COMMUNITY

183 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 input 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 sustainable <code>impact of our projects (outcome and impact)</code> measurable for the respective target groups.

It is particularly important to us that our projects achieve a sustainable impact, which is why we mainly initiate projects that aim to improve specific social situations or solve societal problems. 82% 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 the 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™. 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-wide "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>Charter on</u> <u>Access to Health in Developing Countries</u>. When calculating the value of our medicine donations, we take into account the <u>Guidelines for Medical 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 outreach activities are collectively referred to as <u>Our Good Deeds</u>. In 2023, we supported **155 projects in 100 countries** in the fields of health, environment, education, and culture. In addition, we supported people in need in our local communities and provided disaster relief.

Our community engagement activities – 2023



Our projects include **volunteering initiatives as well as monetary and product donations**. In 2023, we spent a total of around € 47 million on community engagement. Product and in-kind donations accounted for 53%, cash donations for 43% of this amount and time spent by our employees managing projects and volunteering accounted for the remaining 4%. Our employees actively participated in 51% of the projects, either through monetary donations or volunteer work. As part of the volunteering initiatives, around 4,500 employees volunteered around 26,400 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.

Through our Global Medical Units Function, we support and organize medical education programs that aim to enhance the knowledge and skills of scientists and healthcare professionals, leading to improved patient outcomes. We offer and fund different program types, including independent and continuing medical education, company-led programs, fellowships, and treatment guidelines to cater to learners' needs.

In the reporting year, we offered our medical education programs online, in-person sessions and hybrid formats. Our goal is to strengthen face-to-face interactions, providing networking opportunities and creating a more dynamic educational experience, reaching a wide range of healthcare professionals.

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 donated in the reporting year more than 210 Million praziquantel for the prevention and treatment of the neglected tropical disease schistosomiasis in school-aged children in sub-Saharan Africa. 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 <u>"Jugend forscht"</u> (young researchers) competition for more than 35 years as the host of the competition in the German federal state of Hesse.

In addition, we support the one-week <u>Erfinderlabor</u> (Inventors' Lab) for upper secondary school students as well as the Germany-wide <u>Tag der Mathematik</u> (Mathematics Day). Additional competitions that we support include the Hesse/Thuringia state seminar as part of the international biology and chemistry Olympiads as well as the <u>Chemie, die stimmt</u> competition.

In 2023, as part of our school partnerships, we honored the 60 best students in advanced STEM courses in Darmstadt and the surrounding area for their outstanding high school graduation achievements. The young people also had the opportunity to experience our Darmstadt site.

Together with TU Darmstadt, we operate student laboratories for biology and chemistry. In 2023, these laboratories hosted 250 events with around 5,000 participants in total.

Together with the German journal Chemie in unserer Zeit, we award the Julius Adolph Stöckhardt prize to teachers. In 2023, this award, which includes prize money of € 2,000, was granted to a teacher in the German federal state of Lower Saxony. Her ProChem series of lessons combines complex scientific concepts with storytelling to spark young people's interest in chemistry.

Together with the SCHULEWIRTSCHAFT Südhessen working group, we organized a conference for teachers on the topic of plastics as part of school and sustainable education.

We continued the Kindergartenbox, which aims to get very young people interested in science early on and spark their curiosity. The box offers an experimentation program with everyday topics. With the help of this box, employees introduce children to experimentation together. The project therefore gives our employees the opportunity to engage in community outreach. Since the start of the project, our employees have already visited 40 kindergartens in Germany.

In 2023, we once again supported the Hessentag, this time in Pfungstadt, and were represented by our researcher tent. Furthermore, we invited employees and their families to do some experiments together before Christmas at our Darmstadt site.

Further information on the programs of our school partnerships can be found on our <u>website</u>.

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 and Curiosity Labs™, help us do this. The Curiosity Cube, a shipping container that has been retrofitted and converted into a mobile science lab, is equipped with hands-on science experiments designed to spark curiosity in the next generation of scientists throughout North America and Europe. Throughout the 2023 tour, we organized a total of 259 events in 184 communities across 13 countries, reaching more than 40,500 students.

In addition, the **Curiosity Labs™** program engages students through hands-on 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 2023, we introduced two new Curiosity Labs™ lessons to our lesson library, focusing on biologic therapies and germ detection, and now offer a total of eight lessons. Our employees have taught nearly 400 lessons in 11 countries, reaching nearly 10,000 students.

In 2023, more than 3000 employees volunteered more than 21,700 hours through SPARK™ overall, reaching more than 82,300 students across 22 countries.

In addition, we partner with nonprofit organization Beyond Benign to transform chemistry education to better prepare next generation scientists with skills to address sustainability through chemistry. In March 2023, we announced our expanded contribution, enabling the organization to increase global access to online green chemistry resources and trainings. In addition, we have supported the organization's Green Chemistry Commitment (GCC), in which 150 universities have committed to integrate green chemistry into their institution, reaching more than 3,300 faculty and 834,500 students – exceeding the already ambitious goals we set for the partnership.

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. It is an integral part of cultural life in Darmstadt and the surrounding region and regularly tours internationally. In 2023, the orchestra gave 25 concerts in front of live audiences, three 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 **three literary prizes worldwide**: in Germany, India and Japan. 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 workforce** through activities anyone can take part in. 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 February 2023, we started a donation campaign for those affected by the earthquake in the border region between Türkiye and Syria. Using a donation platform specially set-up by the United Nations Children's Fund (UNICEF), our employees raised around \leq 270,000. The company matched these donations. We thus contributed to disaster relief, aid and reconstruction programs. In addition, we donated medicines worth around \leq 20,000.

To support victims of natural disasters in Morocco and Libya, we also set up a donation platform for our employees via the German Red Cross in September 2023. Employee donations totaled over € 45,000. The company also matched this amount.