

RESOLVED, that shareholders of Merck & Co., Inc. (“Merck” or the “Company”) urge the board of directors to oversee conduct of human rights due diligence (“HRDD”) to produce a human rights impact assessment (“HRIA”) covering Merck’s operations, activities, business relationships, and products, related to Merck’s most salient human rights risks, in respect to the right to health and access to medicines. The HRIA should be prepared at reasonable cost and omitting confidential and proprietary information and made available on Merck’s web site. The HRIA should describe actual and potential adverse human rights impacts identified; identify rightsholders that were consulted; and discuss whether and how the results of the HRIA will be integrated into Merck’s operations and decision making.

Supporting Statement

Merck has adopted a Human Rights Public Policy Statement (the “Statement”) committing the Company to “respect and promote internationally recognized human rights standards,” including the right to health. Article 12.1 of the International Covenant on Economic, Social, and Cultural Rights “recognize[s] the right of everyone to the enjoyment of the highest attainable standard of physical and mental health.” Access to medicines is a key element of the right to health. Target 3.8 of Sustainable Development Goal 3 assesses progress toward “access to safe, effective, quality and affordable essential medicines and vaccines for all.”

The Statement recognizes the salience of access to medicines. Specifically, Merck says it “recognize[s] that, in collaboration with key stakeholders, we have a role to play in helping to ensure our science advances health care, and our products are accessible and affordable to those in need.” The Statement also describes Merck’s process for “delivering on” its human rights commitments. Merck conducts HRDD “to identify, assess and manage actual and potential adverse human rights impacts associated with our operations, and our supply chain. As part of this process, we engage with key stakeholders.” Merck has not disclosed any HRIAs produced as a result of its HRDD.

Some of Merck’s actions appear to undermine its commitment to the human right to health and access to medicines. It sued to invalidate the Inflation Reduction Act’s (“IRA’s”) provision authorizing limited Medicare drug price negotiations. A trade association to which Merck belongs lobbied against the IRA, contributed millions to defeat a California pricing measure, and supported a group that fought to repeal Obamacare. The Access to Medicine Index, which focuses on low- and middle-income countries (“LMICs”) and medicines for diseases that occur mainly in LMICs, ranks Merck “below average” in all three technical areas: governance of access, research and development, and product delivery.

Comprehensive HRDD that includes the right to health would enable Merck to identify human rights impacts of its own operations, such as shortcomings in access programs and funding of harmful lobbying efforts. Making the resulting HRIA publicly available would allow shareholders to assess the human rights risks facing Merck and the Company’s efforts to address those risks.