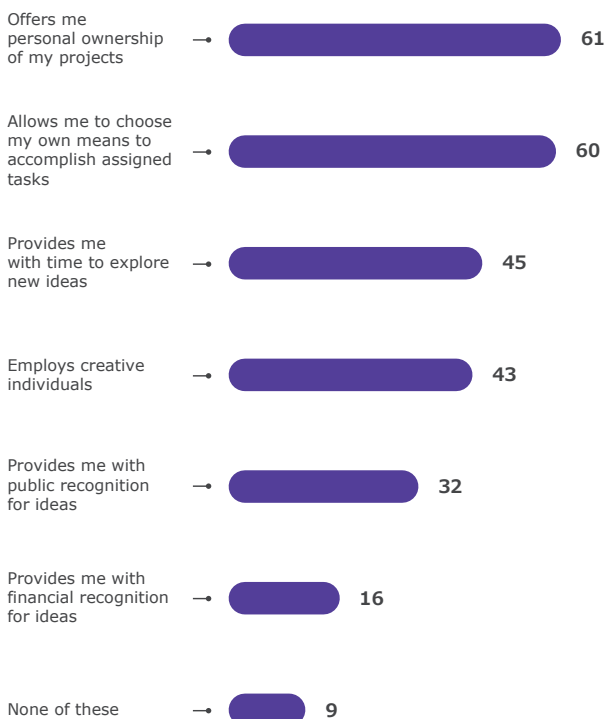
Why is it that Merck KGaA, Darmstadt, Germany employees are more curious than others?

To understand why, we asked employees what they perceived as curiosity enhancers in their workplace. The three most important enhancers perceived by our company employees are that the workplace:

1. offers me personal ownership of my projects
2. allows me to choose my own means to accomplish assigned tasks
3. provides me with the time to explore new ideas.

Figure 5

PERCEIVED CURIOSITY ENHANCERS (in percentages)



These three enhancers all revolve around the concepts of autonomy and ownership. At our company, employees feel that they have the space to feel autonomous and are given ownership over their work. Moving forward, it will be important for us and other companies to continue to stimulate such an environment to support employees in their work and on their journey to curiosity and innovation. (Figure 5)

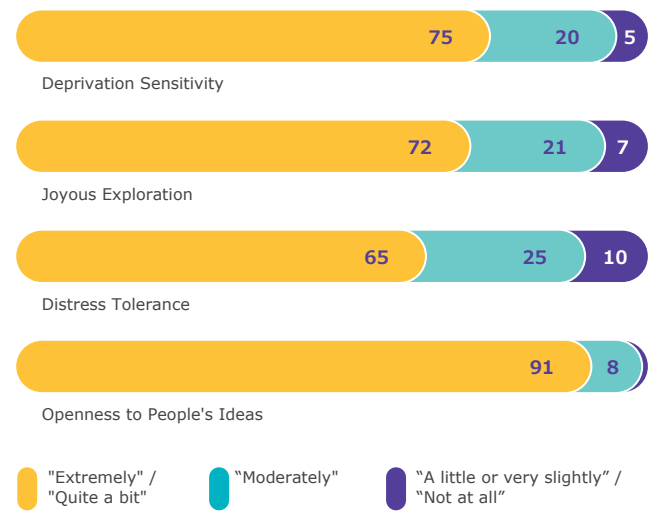
Who are the highly curious?

Does age, geographic location, or the number of years spent at Merck KGaA, Darmstadt, Germany affect the level of curiosity? Now that we know that our employees have higher Curiosity Index scores than non-company employees and value the importance of curiosity in tackling global challenges, what can we learn about this innovative way of thinking across the company and beyond?

To compare different populations at Merck KGaA, Darmstadt, Germany, we focused the comparisons on highly curious employees – those who scored over 80 out of 100 on Curiosity Index-related questions in the survey.

