

global compact

2016 Communication on progress in implementing the ten principles of the UN Global Compact

We have been a UN Global Compact participant since 2005. As a signatory of the initiative, we commit ourselves to ten principles based on key UN conventions regarding human rights, labor standards, environmental protection, and anti-corruption. At the same time, the UN Global Compact encourages its signatories to actively engage in propagating the principles within their own sphere of influence.

The following table presents the key measures we took in 2015 and 2016 to support and implement the principles of the Global Compact.



WE SUPPORT

Link: www.unglobalcompact.org

UNGC principles:	Key measures in 2015 and 2016:	Relevant GRI indicators:	Reference:
Human rights			
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	- Performed human rights self-assessments across our sites - Conducted supplier assessments and audits under the Together for Sustainability (TfS) initiative - Donated 300 million praziquantel tablets to the World Health Organization for the treatment of the worm disease schistosomiasis	G4-HR2, G4-HR7, G4-HR8, G4-HR9, G4-HR12, G4-SO1, G4-SO2	Human rights (p. 14) Standards in the supply chain (p. 90) Health (p. 97)
Principle 2: Businesses should make sure that they are not complicit in human rights abuses	- Performed human rights self-assessments across our sites - Conducted CR audits of suppliers and collected supplier self-assessments - Conducted supplier assessments and audits under the Together for Sustainability (TfS) initiative	G4-HR1, G4-HR10–11	Human rights (p. 14) Standards in the supply chain (p. 90)

Labor standards

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the rights to collective bargaining	■ Conducted internal audits on workplace aspects of our Human Rights Charter ■ Performed human rights self-assessments at our sites ■ Conducted CR audits of suppliers and collected supplier self-assessments ■ Conducted supplier assessments and audits under the Together for Sustainability (TfS) initiative	G4-11, G4-HR4, G4-LA4	Human rights (p. 14) Compliance (p. 11) Employee engagement (p. 72) Standards in the supply chain (p. 90)
Principle 4: Businesses should support the elimination of all forms of forced and compulsory labor	■ Performed human rights self-assessments at our sites ■ Conducted internal audits on workplace aspects of our Human Rights Charter ■ Conducted CR audits of suppliers and collected supplier self-assessments ■ Conducted supplier assessments and audits under the Together for Sustainability (TfS) initiative	G4-HR6	Human rights (p. 14) Compliance (p. 11) Standards in the supply chain (p. 90)
Principle 5: Businesses should support the effective abolition of child labor	■ Performed human rights self-assessments at our sites ■ Conducted internal audits into workplace aspects of our Human Rights Charter ■ Conducted CR audits of suppliers and collected supplier self-assessments ■ Conducted supplier assessments and audits under the Together for Sustainability (TfS) initiative ■ Attended the Mica Summit on the mica supply chain in Delhi, India	G4-HR5	Human rights (p. 14) Compliance (p. 11) Standards in the supply chain (p. 90) Mica supply chain (p. 93)
Principle 6: Businesses should support the elimination of discrimination in respect of employment and occupation	■ Conducted internal audits on workplace aspects of our Human Rights Charter ■ Reached our goal to increase percentage of leadership roles occupied by women; set new goal for 2021 ■ Expanded internal diversity programs ■ Provided global SpeakUp Line for employees to report discrimination anonymously	G4-10, G4-EC5-6, G4-LA1, G4-LA3, G4-LA9, G4-LA11-13, G4-HR3	Human rights (p. 14) Compliance (p. 11) Diversity and inclusion (p. 67)

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges	■ Obtained ISO 14001 Group certificate for environmental management ■ Annually reduced CO₂ emissions (reduction target by 2020: 20% versus 2006 baseline) ■ Implemented more than 400 climate impact mitigation projects since 2012 ■ New goal: Introduce sustainable water management system at high-use sites by 2020 ■ Implemented measures to ensure product safety (such as REACH, GHS and our Global Product Strategy) ■ Develop and implement Merck Waste Score	G4-EC2, G4-EN1, G4-EN3, G4-EN8, G4-EN15–17, G4-EN20–21, G4-EN27, G4-EN31	Environmental stewardship (p. 77) Climate impact mitigation (p. 79) Resource efficiency (p. 82) Water management (p. 84) Waste and recycling (p. 82) Sustainable product design (p. 29) Drug safety (p. 46) Chemical product safety (p. 44) Transport and warehouse safety (p. 50)
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	■ Performed ISO 50001 audits (energy management) of 13 sites ■ Reduced average CO₂ emissions of our business car fleet by 12% compared to 2013 (goal for 2020: 30% reduction); reduced maximum CO₂ emissions for new company vehicles ■ Offered employees sustainable mobility options such as rental bicycles ■ Conducted internal and external EHS audits ■ Performed energy checks at our sites ■ Labeled products ■ Took back packaging	G4-EN1–34	Climate impact mitigation (p. 79) Plant and process safety (p. 86) Transport and warehouse safety (p. 50) Water management (p. 84) Waste and recycling (p. 82) Drug safety (p. 46) Chemical product safety (p. 44) Recovery and reuse (p. 33)
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies	■ Performed product life cycle analyses ■ Developed sustainable products	G4-EN6–7, G4-EN19, G4-EN27, G4-EN31	Sustainable products (p. 29) Performance Materials

Anti-corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	■ Consolidated our antitrust and anti-competition principles into a single Group-wide guideline ■ Performed internal corruption audits ■ Reviewed compliance standards of our business partners ■ Strategically reorganized our Group function Compliance ■ Trained employees on anti-corruption ■ Provided global SpeakUp Line for employees to report corruption anonymously ■ Published first EFPIA transparency report	G4-56–58, G4-SO3–SO6	Compliance (p. 11)
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