

## PUBLIC POLICY STATEMENT

# HUMAN RIGHTS

---

## Our Policy

In line with the UN Guiding Principles on Business and Human Rights (UNGPs), we base our human rights policy commitments on the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's (ILO) Declaration of Fundamental Principles and Rights at Work. We follow the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and are committed to upholding the 10 internationally recognised principles of the United Nations Global Compact (UNGC), including those related to respect for human rights.

## Our Aim

We believe that dignity and respect for people is essential in business. Respect for people is one of our core values, as described in our company's Code of Conduct (Our Values & Standards). We strive to avoid causing or contributing to adverse human rights impacts through our own activities and seek to prevent or mitigate adverse human rights impacts that are directly linked to our operations and products.

## Our Responsibility

We take our responsibility to respect human rights seriously. For this reason, respect for human rights is reflected and embedded in our Code of Conduct (Our Values & Standards) and several of our Corporate Policies. Our Code of Conduct and (Our Values and Standards) Corporate Policies serve as our standards of conduct, which we use to navigate the decisions and actions that we face.

## Our Operations

Within our own operations, we work to meet our responsibility to respect human rights by:

**Work Hours, Wages and Benefits:** Compensating employees competitively relative to others in our industry, and by operating in compliance with applicable wage, work hours, overtime, and benefit laws.<sup>1</sup>

**Health & Safety:** Providing a safe and health workplace for our employees. We value the safety and security of every employee and are committed to maintaining healthy working conditions and strict safety practices.<sup>2</sup>

**Child Labor:** Prohibiting the use of exploitative child labor. Employment of young workers under the age of 18 is only allowed if the individual is above the country's legal age of employment.<sup>1</sup>

**Forced Labor & Human trafficking:** Prohibiting the use of all forms of forced labor, including prison labor, indentured labor, bonded labor, slave labor and any form of human trafficking.<sup>1</sup>

**Equal Opportunity:** Promoting equal opportunity for our employees irrespective of skin colour, race, nationality, disabilities, religion, sexual orientation, citizenship, sex or age or any other characteristic protected by law.<sup>2</sup>

**Privacy:** Respecting each individual's personal dignity and privacy and rights, and by conducting our business in accordance with our company's privacy values.<sup>3</sup>

**Fair Treatment:** Not tolerating unacceptable treatment of employees, such as mental cruelty, sexual harassment; prohibiting behaviours that are sexual, coercive, threatening, abusive or exploitative.<sup>1</sup>

**Freedom of Association:** Recognizing, as far as legally possible, the rights of employees to associate freely, and to form, join or not join a labor union.<sup>1</sup>

**Non-Discrimination:** Refusing to tolerate discrimination or harassment based on race, colour, gender, age, religion, origin, ethnicity, disability, sexual orientation, or any other characteristic protected by law.<sup>2</sup>

**Recruiting Practices:** Avoiding the use of misleading or fraudulent recruitment practices and the charging of recruiting fees; and by communicating all key terms and conditions of employment.<sup>1</sup>

**Speak Up:** Fostering an environment where employees feel safe to speak up, express their ideas, concerns, and issues, without fear of retaliation, including through our Company's msdethics.com.<sup>4</sup>

## Our Supply Chain

We set high standards for conducting business ethically and in accordance with the law. We expect the same commitment from our business partners, including organizations that provide our company with services, raw materials, active ingredients, components, finished goods or other products.

Our practices are informed and guided by The Pharmaceutical Industry Principles for Responsible Supply Chain Management which set the standard for ethics, labour, health and safety, the environment, and related management systems for our industry.

Within our supply chain, we work to meet our responsibility to respect human rights by:

**Selection:** Selecting suppliers that are socially responsible and who share our company's commitment to ethics and integrity. We strive obtain the goods and services we need to further our mission in a way that is lawful, efficient, and fair.<sup>5</sup>

**Expectations:** Setting and communicating our expectations of suppliers. We use our Business Partner Code of Conduct (BPCC) to communicate our expectations for Human Rights, Labor & Employment, Health, Safety & Environment and Ethical Business Practices.<sup>5</sup>

**Due Diligence:** Conducting appropriate due diligence and determining the risks – including those related human rights, prior to entering a business relationship with a supplier, to satisfy ourselves that they can meet our company's expectations.<sup>5</sup>

**Contracts:** Seeking commitment from suppliers to respect and abide by the principles set forth in our company's Business Partner Code of Conduct (BPCC) through our contracts and agreements. Our standard contract templates contain a BPCC compliance clause.<sup>5</sup>

**Auditing:** Performing Labor & Human Rights (LHR) Audits and Environmental Health & Safety (EHS) Audits at selected supplier facilities to verify their compliance with our company's expectations; and by working with them to address identified compliance gaps.<sup>5</sup>

**Managing & Monitoring:** Managing and monitoring suppliers to ensure that they continue to meet our company's expectations. We hold suppliers accountable for meeting their contractual obligations and take appropriate action to address those that do not.<sup>5</sup>

**Responsible Sourcing:** Maintaining procedures to ensure responsible sourcing of minerals. We endeavour to avoid the purchase of minerals (e.g., tin, tantalum, tungsten, and gold) that directly or indirectly finance or benefit armed groups or perpetrators of serious human rights abuses.<sup>6</sup>

For more information on our approach to related aspects of Human Rights, including Clinical Trials, Supply Chain, Sales & Marketing Practices and Access to Medicines, please visit our Corporate Responsibility site at [www.msd.responsibility.com](http://www.msd.responsibility.com).

**Corporate Policies**

- 1 Labor and Human Rights Policy
- 2 Global Human Resources Policy
- 3 Privacy & Data Protection Policy
- 4 Reporting & Responding to Misconduct Policy
- 5 Procurement and Supplier Relations Policy
- 6 Conflict Minerals Policy