

Community engagement

# Community engagement

We see ourselves as part of society – both at our individual sites as well as worldwide. Our aspiration is to help shape society – through our products, technologies and community engagement. That is why we work with our employees to promote a diverse range of social initiatives that help tackle challenges at the local level.

# Our approach to community engagement

Worldwide, we are deeply committed to supporting the communities in which our various sites are located. In this context, we focus on health, education and culture as well as environmental protection. Moreover, we provide disaster relief and offer support to people in need in the vicinity of our sites.

In particular, we advocate for improving **access to health** for people worldwide. We do this by getting involved in numerous healthcare projects and purposefully contributing our experience in healthcare.

We also **promote culture and science education**. This has a long tradition in our company. As a science and technology company, we champion creativity, the joy of discovery and curiosity as well as the courage to push boundaries.

Protecting the environment and using natural resources responsibly is a task for us all. Therefore, we support various initiatives around the world that help **raise environmental awareness**.

We regularly evaluate the achievement of objectives and the impact of our projects. Our analysis is based on the so-called <code>iooi method</code> (input – output – outcome – impact) developed by the Bertelsmann Foundation. In the first step, we measure our <code>input</code> based on the product or monetary donations made and the time our employees invest in volunteer projects, for instance. In the second step, we record the immediate output, for example the number of organized training programs that were made possible thanks to our financial donations. We are also interested in the impact achieved for the specific target group. Our goal is to ensure that our community engagement continues to have a positive impact on society. For this reason, we are constantly working to make the <code>sustainable impact of our projects (outcome and impact)</code> measurable for the respective target groups.

The impact of our projects is particularly important to us, which is why we mainly initiate projects that aim to improve specific social situations or solve societal problems. 86% of our project spending goes towards this. We also support short-term and one-time charitable activities as well as initiatives that are beneficial to our business (e.g. in recruiting staff) on the one hand and can also help the community on the other hand.

Together with partner organizations, we support many long-term projects and form **strategic partnerships**. This enables us to strengthen our relationship with various **stakeholders** and helps reinforce our social license to operate.

# Roles and responsibilities

The Group function Corporate Sustainability, Quality and Trade Compliance sets the framework and records data on our Group-wide community engagement. The coordination of the Deutsche Philharmonie sponsored by Merck KGaA, Darmstadt, Germany is also among its responsibilities. The Global Health unit within the Healthcare business sector steers our Schistosomiasis Elimination Program and the Global Pharma Health Fund (GPHF). Furthermore, the Global Strategic Partnership unit, which is also part of Healthcare, coordinates Embracing Carers. In addition, our business sectors are launching their own projects, such as the educational program SPARK<sup>TM</sup>. Our subsidiaries abroad are independently responsible for deciding on local activities in a decentralized manner. Some of our health initiatives in low- and middle-income countries are included within the scope of the Foundation sponsored by Merck KGaA, Darmstadt, Germany.

The Merck family of entrepreneurs also has a long history of supporting charitable causes. Their activities are organized via the Family Foundation and the Gesellschaft für Kunst und Wissenschaft e. V. (Society for Art and Science).

### Our commitment: The principles of our community engagement

In designing our projects, we are guided by our Group Standard on Community Engagement, which defines what community engagement means for the entire Group and what objectives we are pursuing. This standard gives our business sectors and subsidiaries abroad a framework for structuring their respective activities themselves and also stipulates roles and responsibilities.

Health initiatives are also governed by guidelines from our Healthcare business sector and our <u>Access to</u> <u>Health Charter</u>. We calculate the value of our pharmaceutical donations in accordance with the <u>Guidelines</u> <u>for Medicine Donations</u> issued by the World Health Organization (<u>WHO</u>).

With our Corporate Volunteering Guideline, we want to strengthen and encourage **volunteering initiatives by our employees**. They may take up to two days of paid leave per year to participate in volunteering activities that are either run or supported by our company.

# Our Good Deeds

Our community engagement activities are collectively referred to as <u>Our Good Deeds</u>. In 2022, we supported **182 projects in 99 countries** in the fields of health, education and culture. In addition, we supported people in need in our local communities and provided disaster relief.

Our community engagement activities - 2022



Our projects include **volunteering initiatives as well as monetary and product donations**. In 2022, we spent a total of around 48 Million Euros on community engagement. Product and in-kind donations accounted for 47% and cash donations for 50% of this amount. Our employees actively participated in 35% of the projects, either through monetary donations or volunteer work. As part of the volunteering initiatives, more around 3,100 employees volunteered around 2,200 hours during their working hours. The amount contributed by the Foundation sponsored by Merck KGaA, Darmstadt, Germany is not included in this figure. Nor are initiatives that primarily serve to market our products.



#### Spending on community engagement by target region

# Support for health projects

We use our expertise to support health initiatives around the world. In particular, we focus on providing basic and advanced training for health workers, promoting local healthcare infrastructure and educating people on health issues.

We are dedicated to **improving medical care** around the world. Through our Global Medical Education and Academic Organization Relations units, we organize education programs, which aim to broaden the knowledge and competence of scientists and healthcare professionals and, ultimately, improve patient outcomes.

