2023-2024 Annual well-being report

Our company is committed to helping employees and their families improve their health and well-being. We share this annual well-being report to demonstrate the priority we place on employee well-being and to hold ourselves accountable to measure our progress, celebrate successes, raise the bar and share best practices with all our employees, their families and stakeholders.

Helping people be their best

Our employees face multifaceted challenges, both professionally and personally, and their needs are constantly evolving — along with the needs of their families. In my first year here at our company, it's already clear to me that we prioritize a culture of well-being that enables our colleagues and their families to be at their best.

Our purposeful, strategic well-being investments make a big difference for our people! From promoting healthy habits, to providing affordable access to high-quality medical plans, to offering nutrition resources, and even giving free mental health tools — we offer a wide selection of assets, programs and services to engage and support our employees. Our company is devoted to our people who are operating in an ever-changing external environment that is still impacted by the pandemic's effects.

This devotion is showcased in our 2023-2024 Annual Well-being Report.

Our world-class culture of well-being is based on four pillars: physical, mental, financial and social. We are proud of the external recognition that we have earned. Among our awards include Fortune 100 Best Companies to Work For (2023), Human Rights Campaign's Best Places to Work Corporate Equality Index (2023-2024) and Forbes 2023 World's Best Employer.

This recognition is a testament to our commitment to creating an inclusive environment and peace of mind for our employees and their families!

Through our work, we have an opportunity to continue the significant impact we make on the well-being of others around the world. This is a responsibility that all of our employees take very seriously, and I admire their commitment to helping patients and customers.

We also have a responsibility to take care of ourselves and each other! Going forward, our company will continue our tireless dedication to our people as they navigate the litany of challenges faced every day. In doing so, we will better enable them to propel Our Purpose of saving and improving lives and make a meaningful impact on global health!

Be well,

Betty Larson
Executive Vice President & Chief Human Resources Officer

Comprehensive approach to well-being

We are continuously evolving a culture of well-being that encompasses four pillars — **physical**, **mental**, **financial** and **social**. It fosters a safe and supportive work environment and enables our employees and their families to live their healthiest, fullest lives. Our comprehensive and integrated approach connects closely with our company values, including our culture of psychological and physical safety. Additionally, we follow an inclusive approach so our employees can live with purpose and feel safe to be their authentic selves.

Physical

We build a culture of prevention by providing support to employees and their families to avoid preventable diseases and ensure health through positive physical activities, nutrition and sleep. In the event of illness, we provide holistic benefits and programs for best treatment outcomes, long-term recovery and survivor support, if needed.

Mental

We provide support for the full spectrum of emotional and mental well-being needs. Awareness, early intervention and prevention programs help address stigma, build resilience and maintain good mental health. In addition, we provide resources and support to enable people with mental health conditions to participate and thrive.

Financial

We help employees build the confidence to take charge of their finances to reduce stress and increase feelings of security. Our programs provide financial knowledge and resources to manage commitments, meet goals, protect against risks and cope with unexpected surprises.

Social

We develop positive interactions with colleagues, managers and leaders. Our programs create a sense of belonging and connection to people and communities within and outside of work. And we encourage employees to believe in their own self-worth and find purpose.

Because we approach well-being from a holistic perspective, we recognize that many of our benefits and well-being programs intersect and overlap. For example, do our medical benefits support physical well-being or mental well-being? The answer is both! The same is true for our time away programs — from vacation to leaves of absence to volunteer time and more — which can support any or all of our well-being pillars, depending on your need.

Recognition

Business Group on Health Best Employers: Excellence in Health & Well-being Award

(2019-2024)

American Heart Association Workplace Health Achievement Award

(Achieved the highest level four years in a row as recognition of our commitment to employee well-being)

Global CEO Cancer Gold Standard

(The Gold Standard is a workplace wellness accreditation program that encourages and celebrates organizations committed to reducing the risk and burden of cancer among employees, families and communities.)

Forbes 2023 World's Best Employer

Fortune 100 Best Companies to Work For

(2023)

100 Best Companies — Top 10

(2023)

Human Rights Campaign's Best Places to Work Corporate Equality Index

(2023-2024)

Disability Equality Index 2023 Best Places to Work

(2023)

Bloomberg Gender-Equality Index (GEI)

(2023)

Military Friendly Employer

(2024)

Science Magazine's 2023 Top Employer

Physical

Physical well-being involves preventive actions, building healthy habits to maintain and improve physical health and having quick and easy access to high-quality benefits that can help manage and/or resolve illnesses and chronic conditions. Our health and well-being programs and benefits draw from best practices to ensure quality, competitive value, financial protection and access to care and resources so families can live their lives well — no matter what that looks like for them.