Figure 6

HIGHLY CURIIOUS MERCK KGAA, DARMSTADT, GERMANY EMPLOYEES BY DIMENSION (in percentages)



For instance, in the dimension of Deprivation Sensitivity, 75% of our employees are highly curious – they have a high ability to recognize a gap in knowledge and to ponder abstract or complex ideas to try to solve the problem and reduce the gap, feeling a sense of relief when the problem is solved. On the other hand, only 65% of our employees have a high willingness to embrace the anxiety and discomfort that comes from exploring the new, unfamiliar and uncertain. (Figure 6)

Geographical "indifferences"

The results from the 2018 State of Curiosity survey showed that geographic location influenced curiosity levels of employees. On the other hand, our internal survey responses analysis showed that Merck KGaA, Darmstadt, Germany employees located across different regions and countries did not have **statistically** different Curiosity Index scores, meaning that for our employees, the country they live in does not affect their curiosity levels. This may be attributed to our company's strong and well-embedded workplace culture, which diminishes cultural differences in the areas of curiosity and ways of working.

Generational differences

When we look at the highly curious employees, we see that there are fewer highly curious employees under 25 years of age than in other age groups at Merck KGaA, Darmstadt, Germany. This is in line with the findings in non-company employees, where all other generations had a higher overall employee Curiosity Index score than those belonging to Generation Z. This cohort also had low scores for the Deprivation Sensitivity and Distress Tolerance curiosity dimensions when compared with all other generations, highlighting room for improvement. (Figure 7)

“In terms of chronological age, employees under the age of 25 appear to possess the weakest ability to tolerate the anxiety and uncertainty of working with new information and in volatile situations. That is, workers older than 25, especially those in their 30s and 40s, score higher on the Distress Tolerance dimension of curiosity. Those workers who can better manage the stress of working in uncertain times are the linchpins of the modern world. Because if there is one thing that distinguishes 2020 from the past 30 years, it is uncertainty and complexity.”

Todd Kashdan, Ph.D., Professor and Senior Scientist at George Mason University, Author of *Curious?* and *The Upside of Your Dark Side* and Merck KGaA, Darmstadt, Germany Curiosity Council Member

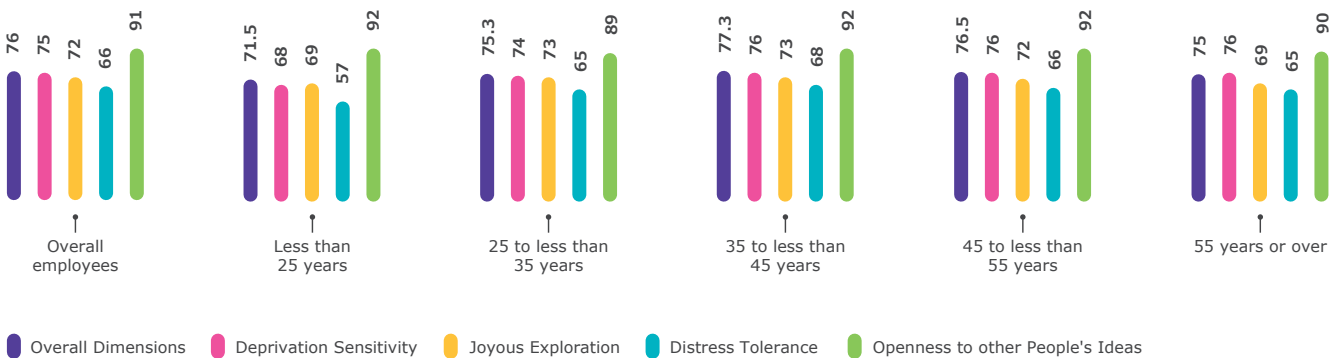
This might be due to the “elevated stress” felt among younger employees during a period of adaption to the working/corporate environment. Going forward, employee programs, such as the ACTIVATE Curiosity program (see section 3 below, “Maintaining our innovative spirit”), or mentorship programs could be implemented to provide young employees with the tools they need to be proactive in enhancing their curiosity. This is particularly important as young employees have the ability to bring about fresh ways of thinking or working – disrupting the status quo and sparking innovation.

“It seems that we have to rethink the dogma that the young generations give birth to new ideas and innovations. We see the most curious employees in the age group between 35 and 55. This should not be an argument for preferring certain age groups, but rather for building up diverse teams and fostering curiosity over the course of an employee’s entire career.”

