



ACCESS TO HEALTH

Statement of Guiding Principles

Millions of people worldwide in developed and developing countries are living longer, more productive lives today thanks, in part, to better healthcare and access to innovative medicines and vaccines. However, progress is needed to ensure greater access to health worldwide.

As a global healthcare company, Merck's role is first and foremost to discover and develop innovative medicines and vaccines that treat and prevent unmet medical needs. We also recognize that we have a role to play – in partnership with other key stakeholders – in helping to ensure our products are accessible and affordable to those in need.

Therefore, we developed this Statement of Principles to guide our worldwide approach to access to health, which we strive to embed into our operations and business strategies.

Research and Development

We will engage in R&D to provide medicines and vaccines that address vital global health needs.

- We will evaluate and reflect, where appropriate, the needs of emerging markets in the R&D of our products.
- We will conduct our clinical trials, including trials in Low Income and Middle Income countries, in accordance with the global standards of Good Clinical Practices, applicable local regulatory requirements and following the ethical principles that have their origin in the Declaration of Helsinki.
- We will collaborate with diverse partners to expand our R&D capacity to address unmet needs, including those in emerging markets and least developed countries.
- We will pursue opportunities to provide access to compound libraries and molecules to spur development of new products.

Manufacturing and Supply

Merck is committed to providing patients and customers with high-quality products and a reliable supply of safe and effective medicines and vaccines.

- We will maintain strict quality standards and effective supply chain management to ensure the safety and supply of our products no matter where they are manufactured.
- We will sustain an interdependent, flexible supply chain to take into account global and local market supply needs.
- We will expand our low-cost manufacturing network for pharmaceuticals, biologics and vaccines through local and regional partnerships.
- We will invest in critical manufacturing capabilities to meet local market needs.

Registration

We will register our products in a timely fashion in markets where they are needed.

- We will work to initiate registration of our products in all countries where there is a public health need in a timely manner in conjunction with local regulatory authorities.
- We will work to strengthen the regulatory science capabilities of local regulatory authorities to expedite product registrations.
- We will work with the World Health Organization to pre-qualify our products, where appropriate, to expedite access in low income countries.

Commercialization

We will commercialize our products in a way that develops Merck's business and meets local needs in a responsible and efficient manner.

- We will price our products through differential pricing frameworks, taking into consideration level of economic development, channel and public health need.
- Within countries, we will seek to identify innovative strategies for differential pricing or other approaches that allow for greater flexibility to better reach at-need segments, pursuing partnerships with private, government or non-profit resources and distribution channels.
- We will evaluate and address public health needs by working with local healthcare providers globally to increase knowledge of product need and use; we will invest in activities to improve patient awareness and education.

Community Investment

While we cannot address complex public health challenges on our own, we will engage in community investment to address the barriers to access where we believe we can make the strongest contributions.

- Through innovative approaches and partnerships, we will invest our expertise, human resources, financial resources, products and market-based solutions to:
 - support healthcare capacity building, including healthcare professional training, to deliver healthcare solutions.
 - address underlying barriers to health, such as access to clean water and food.
- When market-based solutions are inadequate or unavailable, we will pursue programs to provide direct access to our medicines and vaccines.

We recognize that we cannot fulfill these principles on our own; therefore, in applying these principles, Merck works through a number of initiatives and partnerships. We also manage and measure the fulfillment of these principles through a series of metrics, targets and examples that we include in our corporate responsibility reporting and other reporting mechanisms.