Physical well-being involves a commitment to providing preventive care coverage with affordable access to high-quality medical plans, as well as programs and resources that build healthy habits for daily maintenance of healthy routines.

Medical plan

Our medical plan benefits are continuously reviewed and updated to meet the needs of our employees and their families. They are designed to be market-competitive to help in attracting and retaining top talent to our company. In creating and deploying our benefits, we carefully consider a number of factors, including employee data and applicable government guidelines.

Office ergonomics

We support office ergonomics as an important component of physical well-being, so employees are comfortable and productive when sitting at their computer workstations.

We offer ergonomics training and a self-assessment tool to all employees working at a computer workstation, to verify their office workstation is properly adjusted.

We also provide general guidance on working remotely to help employees working from home with tips, well-being office stretches and more.

Wellness

We understand the importance of a holistic approach to physical health, which means facilitating ways employees and their families can build lasting healthy habits. For example, we make it easier for employees to be more active by integrating fitness into their daily routines, and we invite spouses and domestic partners to participate in the many virtual physical challenges. We offer healthy eating and weight management programs; and workshops on nutrition, disease management, integrative health, etc.

Well-being challenges

Each year, our company sponsors several virtual well-being challenges to motivate employees to get moving, individually or with a team. Spouses and domestic partners are invited to join in the fun. In 2023, our well-being challenges had 3,181 participants who walked 1,297,439,093 steps, which covered 648,720 miles.

In 2023, our fitness team conducted approximately:

149 stretch breaks

5,639+ employees reached

An increase of 29% compared to 2022.

Nutrition

We provide resources to help employees and their families understand nutrition and how to reach their health and well-being goals.

To help employees stay on track with their healthy food plan, we gave them access to professional chefs and registered dietitians hosting a series of cooking demonstrations with healthy appetizers, main dishes, desserts and holiday treats.

927

Employees participated in nutrition-related webinars, nutrition month cooking demos and ask-the-dietitian sessions in 2023.

Webinar topics

- Q&A with your RD (4 sessions)
- Heart Healthy Teaching Kitchen: Make Your Own Sushi
- Hispanic Month Teaching Kitchen
- Food & Stress
- Holiday Recipe Revamp

Tobacco-free

We are making a concerted effort to reach our goal of 100% tobacco-free sites and are proud of our progress. Ninety-one percent of global employees and a full 100% of U.S. employees report to a tobacco-free site. Additionally, we continue to offer many tobacco-cessation resources, including an Employee Assistance Program (EAP), nicotine replacement therapy products and a free Quitline.

100%

U.S. tobacco-free sites

91%

Worldwide tobacco-free sites

Mental

We firmly believe in the importance of **mental well-being awareness**, and pride ourselves in providing colleagues with benefits and resources to support them in their personal and professional lives. As employees balance working in the office and at home with our global hybrid work model, many continue to struggle with other aspects of life such as child and elder care. The ongoing effects of the pandemic, including stress and anxiety, have made it more important than ever for us to support our employees' emotional and mental well-being. Through our mental well-being pillar, our company makes available programs and workshops on topics such as mindfulness, resilience and sleep.

Employee Assistance Program (EAP)

Our Employee Assistance Program (EAP) outside the U.S., through Resources for Living, offers employees in-the-moment telephone support for daily relationship challenges, work issues and everyday stress, as well as professional counseling sessions for personal, family or emotional issues. Employees can also get help finding assisted living for an aging parent, support with childcare services and crisis support for unanticipated events.

Flexible work arrangements

We believe flexible work arrangements offer a different way of working and can enhance employees' mental well-being, foster teamwork, increase productivity and support work-life balance. We have had a global flexible work arrangement policy since 2008. To show our commitment to workplace flexibility, we provide a wide range of resources to help employees with home office setup, including tips for ergonomics, well-being office stretches and more.

Time off and leave

We understand the importance of taking time away from work when needed and we are committed to providing competitive paid time off and leaves of absence options to help colleagues when they or their family members are ill or need time to manage work and life responsibilities. Time off and leave benefits are based on local laws and market practices.

Global Paid Parental Time Off

All new parents deserve time off to care for and bond with a new child. That's why we implemented a policy to establish a global minimum standard for paid parental time off of 12 weeks.

This policy applies equally to employees who become parents through birth, adoption or surrogacy, regardless of marital status, sexual orientation and/or gender identity.

We established a deadline of December 31, 2022, for countries to evaluate and incorporate the terms of this global policy into their local policies. As of June 2024, over 95% of countries have successfully implemented the policy.

We've provided additional time for remaining countries to implement the policy to accommodate unique local conditions, such as union negotiations. We recognize that final policies in some countries may differ due to legal requirements and restrictions.