Andreas Steinle, Managing Director of Zukunftsinstitut Workshop and Merck KGaA, Darmstadt, Germany Curiosity Council Member

Figure 7

HIGHLY CURIOUS MERCK KGAA, DARMSTADT, GERMANY EMPLOYEES BY DIMENSION AND AGE GROUPS
(in percentages)



Tenure differences

We were also interested in assessing whether the number of years spent at the company influences curiosity. Therefore, we segmented the employees based on the number of years they had been at Merck KGaA, Darmstadt, Germany. It is important to note the difference between tenure and age – someone who has recently joined the company could be young (part of the under-25 age group) or over 60. Age is not the variable here – tenure is. We found that there was a higher percentage of highly curious employees in the cohort of people that had recently joined the company (less than one year) compared to those that have been with the company for longer – particularly those that have been with the company for over 20 years. This might be attributed to the openness to explore a new environment, experiment and demonstrate one’s abilities when one first joins an organization. On the other hand, being in a similar environment over a long period of time can diminish the willingness to explore, as these individuals have already “proved” their abilities. There is an opportunity to leverage the ACTIVATE Curiosity program (see section 3 below, “Maintaining our innovative spirit”) to increase the levels of curiosity of more tenured company employees. (Figure 8)

“In an in-depth investigation of Merck KGaA, Darmstadt, Germany employees, what we found is that those who are newer to the organization are the most curious. At the other end of the spectrum, employees who have been working at the company for 26 years or longer show low levels of Joyous Exploration and Distress Tolerance. This speaks to the importance of going beyond onboarding programs for new employees, to helping mid-career employees retool. After all, people change, especially their value priorities. To take advantage of the knowledge of long-standing employees at Merck KGaA, Darmstadt, Germany and other organizations, consider repurposing programs to reduce burnout, increase resilience, and ensure that strength and wisdom are consistently leveraged, regardless of age or tenure.”

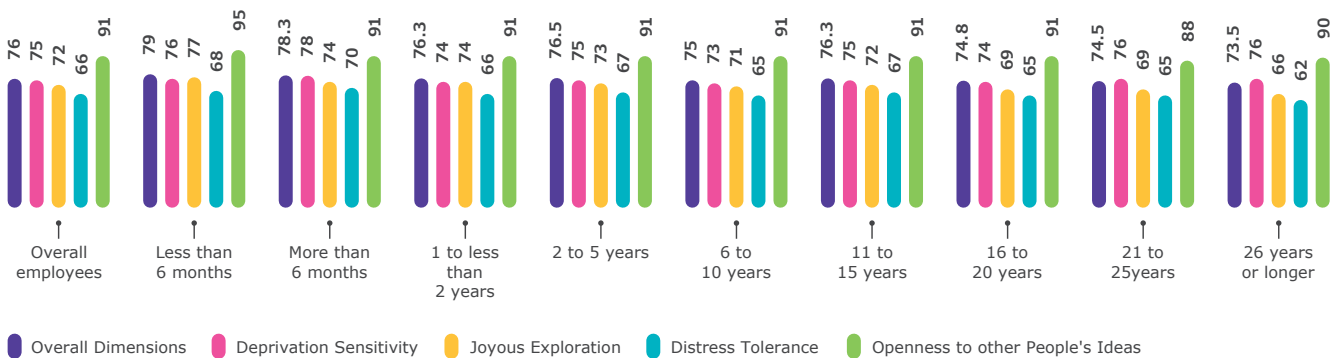
Todd Kashdan, Ph.D., Professor and Senior Scientist at George Mason University, Author of *Curious?* and *The Upside of Your Dark Side* and Merck KGaA, Darmstadt, Germany Curiosity Council Member

“The survey highlights that Merck KGaA, Darmstadt, Germany attracts the most curious talents for its workforce, across countries and business sectors. That’s a remarkable achievement for any business but especially important for a global player like this company.”

