

## MSD Norwegian Companies

### *Account for the Norwegian Transparency Act 2024*

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## 1. Introduction and summary

This account for due diligence is prepared for MSD (Norge) AS, MSD Animal Health Norge AS, MSD Animal Health Innovation AS, and OS Id AS to cover the obligations of the Norwegian Transparency Act. The companies are subsidiaries of the US pharmaceutical company Merck & Co., Inc. The account describes how the Norwegian companies address human rights and decent working conditions in own operations, supply chain and among business partners.

The Norwegian Transparency Act, also known as “Åpenhetsloven”, was enacted to promote transparency and accountability in business operations, concerning human rights and decent working conditions. The act mandates that companies covered by the Act must conduct due diligence in line with the OECD Guidelines to identify, prevent, and mitigate adverse impacts on fundamental human rights and decent working conditions within their operations, supply chains, and business relationships.

This account describes routines for conducting human rights due diligence, findings of actual and potential risks of adverse impacts, an overview of identified risks, and our implemented and planned measures to mitigate those risks.

This account concerns all four legal entities listed above for the financial year of 2024. Due to the companies being subsidiaries of the same global company, parts of the account are common for all four. In cases where information, routines or results only concern specific entities, this will be clearly stated. In sections where there is no reference to a specific entity, the information is applicable to all four companies.

### 1.2 About the Norwegian companies of MSD and scope of NTA-account

MSD (Norge) AS, MSD Animal Health Norge AS, MSD Animal Health Innovation AS and OS Id AS are Norwegian subsidiaries of MSD, which is known as Merck Sharpe & Dohme LLC / Merck& Co., Inc. in the United States and Canada. MSD is a global healthcare company focused on providing innovative solutions in the form of prescription medicines, vaccines, biologic therapies, and animal health products.

#### **MSD (Norge) AS:**

MSD (Norge) AS is part of MSD Global. We are working to develop and improve healthcare services for the Norwegian population. This encompasses the production, import, trade, and delivery of a variety of pharmaceutical goods, medical equipment, technical products, and other substances for the healthcare sector, as well as the marketing of these products. We are actively contributing to research on serious diseases to enhance treatment methods and develop new medications, while also engaging in efforts to combat antibiotic resistance. Our customer base includes drug wholesalers, retailers, hospitals, government agencies, and managed healthcare providers, such as health maintenance organizations and pharmacy benefit managers. Located in Oslo, Norway, we had, as of the end of 2024, 85 employees.

**MSD Animal Health Norge AS:**

MSD Animal Health AS specializes in innovative product portfolios that encompass the prevention, treatment, and control of diseases through medications, vaccines, and other products for both production animals and pets. We also provide technology and monitoring solutions. Our animal health products are sold to distributors, animal producers, farmers, and pet owners. We are located in Bergen and, as of the end of 2024, we had 33 employees.

**MSD Animal Health Innovation AS**

MSD Animal Health Innovation AS is a pharmaceutical company that operates in the animal health sector, specializing in the development of veterinary medicines for cold water fish species, including vaccines and parasiticides, as well as offering health management solutions. Committed to innovation and science, we invest in research and development to advance animal welfare, ensuring the well-being of animals and contributing to a more sustainable future. We are located in the Marineholmen research park, in the city of Bergen; Norway and as of the end of 2024, we have 21 employees.

MSD Animal Health Innovation AS is not yet covered by the Norwegian Transparency Act. However, due to our close connection with other Norwegian MSD companies and the likelihood of being included within the scope of the Act in the foreseeable future, MSD Animal Health Innovation AS is also included in this account.

**OS Id AS:**

OS Id AS develops, manufactures, and distributes solutions for livestock identification, primarily ear tags for cattle, sheep, goats, pigs, and other livestock. These products are used in agriculture business to ensure accurate and efficient tracking of animals throughout their lifecycle. Our customers are farmers, distributors, wholesalers located in Norway as well as in other European countries. We are collaborating closely with MSD Animal Health AS to align business strategies, product development, and market approaches, creating synergies that benefit both customers and stakeholders. We are located in Os in Nord Østerdalen, Norway, and, as of the end of 2024, we had 36 employees.

