



This report references the Global Reporting Initiative (GRI) Sustainability Standards.

The [GRI Standards](#) represent global best practices for reporting publicly on a range of economic, environmental and social impacts.

We believe that this report provides an inclusive picture of our material topics, their related impacts, and how they are managed.

Throughout this report, flags denote which GRI disclosures are relevant to the text, where applicable. Roll over a flag to see a brief description of the disclosure.

ASSURANCE

[WSP Environment & Energy](#), one of the world’s leading engineering and professional services consulting firms, conducted an independent third party review of our 2017 greenhouse gas and water inventories, and provided limited assurance for the data that we submit to CDP and for the corporate responsibility report. This data can be found on our [Water](#) and [Climate Change & Energy Use](#) pages. Please see WSP’s limited assurance of our environmental data [here](#).

The table below summarizes where the disclosures can be found throughout this report.

Index #	Description	Report Location/Direct Answer
Foundation		
GRI 101: REPORTING PRINCIPLES		
GRI 101	Defining report content and quality	About This Report Stakeholder Engagement Water Materiality
General Disclosures		

GRI 102: ORGANIZATIONAL PROFILE

GRI 102-1	Organization name	Merck & Co., Inc. Kenilworth, N.J., USA
GRI 102-2	Primary brands, products, and services	Our Business 2017 Form 10-K (pages 1–3)
GRI 102-3	Headquarters location	Kenilworth, N.J., USA
GRI 102-4	Location of operations	We have operations in more than 140 markets around the globe. MSD worldwide
GRI 102-5	Ownership and legal form	2017 Form 10-K (cover, page 33)
GRI 102-6	Markets served	Our Business 2017 Form 10-K (pages 9, 126)
GRI 102-7	Scale of the organization	Economic Impact Positive Work Environment 2017 Form 10-K (pages 1, 17, 30, 35, 40) 2018 Proxy Statement (page 29)
GRI 102-8	Information on employees and other workers.	As of December 31, 2017, the Company had approximately 69,000 employees worldwide, with approximately 26,700 employed in the United States, including Puerto Rico.
GRI 102-9	Supply chain	Manufacturing & Supply Chain Sourcing & Supplier Relations
GRI 102-10	Organizational changes during the reporting period	About This Report
GRI 102-11	Precautionary principle	Product Stewardship
GRI 102-12	External initiatives	Reporting Frameworks Access Principles Water Human Rights
GRI 102-13	Membership associations	Public Policy

GRI 102: STRATEGY

GRI 102-14	CEO Letter	Letter from Our CEO
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GRI 102: ETHICS & INTEGRITY

GRI 102-16	Values, principles, standards, and norms of behavior	Code of Conduct
GRI 102-17	Mechanisms for advice and concerns about ethics	Office of Ethics
GRI 102: GOVERNANCE		
GRI 102-18	Governance structure of the organization	Corporate Governance Corporate Responsibility Governance Leadership
GRI 102-20	High-level accountability for sustainability topics.	Corporate Responsibility Governance
GRI 102-21	Access to the board	Corporate Responsibility Governance
GRI 102-22	Composition of the board and its committees	Leadership
GRI 102-23	Chair of the highest governance body	Kenneth C. Frazier is both the chairman of the board and the chief executive officer. Corporate Governance 2018 Proxy Statement (pages 17–18)
GRI 102-24	Board nomination and selection processes	Policies of the Board
GRI 102-25	Board conflicts of interest	Policies of the Board
GRI 102-26	Board and executive roles	Corporate Governance Corporate Responsibility Governance
GRI 102-29	Board identification of ESG impacts, risks and opportunities	Corporate Responsibility Governance Board of Directors
GRI 102-30	Board ESG review of risk management processes	Corporate Responsibility Governance Governance Committee Charter
GRI 102-31	Frequency of board review	The Governance Committee shall meet no less frequently than twice each year. Meetings may be called by the Chairperson of the Committee or upon the vote of a majority of the Board.
GRI 102-32	Report review	Governance Committee of the Board
GRI 102-33	Board communication	2018 Proxy Statement (pages 25–26)
GRI 102-35	Remuneration policies for the board and senior executives	2018 Proxy Statement (pages 28–29, 39–70)
GRI 102-36	Process for determining remuneration	2018 Proxy Statement (pages 39–70)
GRI 102-37	Remuneration shareholder resolutions	2018 Proxy Statement (page 42)