Mind Well

Our Mind Well program is focused on reducing the stigma of mental health by raising awareness, providing training and offering peer support. We're grateful to our employees around the world who volunteer as Mind Well Champions to support the emotional well-being of their colleagues, offer help and access to critical information and resources.

150+ **Mind Well Champions**

Australia
Columbia
Ireland
New Zealand
Singapore
Switzerland
U.K.

6,656 **Employees logged into our series of Mental Health Global Webinars** with experts on a range of topics to help employees and their families.

500+ **Employees completed the 2023 Mental Health First Aid certification courses.** This certification is good for three years and requires eight hours of training.

9,696 **Employees attended daily Mindful Minutes sessions.**

R U OK? Day

One thing we learned from the pandemic is the value of human connection on our health and well-being. Every year in September, our company promotes R U OK? Day, which encourages people to connect with each other in an effort to address social isolation and promote community cohesiveness. We shared resources about reaching out with tips tailored to specific groups, such as colleagues, friends and family.

1,784

Global participants — Nora McInerny: Be Better Than Fine Webcast

Nora's keynote presentation left all of us with such a profound sense of how important it is to value each and every moment.

Spotlight on mental health and emotional well-being

Every year in May and October, we put a spotlight on mental health and emotional well-being. We provide resources, tools and materials to support our employees' emotional well-being and sponsor a special series of webinars focused on hope and navigating difficult emotions, led by world-renowned experts.

“

AJ Adams, Strategies for Flourishing (October 2023)

- *I love AJ's practical approach that allows us to apply learnings more broadly across both professional and personal lives. I think her handouts are meaningful and engaging.*
- *This session taught me that even calling into meetings and engaging can be a boundary I need to start setting. I am learning that working on myself is just as important as all the other work I do at the company, a better me is a better employee. Thanks again for the great session!*

Movember annual Global Webcast (November 2, 2023)
Healthier Men, Healthier Families, Healthier Communities: a discussion on men's health and fatherhood

- *I enjoyed the discussion around the actions that men and loved ones can take to support men in their families and communities.*

”

Calm

Our company offers all employees, their dependents and household members free subscriptions to Calm, an app designed to aid sleep and lower stress and anxiety. Guided meditations, sleep stories and monthly challenges are just a few of the resources employees have access to through the app. Calm also provides a number of online resources we promote through our well-being websites, such as monthly calendars, well-being newsletters and blogs and several resource guides.

38%

More than 38% of employees have registered for Calm in 2023.

76%

of registrants actively engage with the Calm app.

1 2

Meditation is the leading type of activity, followed by sleep and Masterclass sessions, with our global employees.

What employees have been saying about Calm as a benefit:

*"**The Calm app is great and I use it everyday!** I'm very grateful and proud that I work in a company who cares about the well-being of their employees."*

*"**I love this app.** I've been using it to help me with stress and anxiety. I started doing meditations in the mornings before work to help me focus and then I use it to help me sleep at night. It has amazing content also like relaxing music, interesting podcasts and stretching exercises. It has been life changing and I'm so thankful for having it."*

*"**This app is a great tool to support well-being.** The stories and meditations are perfect to step away for a short period of time and take a few minutes to recenter myself. It helps me to focus on tranquility in my life and be grateful for all the good things I have. I love this app and appreciate having access to it."*

Financial

Financial well-being is a sense of security and, for some, a feeling of control over day-to-day and long-term finances. Finances can affect a person's mental and physical well-being, so we're committed to providing the benefits, tools and resources for this important element of overall well-being.

Retirement savings

Worldwide, we offer core and ancillary financial security and retirement benefits that routinely rank amongst the most valuable and progressive of other large multinational corporations.

Outside the U.S., we have more than **80 pension plans** (including defined benefit, cash balance and defined contribution plans) in over **40 countries**. These plans often supplement government-sponsored social security benefits to improve employees' financial security through added retirement income.

Social

Hybrid work model

Over the past two years, we launched and evolved our global hybrid working model to create workplace flexibility, empowering employees to balance their professional and personal well-being. While we remain committed to the flexibility of the hybrid model, we also see an opportunity to further shape and foster collaboration, culture and career development, and create energy by connecting in person more often. Globally, our approach balances business and employee needs so that, ultimately, we can deliver even greater results for patients, customers and each other.