In 2022, the majority of our medical education programs across selected therapeutic areas took place digitally. Additional programs were conducted in a hybrid format (i.e. both in person and with live broadcast or ondemand material) in order to enable more in-person interaction during the milder phase of the pandemic. In particular, we supported 324 Independent/Continuing Medical Education (IME/CME) programs and designed 141 new company-led medical education programs.

We are committed to the prevention and treatment of the neglected tropical disease **schistosomiasis** in school children in sub-Saharan Africa. As part of our Schistosomiasis Elimination Program (**MSEP**) and in partnership with WHO, we donate praziquantel for the prevention and treatment of the neglected tropical disease schistosomiasis in school-aged children in sub-Saharan Africa. In 2022, we supplied 200 Millionen praziquantel tablets. Further details about our MSEP program can be found under **Global Health**.

More information on our health projects can be found on the **Our Good Deeds** website.

# Promoting cultural and educational projects

Our projects in the field of education help to improve **school and university education**. In order to spark young people's interest in science, we organize competitions, recognize special achievements and offer opportunities for hands-on learning.

In Germany, we support and hold various **STEM competitions**. For example, we have been supporting the "Jugend forscht" competition for more than 35 years as the host of the competition in the German federal state of Hesse. The event took place in hybrid format in 2022. In addition, we support the one-week "Erfinderlabor"(Inventors' Lab) for upper secondary school students as well as the Germany-wide "Tag der Mathematik" (Mathematics Day).

In 2022, as part of our school partnerships, we honored the 65 best students in advanced STEM courses in Darmstadt and the surrounding area for their outstanding high school graduation achievements.

Together with the German journal "Chemie in unserer Zeit", we award the Julius Adolph Stöckhardt prize to teachers. This award, which includes prize money of € 2,000, was granted to a teacher in Bolanden in the German federal state of Rhineland-Palatinate. The award was granted in recognition of a teaching concept for the quantitative concentration analysis of a dye with the aid of smartphones.

Moreover, we actively promote knowledge transfer through new digital educational formats. In a newly developed, virtual and extracurricular format called "100 Minutes for Sustainability" – upper secondary school students discuss sustainability topics in a scientific context.

In 2022, we started the "Kindergartenbox" with the aim of getting children interested in science early on and sparking their curiosity. Our employees can get involved in this experimentation programas part of our volunteer project.

Our student laboratories, which we operated together with TU Darmstadt, once again took place in person as of April 2022. In 2022, a total of 3,661 participants came together at 198 events.

Further information on the programs of our school partnerships can be found on our website.

As part of our SPARK™ global volunteer program, employees from our Life Science business sector share their skills and experience with students in order to spark their curiosity in science and inspire them to consider a STEM career.

Two key programs, the Curiosity Cube<sup>®</sup> and Curiosity Labs<sup>™</sup>, help us do this. The Curiosity Cube<sup>®</sup> is a shipping container that has been retrofitted and converted into a mobile science lab. It is equipped for hands-on science experiments designed to spark curiosity in the next generation of scientists. After a two-year hiatus during the pandemic, we relaunched the lab in North America and furthermore held its first European tour in 2022. Throughout the tour, we organized a total of 190 events in 122 communities across 12 countries, reaching more than 31,400 students. In addition, the Curiosity Labs<sup>™</sup> program engages students through hands-on, inquiry-based learning. It also applies scientific concepts to "real world" scenarios and connects students with professional scientists – allowing them to learn first-hand about STEM concepts and careers in their very own communities. In 2022, we introduced two new Curiosity Labs<sup>™</sup> lessons to our lesson library, focusing on graphene and the soil microbiome.

In 2022, about 1,700 employees volunteered in the Curiosity Cube® and Curiosity Labs™ programs for around 15,400 hours across 28 countries and reached around 43,700 students.

Apart from our educational projects, we promote music and literature. We are convinced that culture inspires people – and that inspiration can lead to progress.

We support the Deutsche Philharmonie sponsored by Merck KGaA, Darmstadt, Germany, a professional symphony orchestra established in 1966. It is an integral part of cultural life in Darmstadt and the surrounding region and regularly tours internationally. In 2022, the orchestra gave 21 concerts before live audiences, four of which were guest performances. The musical Advent calendar, a digital video project, was also continued.

Like music, literature is an important mediator between cultures. We therefore award **five literary prizes worldwide**: in Germany, India, Italy, Japan, and Russia. These awards mainly recognize authors whose work builds bridges between cultures as well as between literature and science.

More information about our cultural and educational projects can be found on our website **Our Good Deeds**.

## Supporting environmental initiatives

We are involved in various environmental initiatives and promote **environmental awareness among our employees** through group activities. Our engagement ranges from joint litter collection and tree planting campaigns to supporting organizations that improve access to clean water in remote areas.

More information about the environmental initiatives that we support can be found on our website **Our Good Deeds**.

#### Disaster relief

In March 2022, we initiated a donation campaign for those affected by the war in Ukraine. Around 4,000 employees participated and donated around € 570,000 via a dedicated donation platform run by the German Red Cross. The company matched these donations. We thus contributed to immediate aid, support and reconstruction programs. In addition, two trucks took more than 40 metric tons of supplies and food from our Darmstadt site to refugees in Wroclaw, Poland. We also collected money and supplies, including various medicines, worth over € 1 Million.