GRI 102: STAKEHOLDER ENGAGEMENT

GRI 102-40	Stakeholder engagement	Stakeholder Engagement
GRI 102-41	Union representation	Positive Work Environment
GRI 102-42	Stakeholder identification	Stakeholder Engagement
GRI 102-43	Approach to stakeholder engagement	Stakeholder Engagement Engaging Our Employees

GRI 102: REPORTING PRACTICE

GRI 102-45	Entities included in financial statements	About This Report Data regarding employees who are part of underrepresented ethnic groups are provided for the U.S. only.
GRI 102-46	Defining report content and topic boundaries	About This Report Materiality
GRI 102-47	Material Aspects included	Materiality
GRI 102-48	Restatements	Any restatements of information are included in the footnotes beneath the specific performance data tables.
GRI 102-49	Reporting changes	None
GRI 102-50	Reporting period	January 1, 2017–December 31, 2017
GRI 102-51	Date of most recent report	Released in November 2017, covering 2016 programs and data
GRI 102-52	Reporting cycle	Annual
GRI 102-53	Report contact	Contact Us
GRI 102-54	Claims of reporting in accordance with the GRI Standards	While many of the disclosures are in alignment with the Core level, this is a GRI-referenced report.
GRI 102-55	GRI content index	GRI Index
GRI 102-56	External assurance	FAQ

Economic

GRI 201: ECONOMIC PERFORMANCE

Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Economic Impact 2017 Form 10-K (pages 1–8, 17–18, 35) Climate Change & Energy Use
GRI 201-1	Direct economic value generated and distributed	Economic Impact Community Community Investment Financial Well-Being 2017 Form 10-K (page 35)
GRI 201-2	Financial implications and other risks and opportunities due to climate change	Climate Change & Energy Use Water 2017 Form 10-K (page 17–18) CDP Climate Change (CC5.1–CC5.1c, CC6.1–CC6.1c)
GRI 201-3	Benefit plan coverage	Financial Well-Being 2017 Form 10-K (pages 111–117)
GRI 203: INDIRECT ECONOMIC IMPACTS		
Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Pricing & Commercialization Access Principles
GRI 203-1	Infrastructure investments and services supported	Community Community Investment
GRI 203-2	Indirect economic impacts	Pricing & Commercialization U.S. Patient Assistance Programs Key Initiatives UN SDGs
GRI 205: ANTI-CORRUPTION		
Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Code of Conduct Sourcing & Supplier Relations
GRI 205-2	Communications and training on anti-corruption	Code of Conduct Sourcing & Supplier Relations Compliance Health Care Professionals
GRI 206: ANTI-COMPETITIVE BEHAVIOR		
Management Approach	Explanation of the material topic, its boundary,	Sales & Marketing

Approach	how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Code of Conduct
GRI 206-1	Anti-competitive behavior	2017 Form 10-K (pages 101–108)

Environmental

GRI 301: MATERIALS

Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Materials & Waste Packaging Green & Sustainable Science Nanotechnology
GRI 301-2	Recycled inputs	Materials & Waste

GRI 302: ENERGY

Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Climate Change & Energy Use
GRI 302-1	Energy consumption within the organization (Scopes 1 + 2)	Climate Change & Energy Use
GRI 302-4	Energy reductions	Climate Change & Energy Use

GRI 303: WATER

Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Water
GRI 303-1	Water withdrawals by source	Water CDP Water (W1.2a, W5.1a)
GRI 303-2	Water sources affected by withdrawals	CDP Water (W2.6, W3.2a, W5.1)