## 1.2 Our approach to human rights due diligence

As a company, we operate with the highest standards of ethics and integrity. We are committed to fostering a culture where employees feel safe and are empowered to speak up. By putting our ethics and values at the foundation of everything we do, we fortify our commitment to ethical corporate behavior<sup>1</sup>. For a deeper understanding of our global efforts to perform due diligence

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<sup>1</sup> External charters, principles and initiatives that we endorse that guide our work on this topic:

- UN Universal Declaration of Human Rights (UDHR)
- UN Guiding Principles on Business and Human Rights (UNGPs)
- The ten Principles of the UN Global Compact (UNGC)
- International Labour Organization (ILO) Core Conventions

across all operations, we encourage you to explore the insights presented in our [Global Impact Report](#).

In 2024/2025, a collaborative effort across the four Norwegian MSD companies was undertaken to develop and strengthen the process for conducting human rights due diligence according to the Norwegian Transparency Act. The goal has been to create a process tailored to the needs and nature of the companies while leveraging synergies to enhance the due diligence process across the companies. In alignment with the OECD guidelines, due diligence has been conducted to assess and address the risk of negative impacts on human rights and decent working conditions within the companies' own operations, supply chains, and among business partners.

To evaluate the risk of negative human rights impacts within the companies' own operations, a thorough analysis of existing governing documents has been undertaken, as well as interviews with relevant functions within the companies. This process has enabled the identification and understanding of potential human rights risks, which initiated planning of measures to ensure efficient mitigation of any actual negative impact.

In the supply chain, the due diligence process has been strengthened by conducting human rights risk assessments of suppliers. This proactive approach allows the identification of any actual or potential risks and the necessary actions to address them. The aim is to ensure adherence to standards and contribute to the protection of human rights throughout the supply chain.

For suppliers and business partners originating from the global parent company, due diligence is performed at a global level. This centralized approach helps achieve consistency in assessing and mitigating human rights risks across business relationships. By leveraging the global expertise and resources of the parent company, efforts are made to uphold human rights protection and ethical business practices.

## 2. Human rights in own operations

### 2.1 Human rights commitment in own operations - Policies and processes

All four companies of MSD (MSD (Norge) AS, MSD Animal Health Norge AS, MSD Animal Health Innovation AS, OS Id AS) have principles of human rights and decent working conditions integrated into our key policies. We share the overarching policies of MSD Global, in addition to having individual complementary policies and guidelines adapted to local company-based needs.

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- Organization for Economic Co-operation and Development Guidelines (OECD) for Multinational Enterprises
  - Pharmaceutical Research and Manufacturers of America (PhRMA) Code on Interactions with Health Care Professionals
  - International Federation of Pharmaceutical Manufacturers and Associations (IFPMA) Code of Practice
  - European Federation of Pharmaceutical Industries and Associations (EFPIA) Code of Practice
  - Pharmaceutical Supply Chain Initiative (PSCI) Principles for Responsible Supply Chain Management

Our company is committed to meeting its responsibility to respect internationally recognized human rights standards. We believe that dignity and respect for people is essential in business. Respect for human rights is core to our purpose to save and improve lives around the world.

Common key policies and commitments addressing human rights in our own operations are our *Code of Conduct* and our *Human Rights Statement*. The Code of Conduct states our commitment to avoid causing or contributing to negative human rights impacts in all business activities, to prevent and to mitigate the recurrence of actual negative impacts and provide for remedy where necessary, and it encourages all employees to report any human rights concerns. The Code of Conduct is signed by the Chairman, President and CEO.

The purpose of the MSD Human Rights Statement is to publicly state our commitment to respect internationally recognized human rights standards and to explain our approach to identifying, preventing, and mitigating adverse human rights impacts related to our operations and our supply chain. The statement addresses our commitment to uphold established global standards such as the Universal Declaration of Human Rights (UDHR), the ILO's Declaration on the Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGPs), and the UN Sustainable Development Goals.

In addition to the common policies and commitments regarding human rights at a global level, we apply additional policies and guidelines adapted to local and individual circumstances.

Due to the nature of our operations, MSD Animal Health Norge AS, MSD Animal Health Innovation AS, and OS Id AS require specific health and safety guidelines and routines to ensure the well-being of our employees. At MSD Animal Health Norge AS, we specialize in the prevention, treatment, and control of diseases in animals, necessitating stringent safety protocols to handle veterinary pharmaceuticals and vaccines. At MSD Animal Health Innovation AS, we focus on developing vaccines and medicines, requiring rigorous health and safety measures to protect our employees involved in research and development. At OS Id AS, as a leading manufacturer of animal identification systems, we must maintain high safety standards to ensure the safe production and handling of our products. These guidelines are essential to safeguard the health of our employees, ensure the quality of our products, and uphold our commitment to animal welfare and agricultural support.