Sophie von Stumm, Ph.D., Director Hungry Mind Lab, Department of Education, University of York

Figure 8

HIGHLY CURIOUS EMPLOYEES BY DIMENSION AND YEARS SPENT AT MERCK KGAA, DARMSTADT, GERMANY (in percentages)



Innovation Connection

Similarly to non-company employees, we found that the highly curious employees felt that they were more connected to an innovation movement at the company. This clear correlation between curiosity and innovation validates our hypothesis that curiosity is at the origin of innovation and that we need to create an environment where employees can explore new ideas and concepts, without restrictions.

Digitalization of the future

In this survey, we also found that the highly curious employees achieved higher scores on digitalization questions. This highlights the direct link between curiosity and digitalization. Stimulating employees’ curiosity will inevitably help companies and organizations maximize digitalization and leverage this power to fast-track innovation.

“While technology is accelerating the path to innovation exponentially, we can’t forget that the driving force behind any innovation is curiosity, a uniquely human trait machines will never replicate.”

James Kugler, Chief Digital Office

Chapter 2

This is what we do: The innovations driven by curiosity in action

Curiosity drives innovation – and at our company we are always innovating. Here are just a few of the many innovation stories we are proud of.

Spotlight on Healthcare: AI in drug discovery

From Siri to facial recognition, AI and machine learning are becoming familiar features of everyday life. But they could also save lives, by helping to find new and better treatments for diseases, faster.

Developing a new drug is a long and expensive process – costing an estimated \$2.6 billion. Additionally, even once a new drug candidate shows potential in laboratory testing, it may still fail when it is moved into clinical trials – less than 10% of them make it to market following Phase I trials. In drug discovery, the sheer size of the libraries used to screen for new drug candidates means it is practically impossible for individual researchers to review everything themselves, and this is where AI and machine learning can help. These sophisticated techniques allow researchers to extract hidden insights from huge datasets in order to predict the properties of a potential compound, generate ideas for entirely novel compounds, and alleviate the need for repetitive tasks. This can help save time and money, therefore accelerating the discovery of effective new drugs for patients. Read more [here](#).

“Healthcare innovation is evolving at an incredible speed. AI and big data are helping organizations to better understand and predict patient outcomes, while telehealth is providing more opportunity for patients to access care in a virtual environment. In order to meet or exceed the pace of the incredibly dynamic world around us, we embrace curiosity as the catalyst for developing new life-saving medicines and digital solutions and technologies for patients in need.”

Belén Garijo, Vice Chair of the Executive Board and Deputy CEO of Merck KGaA, Darmstadt, Germany | CEO Healthcare

Spotlight on Life Science: A new generation of antibodies enables researchers to go farther than ever before

Antibodies are indispensable tools for applications in medicine and research. ZooMAb® monoclonal antibodies offer an endless and consistent supply while reducing the use of animals in research.

Antibodies are protein molecules of 10 nanometers in size, which are produced exclusively by specialized white blood cells, called B cells, to protect us from infection. Outside of our bodies, antibodies are widely used in medical tests or treatments, as well as in biomedical research and discovery. Although there are two types of antibodies used in research, monoclonal antibodies are the preferred choice for applications such as therapeutic drug development that require large amounts of identical antibodies. Our ZooMAb® recombinant antibodies offer a new generation of monoclonal antibodies that are specifically engineered using our proprietary technology. Recombinant technology – or genetic engineering – helps to produce large quantities of a specific monoclonal antibody in cells, which can be harvested and purified for use by researchers around the world. This means that once the gene sequence for the antibody is obtained, it can be produced without the need to harm or sacrifice any animals – offering a limitless supply of a monoclonal antibody. Read more [here](#).

“Before researchers can make scientific breakthroughs, they need state-of-the-art tools, services and expertise to develop, manufacture and test life-saving therapies. Every day, our global team of 22,000 employees channel their inner curiosity to grow and innovate our portfolio of more than 300,000 products to empower the global scientific community to solve the toughest problems in life science.”

Chris Ross, Interim Sector Head of Life Science and Executive Vice President Head of Integrated Supply Chain Operations

Spotlight on Performance Materials: Directed self-assembly, Creating the microchips of the future

A new way of building microchips is here. It uses molecules that self-assemble to create the nanoscale components of a computer chip – ushering in a new era of molecular manufacturing.

