

# ENVIRONMENTAL SUSTAINABILITY GOALS



MSDresponsibility.com

In 2017, we announced a new set of environmental sustainability goals to help position our company to succeed in an increasingly resource-constrained world.

## DESIGN FOR THE ENVIRONMENT

### GREEN & SUSTAINABLE SCIENCE



By 2020, **at least 90%** of our new human health active pharmaceutical ingredient processes will meet internal sustainability targets at launch.

**2017 PROGRESS** On track

### PACKAGING



**100% of the packaging** for our new human health products will be reviewed for environmental impact and improvement.

**2017 PROGRESS** 100%

## WATER

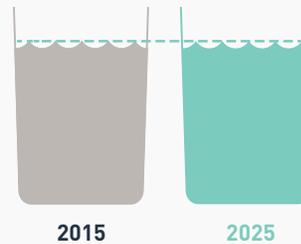


By 2020, we will **develop water conservation plans** for sites in "high water risk" locations.

**2017 PROGRESS** On track

By 2025, we will maintain global water use **at or below 2015 levels**.

**2017 PROGRESS** 4.4 million cubic meters below 2015 levels (18% reduction)

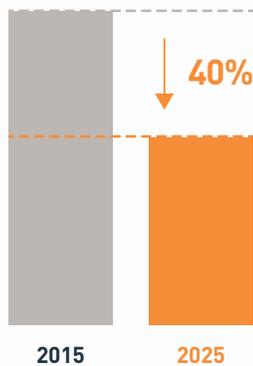


## CLIMATE

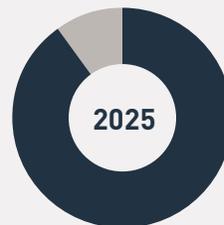
### GREENHOUSE GAS (GHG) EMISSIONS

By 2025, we will reduce global Scope 1 and market-based Scope 2 GHG emissions by **at least 40%** from 2015 levels.

**2017 PROGRESS** 13% reduction



## SUPPLY CHAIN



**2018** By 2018, we will collect GHG emissions and water use data from **at least 90%** of our strategic suppliers with the highest environmental impact.

**2017 PROGRESS** On track

**2020** By 2020, we will engage with those suppliers and request them to identify **GHG emission and water use reduction opportunities**.

**2017 PROGRESS** On track

**2025** By 2025, **at least 90%** of our strategic suppliers with the highest environmental impact will set their own GHG emission and water use reduction targets.

**2017 PROGRESS** On track

### RENEWABLE ENERGY



By 2025, **at least 50% of our purchased electricity** will come from renewable sources.<sup>1</sup>

By 2040, **100% of our purchased electricity** will come from renewable sources.<sup>1</sup>

**2017 PROGRESS** 4.9%

<sup>1</sup> We have defined "purchased electricity" as electricity sourced from external suppliers, as well as renewable electricity that was generated and utilized on-site where we retained the renewable attributes or where we have obtained renewable attributes through contract.

## WASTE



By 2025, **20% or less** of our global operational waste will be sent to landfills and incinerators.

**2017 PROGRESS** 29%

By 2025, **at least 50%** of sites will send zero waste to landfill.

**2017 PROGRESS** 42%



## FORWARD-LOOKING STATEMENT

This communication of Merck & Co., Inc., Kenilworth, N.J., U.S.A. (the “company”) includes “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements are based upon the current beliefs and expectations of the company’s management and are subject to significant risks and uncertainties. There can be no guarantees with respect to pipeline products that the products will receive the necessary regulatory approvals or that they will prove to be commercially successful. If underlying assumptions prove inaccurate or risks or uncertainties materialize, actual results may differ materially from those set forth in the forward-looking statements.

Risks and uncertainties include, but are not limited to, general industry conditions and competition; general economic factors, including interest rate and currency exchange rate fluctuations; the impact of pharmaceutical industry regulation and health care legislation in the United States and internationally; global trends toward health care cost containment; technological advances, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approval; the company’s ability to accurately predict future market conditions; manufacturing difficulties or delays; financial instability of international economies and sovereign risk; dependence on the effectiveness of the company’s patents and other protections for innovative products; and the exposure to litigation, including patent litigation, and/or regulatory actions.

The company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in the company’s 2017 Annual Report on Form 10-K and the company’s other filings with the Securities and Exchange Commission (SEC) available at the SEC’s Internet site ([www.sec.gov](http://www.sec.gov)).

The Office of Corporate Responsibility  
2000 Galloping Hill Road (K1-3181)  
Kenilworth, NJ 07033 USA

Copyright © 2018 Merck Sharp  
& Dohme Corp., a subsidiary of  
Merck & Co., Inc., Kenilworth,  
N.J., U.S.A. All rights reserved.

Merck & Co., Inc., Kenilworth, N.J.,  
U.S.A., is known as MSD outside  
the United States and Canada.