GRI 305: EMISSIONS

Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Air Emissions Climate Change & Energy Use
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GRI 305-1	Direct GHG emissions (Scope 1)	Climate Change & Energy Use CDP Climate Change (CC9.1a)
GRI 305-2	Indirect GHG emissions (Scope 2)	Climate Change & Energy Use CDP Climate Change (CC10.1a)
GRI 305-3	Other indirect GHG emissions (Scope 3)	Climate Change & Energy Use CDP Climate Change (CC14.1)
GRI 305-5	Reduction of GHG emissions	Climate Change & Energy Use
GRI 305-6	Ozone-depleting substances (ODS)	Air Emissions
GRI 305-7	NOx, SOx and other emissions	Air Emissions
GRI 306: EFFLUENTS & WASTE		
Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Materials & Waste Pharmaceuticals in the Environment Product Stewardship
GRI 306-1	Water discharge	CDP Water (W0.3, W1.2, W1.2b)
GRI 306-2	Waste by type and disposal method	Materials & Waste
GRI 306-3	Significant spills	EHS Management & Compliance
GRI 307: ENVIRONMENTAL COMPLIANCE		
Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	EHS Management & Compliance Product Stewardship
GRI 307-1	Non-compliance with environmental laws and regulations	EHS Management & Compliance 2017 Form 10-K (pages 108–109)
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT		
Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Sourcing & Supplier Relations
GRI 308-1	New suppliers screened using environmental	Sourcing & Supplier Relations

criteria

Social

GRI 401: EMPLOYMENT

Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	<ul style="list-style-type: none"> Positive Work Environment Employee Well-Being Learning & Development Office of Ethics Sourcing & Supplier Relations Human Rights
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GRI 401-1	New employee hires and turnover	Positive Work Environment
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GRI 401-2	Benefits provided to full-time employees	<ul style="list-style-type: none"> Employee Well-Being Financial Well-Being
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GRI 403: OCCUPATIONAL HEALTH & SAFETY

Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	<ul style="list-style-type: none"> Employee Safety EHS Management & Compliance
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GRI 403-2	Rates of injury, occupational disease, lost days, absenteeism, and work-related fatalities	Employee Safety
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GRI 403-3	Workers with high risk of diseases related to their occupation	Employee Safety
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GRI 404: TRAINING & EDUCATION

Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Learning & Development
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GRI 404-1	Average hours of employee training	Learning & Development
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GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Learning & Development
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GRI 404-3	Percentage of employees receiving regular performance reviews	Learning & Development
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GRI 405: DIVERSITY & EQUAL OPPORTUNITY

Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Global Diversity & Inclusion Employee Diversity
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GRI 405-1	Diversity of governance bodies and employees	Global Diversity & Inclusion
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GRI 407: FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING

Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Human Rights
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GRI 407-1	Operations and suppliers in which the right to freedom of association may be at risk	Human Rights Sourcing & Supplier Relations
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GRI 409: FORCED OR COMPULSORY LABOR

Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Human Rights
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GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights Sourcing & Supplier Relations
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GRI 412: HUMAN RIGHTS ASSESSMENT

Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Human Rights Sourcing & Supplier Relations
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GRI 412-2	Employee training on human rights policies and procedures	Code of Conduct
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GRI 414: SUPPLIER SOCIAL ASSESSMENT

Management Approach	Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.	Sourcing & Supplier Relations
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GRI 414-1	New suppliers screened using social criteria	Sourcing & Supplier Relations
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GRI 415: PUBLIC POLICY

Management Approach	Explanation of the material topic, its boundary,	Public Policy
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Approach how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy.

GRI 415-1 Political contributions Public Policy

GRI 416: CUSTOMER HEALTH & SAFETY

Management Approach Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy. Manufacturing & Supply Chain
Product & Patient Safety

GRI 416-1 Assessment of the health and safety impacts of product and service categories Quality & Safety Standards
Manufacturing & Supply Chain

GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services Quality & Safety Standards

GRI 417: MARKETING & LABELING

GRI 417-1 Requirements for product and service information and labeling Product & Patient Safety

GRI 417-2 Incidents of non-compliance concerning product and service information and labeling Sales & Marketing

GRI 417-3 Incidents of non-compliance concerning marketing communications Sales & Marketing

Management Approach Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy. Sales & Marketing

GRI 418: CUSTOMER PRIVACY

GRI 418-1 Substantiated complaints regarding breaches of customer privacy and losses of customer data Global Privacy Program

Management Approach Explanation of the material topic, its boundary, how the topic is managed, and mechanisms for evaluating the effectiveness of the company's strategy. Global Privacy Program