The evolution of computers and mobile phones has partly been enabled by the miniaturization of the components on a microchip, such as transistors – semiconductor devices that act as tiny switches in computer circuits – which can be as small as 10 nanometers. But today, the rate of miniaturization of transistors is slowing down, as manufacturers run out of traditional options to create ever-smaller circuitry. This means that we are at a point where the development of our technology could be limited by our hardware and manufacturing costs. Directed self-assembly (DSA) offers a revolutionary new and more cost-effective way of manufacturing the components that make up computer chips. We are using molecular engineering to self-assemble nanoscale structures that can be adjusted to the exact pattern, size and periodicity of our design. We estimate that DSA can reduce the number of process steps involved in manufacturing by more than 40%. Read more [here](#).

“In Performance Materials, we will not rest in our quest to advance digital living. What drives us? Being relentlessly curious. It helped us to become the company behind the companies. And with curiosity, we can continue to offer market-leading solutions and materials around the world that make break-through innovations possible. One example is directed self-assembly, a new way of building microchips. It uses molecules that self-assemble to create the nanoscale components of a computer chip – ushering in a new era of molecular manufacturing. With such contributions, we enable one of the megatrends of our times, digitalization.”

Kai Beckmann, Member of the Executive Board | CEO Performance Materials

Spotlight on the Innovation Center: Cultured meat – the food of the future?

Cultured meat is set to revolutionize the food industry. Can it provide a viable alternative to conventional meat that is healthier, more ethical and better for our planet?

People around the globe are eating more meat than ever, and estimates suggest that by 2050, the demand for meat and milk will grow by a staggering 70%. But the way that we have traditionally produced meat by farming animals is environmentally unsustainable, as it is putting pressure on our resources such as land and water and contributing to the loss of biodiversity and to the greenhouse gas emissions driving climate change. Cultured meat – grown in the lab, rather than on farms – could offer a sustainable alternative, potentially reducing agricultural greenhouse gas emissions by 78-96%, while also using 99% less land and 82-96% less water. Using technologies familiar to cell biologists, the approach involves growing meat from real animal cells in a process known as cell-based agriculture. Our [Innovation Center](#) is collaborating with a broad range of partners across different sectors – including academia, start-ups, non-profits and large corporations – as part of our commitment to accelerating the cultured meat industry. Read more [here](#).

“As a science and technology company, our commitment to innovation is unwavering. We believe that curiosity plays a fundamental part in the unique process of innovation – it is what pushes us to explore new ideas and concepts relentlessly until we find answers and solutions. Driven by curiosity, our scientists, engineers and technicians keep pushing to discover and develop the products of tomorrow that have world-changing potential, such as ZooMAb®, DSA, AI in drug discovery or cultured meat.”

Isabel De Paoli, Chief Strategy Officer

“Curiosity is the foundation of successful research and development. It is what enables our scientists to explore, ask questions, and test hypotheses relentlessly until we find solutions or learn from an unforeseen result. Every day, we work to challenge the status quo and embrace the unknown. The environment and tools we cultivate at our company allow us to push boundaries in critical areas of patient need, including new medicines for cancer care and treatment.”

Joern-Peter Halle, Head of Research in Healthcare

Chapter 3

Maintaining our innovative spirit: Our company's ACTIVATE Curiosity program

Companies today face uncertainty, fierce competition and rapid change. Innovation is more important than ever to stand out, drive progress and ensure long-term business success. At our company, we believe that cultivating organizational curiosity leads to open and innovation-friendly environments in which passionate teams can thrive and contribute to drive business success. To accelerate this, we developed, in collaboration with our company's Curiosity Council members (CCMs) Dr. Carl Naughton and Andreas Steinle, the **ACTIVATE Curiosity program**. It aims to help teams solve business innovation challenges by training participants through specific team exercises with the objective of increasing curiosity and its four dimensions: Joyous Exploration, Deprivation Sensitivity, Openness to People's Ideas and Distress Tolerance.