#GrowAMo photo contest

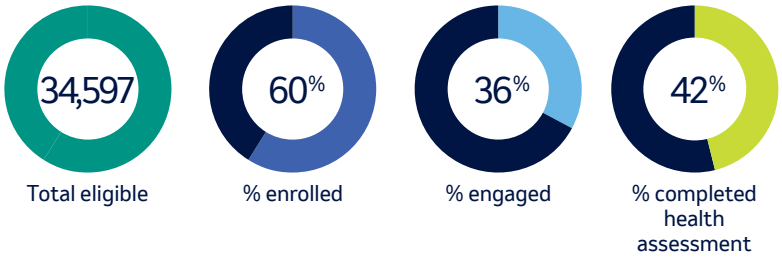
Movember is an annual global event to raise awareness for the key issues of men's mental health and suicide prevention, prostate cancer and testicular cancer. By growing mustaches, hosting events or setting personal fitness goals, we join millions of people around the world each year who are helping men live happier, healthier and longer lives. In 2023, colleagues from around the world participated in our #GrowAMo photo contest to see who could grow the best mustache (real or fake) during the month of November.

The 2023 winners were Team "Gardaseal" from Elkton, Virginia, USA.

Virgin Pulse digital well-being platform

Many of our employees enjoy participating in our Virgin Pulse challenges, some related to physical well-being, some related to mental well-being, and some related to financial well-being. But all challenges bring together individuals and teams to connect virtually through the well-being platform. Colleagues are inspired to motivate each other with messages of praise and inspiration, and many share their insights, feelings, challenges and achievements as participants engage in a community of wellness.

Member engagement



Data based on the following participating countries: U.S., Canada, Bulgaria, Croatia, Cypress, Greece, Romania, Serbia, Slovenia and Switzerland

Top journey categories

Choose a new mindset 1,696	Find your focus 1,519	Eat well to manage blood sugar 1,199	Get strong at home 983
Eat well for healthy cholesterol 1,680	Calm your mind for sleep 1,245	Make time for play 1,086	Get back to sleep 938
		No thanks, I'm smoke-free 950	Live healthy: blood pressure 930

Top healthy habits

Activity minutes 2,553	Get some sleep 2,512	What's your mood? 2,337	Start the day right 2,139
Get a workout 2,538	Stairs 2,379	Time for friends 2,256	What's your weight 2,011
		Wake up with water 2,140	Steps 1,562

Employee champions

Well-being champions have a vested interest in achieving personal health and well-being as well as encouraging their colleagues to be well. They provide local support to increase awareness, visibility and participation in well-being programs and initiatives.

Employee volunteerism and philanthropy

We support programs to help improve access to health and enhance the quality of life in our communities and we invest in philanthropic programs aligned with our guiding principles and priorities.

Our Pro Bono Legal Program enables employees to offer expertise to members of the community that would otherwise be unable to access legal advice.

The MSD Fellowship for Global Health is a three-month, corporate pro bono program that leverages the skills and talents of our employees and helps build the capacity of non-governmental organizations (NGOs) working to improve global health.

Pro Bono Legal	$639,867
Fellowship	$2,496,000
Total	**$3,135,867**

Rare Cancers Kosi Challenge

$52.5K funds raised

MSD Mountaineers conquered Mount Kosciusko over a weekend in March and raised more than $52,516 for Rare Cancers Australia.

Clean Up Australia Day

66 participants

The ANZ Environmental Sustainability team, in collaboration with Rainbow Alliance and the Workplace Experience Committee, hosted a Wellness Wednesday event. They stepped up to make a positive impact on our environment while celebrating the strength of our diverse and inclusive community. Activities were hosted across our four ANZ sites, which included cleanups (Macquarie Park, Bendigo), recycling updates (Auckland), afternoon tea (Bendigo), lunches (Capalaba) and PLENTY OF COLOUR!

Coming together for mental health in Columbia and Ecuador

1,000 participants

In August 2023, the cluster launched a mental health program to reach more than 1,000 employees in both locations. They held six events, including mindful movement sessions, mindful eating workshops, reading clubs and panels of leaders discussing mental health. The latter had four leaders from both subsidiaries discussing their mental health struggles, how to balance work and personal life and strategies to effectively navigate challenges related to mental health. The Bogotá office also held an EBRG fair in which each group shared their initiatives around mental health.

We value the health and well-being of our employees and encourage everyone to strive to be at their very best. Our programs help colleagues exercise, eat healthy, manage emotional well-being or finances and pursue an overall healthier life. For those who are just beginning a well-being journey, start small and continuously add new healthy habits after mastering current ones. The fact is good health and well-being can make a positive personal impact and allow for stronger and more meaningful contributions both at work and at home!

For more than 130 years, we have brought hope to humanity through the development of important medicines and vaccines. And to do so, we are unified by our purpose: We use the power of leading-edge science to save and improve lives around the world.

For more information on our company's sustainability efforts and other topics, please see our Impact Report on our corporate website.

Information included in this report is a summary and is for informational purposes only. All employee benefits are subject to the terms and conditions of the company's benefit plans. If information included in this report conflicts with the terms of the company's benefit plans, the terms of the benefit plans will control.

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