

News Release

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Merck KGaA, Darmstadt, Germany, Presents New Sustainability Strategy

- Integrating sustainability even more strongly into the corporate strategy
- The company is setting itself three clear goals in the areas of science & technology, value chain and climate & environment
- Contribution to achieving the United Nations Sustainable Development Goals

Darmstadt, Germany, November 12, 2020 – Merck KGaA, Darmstadt, Germany, a leading science and technology company, presented its new sustainability strategy today in conjunction with the announcement of the results of the third quarter of 2020. The company is thus integrating sustainability more strongly as an essential component of its corporate strategy.

"At our company, scientific progress and responsible entrepreneurship have always gone hand in hand. We want to be economically successful and create value for society in all of our businesses without generating subsequent costs for society. As a global science and technology company, we can help address some of today's greatest challenges, such as serious diseases and climate change," explained Stefan Oschmann, Chairman of the Executive Board and CEO.



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With the sustainability strategy, the company is pursuing three specific goals, which are reflected in a total of seven focus areas. It is implementing numerous projects and initiatives in these focus areas today and will continue to do so in the future.

Goal 1: In 2030, the company will achieve human progress for more than one billion people through sustainable science and technology.

Focus areas:

- Sustainable innovations and technologies for the company's customers
- Impact of the company's technologies and products on health and well-being

Goal 2: By 2030, the company will integrate sustainability into all its value chains.

Focus areas:

- Sustainability culture and values
- Sustainable and transparent supply chain
- Securing the company's social license to operate in all regions

Goal 3: By 2040, Merck KGaA, Darmstadt, Germany, will achieve climate neutrality and reduce its resource consumption.

Focus areas:

- Climate change and emissions
- Water and resource intensity

By concentrating on these topics, Merck KGaA, Darmstadt, Germany, wants to contribute to the achievement of the United Nations Sustainable Development Goals. At the same time, the company is integrating the topic of sustainability into its business strategies and taking the goals of the sustainability strategy into account when making business decisions. Additionally, it is planning to link the variable pay of the Executive Board and senior management with progress made in achieving the company's three sustainability goals.

Merck KGaA, Darmstadt, Germany, will report annually on the current implementation status of its sustainability strategy. The company is currently defining the corresponding performance indicators and testing the internally

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developed method for *Impact Valuation*, known as *Sustainable Business Value*. It published the concept of this method in the journal "Sustainability" in October 2020.

More information about the sustainability strategy can be found on this website: <u>www.emdgroup.com/sustainability</u>. The general principles of the sustainability strategy of Merck KGaA, Darmstadt, Germany, will also be presented during the <u>teleconference for investors and analysts</u> on November 12 at 2:00 p.m. CET.

All Merck KGaA, Darmstadt, Germany, press releases are distributed by e-mail at the same time they become available on the EMD Group Website. In case you are a resident of the USA or Canada please go to <u>www.emdgroup.com/subscribe</u> to register for your online subscription of this service as our geo-targeting requires new links in the email. You may later change your selection or discontinue this service.

About Merck KGaA, Darmstadt, Germany

Merck KGaA, Darmstadt, Germany, a leading science and technology company, operates across healthcare, life science and performance materials. 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 2019, Merck KGaA, Darmstadt, Germany, generated sales of € 16.2 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 Performance Materials. 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.