In 2019-2020, we piloted the six-month ACTIVATE Curiosity program with 10 teams representing diversity across the company's business sectors and key markets. Team members completed a State of Curiosity survey (similar to the 2018 and 2020 surveys) in order to understand their curiosity "profiles" and the curiosity dimensions they could improve. With this in mind, each team defined an "innovation goal" and received targeted recommendations from CCMs. CCMs also provided technical guidance on interventions each team could implement to increase their curiosity. Throughout the

program, the team members viewed video tutorials and implemented the action plan as a team. Regular touchpoints as well as a mid-point workshop with team leaders – called Curiosity Activators – were conducted, to ensure that teams received the necessary support in implementation and that they were progressing towards their goal. At the end of the program, participants completed an assessment of program impact.

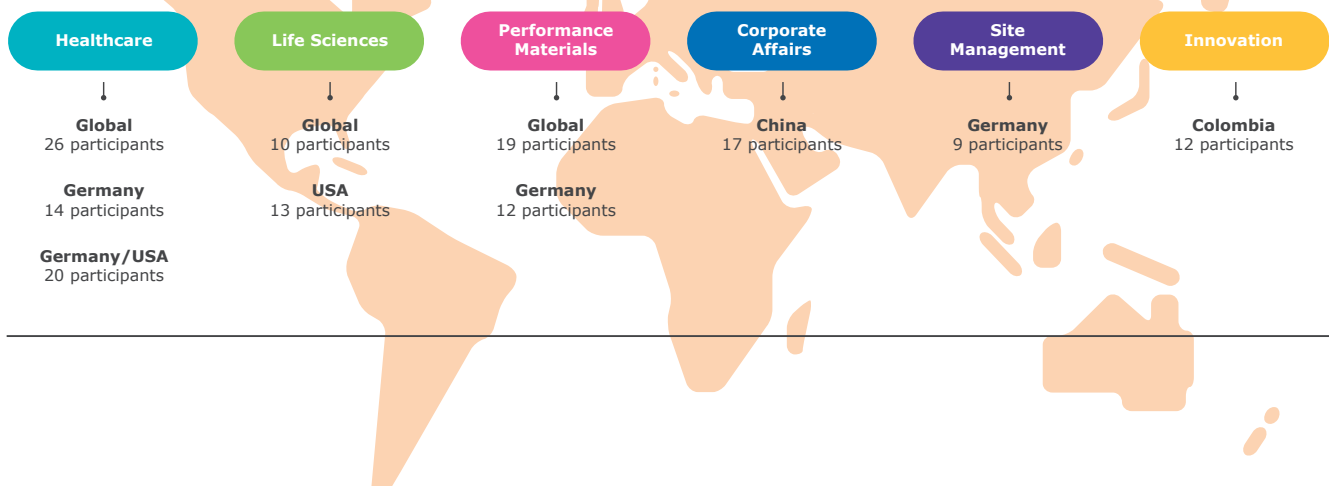
As a result of the program, we showed that participants became more curious and that they made important progress towards achieving their goals – two teams even achieved them within the six-month period. Qualitative data highlighted the fact that the program helped to increase many beneficial workplace behaviors across all teams, including open communication and teamwork and collaboration, stimulated active participation and engagement, and refreshed ways of thinking. In addition, participant feedback showed that there was a high degree of satisfaction with the program.

Given the program's success in terms of impact and employee feedback, we launched a company-wide roll-out of the ACTIVATE Curiosity program in September 2020. Unlike the pilot, this new format of the program will be self-explanatory and self-guided to allow participants to cultivate their curiosity themselves. (Figure 9)

Figure 9

ACTIVATE CURIOSITY PILOT PROGRAM: THE TEAMS

(Team size: 10-26 employees)



Participants' quotes:

"...gave us insight on how to approach questions and find answers."

"[The program] opens people's eyes to how to solve a problem by looking at solutions from different perspectives."

"The program helped us to rethink the way we work together to come up with new ideas. It also helped to refresh our team goals, our objectives and our mission."

"The program is good for stimulating people and trying to change the way they are thinking."

"...gave us new ideas we hadn't thought about before."

Workplace curiosity can be taught, and it drives innovation. The evidence-based, easy to implement and high-impact ACTIVATE Curiosity program can help unlock teams' full potential to go the extra mile and to find innovative solutions that will differentiate teams, and in turn, Merck KGaA, Darmstadt, Germany as a vibrant science and technology company, today and tomorrow. A more curious team is better equipped to drive the discovery of tomorrow's innovations!

By investing in research, our increased understanding of curiosity has enabled the company to take important steps towards intentionally enhancing workplace curiosity – highlighting our ambition to lead and shape the future of work and innovation. We encourage all innovative companies to also explore their workplace curiosity and ways of enhancing it to accelerate innovation.

"More than anything, organizations should invest not just in technologies, but in fostering a culture of innovation where people are open and free to experiment with new ideas and concepts, unlocking their full potential. With our HR team at Merck KGaA, Darmstadt, Germany, we have developed a comprehensive strategy to achieve this – we are attracting curious talents and increasing efforts to provide an innovation-friendly environment through specific programs and employee opportunities. This is why our talent and workforce are so unique and equipped with the expertise, experience and interest to spark innovation."

Dietmar Eidens, Chief HR Officer

Our path, your path

With a clear commitment to enhancing curiosity as a pathway to new opportunities, together, we can prepare to respond to current and future social needs and tackle global challenges.

The Covid-19 pandemic has highlighted the importance for companies like ours of becoming more agile, resilient and innovative in the way they develop solutions, while also prioritizing employees as a critical strategic pillar. People are the most important asset of our company. Although the pandemic has driven exponential changes in the way we operate, our ability to innovate as an organization has been and will always be deeply connected to the high caliber of our people. This is why both people and workplace culture are at the center of our business strategy for the future of work. To stay competitive, it is imperative that we attract, develop and retain the best talent – by creating a culture that demands and rewards high performance and continuously strives for excellence.

As innovation leaders, we believe in the need to reimagine workplace cultures and ways of working to address current and future needs of our evolving society. This shift will require courage, boldness and a spirit of experimentation. Now more than ever, companies need to stay deeply curious and embrace a continuous learning paradigm – moving from a “know it all” culture to a “learn it all” culture. I look forward to contributing to this important cultural shift at our company in order to continue innovating and bringing the best treatment and care options to our patients around the world.

As we continue our journey towards curiosity-fueled innovation, we are ready to lead for the future and become an example for the many curious and innovative companies across the world. Curiosity is a pre-requisite for innovation. Our goal is to make a decisive contribution to shaping the future. This means being pioneers, going beyond boundaries and unlocking the power of curiosity for greater success at our company!

Belén Garijo, Vice Chair of the Executive Board and Deputy CEO of Merck KGaA, Darmstadt, Germany, CEO Healthcare



Appendix

Methodology

The 2020 Merck KGaA, Darmstadt, Germany State of Curiosity Report builds on research the company initiated in 2015 on the role of curiosity in workplaces and innovation.

The initial work in 2015 involved an online survey of 2,606 external individuals across the United States who shared opinions about the role of curiosity in the places where they worked. The study expanded in 2016 to include two additional online surveys, of 1,002 external participants in China and 1,000 in Germany. Data from the 2015 and 2016 studies were analyzed and published in the [2016 State of Curiosity Report](#).

In 2018, we evolved the survey to refine curiosity-related questions in line with the four identified curiosity dimensions in collaboration with the members of the Merck KGaA, Darmstadt, Germany Curiosity Council, leading experts renowned for their pioneering work in the field of curiosity. The updated survey was reviewed and validated by curiosity and business experts in Germany, China, and the United States and then cross-validated in Germany and the United States. After validation, in 2018, the updated survey was launched in Germany, China and the United States. The updated survey engaged 3,004 external participants total, with 1,001 in China, 1,001 in the United States and 1,002 in Germany (all external to the company). The individuals were asked to answer questions on the role of curiosity in their workplaces, enhancers and barriers to curiosity, digitalization and innovation. The answers were collected and analyzed for the [2018 State of Curiosity Report](#).

In 2020, we assessed the company's curiosity by fielding the 2018 survey across three business sectors and 23 markets at Merck KGaA, Darmstadt, Germany. The survey engaged 9,217 employees in total. Answers were collected anonymously and analyzed in this report. Where possible, we compare 2020 data with non-company employee data collected in the [2018 survey](#).

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