## 2.2 Identified human rights risks in own operations and our mitigating measures

As part of our commitment to respect human rights and decent working conditions, a human rights due diligence assessment has been conducted with regard to the own operations of each of the four companies. In the context of the Norwegian Transparency Act, own operations refer to the parts of the company's activities that takes place at the company's own facilities, and that are not part of the supply chain or business relationships. This process involved a series of steps to identify and address potential risks of negative impacts on human rights and decent working conditions.

Firstly, interviews were conducted with relevant functions within the companies to gather insights and understand the current practices and challenges related to human rights and decent working conditions. Additionally, a mapping of the companies' operations was performed to identify areas where human rights risks might be present. An in-depth analysis of existing key governing documents was also carried out to ensure that our policies and procedures are in line with our commitment. Furthermore, there was an effort to upgrade our knowledge on the inherent human rights risks associated with the sectors in which our companies operate.

In the due diligence assessment, we have identified the highest inherent human rights risks within the operations of MSD (Norge), MSD Animal Health Norge, MSD Animal Health Innovation, and OS Id. Most of the identified risks are common across all four companies due to the similar nature of our operations, however some company specific nuances apply.

The identified risks common for all four companies and measures are found in the table below. The risks include working hours and work-related stress, discrimination and harassment (including lack of accessibility for people with disabilities and bias in recruitment), and gender pay-gap. The identified risks within health and safety are related to different parts of our operations in the companies, for which we will provide further details. We are aware of and work continuously to mitigate any risk of negative impact to our employees, and information on our risk mitigating measures can be found for each risk area below.

The inherent risk areas are not based on any identified cases of negative impact within our operations; rather, they are mapped based on the most common risks observed in companies with similar characteristics to ours. The pharmaceutical industry, in general, is highly regulated and is not typically associated with high risks of human rights breaches, however we acknowledge that there are always inherent risks, and we take our responsibility to mitigate them.

<b>Main Risks for own workforce</b>	<b>Description</b>	<b>Mitigating factors</b>
<b>Working hours and work-related stress</b>	Nature of business sometimes requires employees to exceed normal working hours putting employees at risk of burnout and stress related health issues	Working hours are logged and tracked, and employees are encouraged to raise issues regarding excessive overtime work in their meetings with management.
<b>Gender pay-gap</b>	Risk of male leaders receiving a higher pay than that of their female counterparts in equivalent positions	Board is monitoring pay-gap which is also closely followed up by auditor.
<b>Discrimination and harassment</b>	Risk of employees being treated less favorably than others because of characteristics that are not related to the person's competencies or the inherent requirements of the job	All employees undergo trainings on harassment and discrimination, as well as training in how to use the whistleblowing channel.
<b>Health and Safety</b>	Risk of work-related tasks including health and safety risks through heavy machinery or harmful substances which can lead to injuries or health issues	Where the nature of work includes health and safety risks, employees are trained in risk-specific procedures. HSE related impacts are documented and logged to ensure sufficient procedures.

<b>Recruitment bias</b>	Risk of recruitment processes excluding qualified talent based on irrelevant factors related to characteristics of the applicant rather than the applicant's competencies and qualifications	Hiring unit is not a part of the selection of candidates which is handled outside of Norway by Global Talent. Recruiters and all leadership go through unconscious bias training regularly.
<b>Accessibility for people with disabilities</b>	Risk of physical and informational barriers to equal opportunities for persons with disabilities	All employees are trained in diversity, equity and inclusion (DEI) perspectives. Workplaces are made accessible for <u>all</u> employees regardless of any disability type.

### ***Working hours and work-related stress:***

Due to the nature of our operations, which involve various aspects of high demand services such as healthcare and pharmaceutical services, there is an inherent risk of hectic workdays and tight deadlines. There is therefore a risk of employees exceeding their normal working hours, putting them at risk of stress-related health issues. This risk is inherent due to the high-paced and demanding environment of our industry, and therefore all four companies have well established measures to ensure compliance with all work-related regulations in addition to maintaining the wellbeing of our employees.

To address the risk of excessive working hours and work-related stress, we have implemented a series of measures designed to ensure compliance with labor laws and support employees in maintaining a healthy work-life balance.

- ***Monitoring of working hours and annual risk assessment:*** Employees covered by the working hours regulation (WEA) log their working hours through timesheets to monitor and manage working hours; ensuring compliance with legal limits. Annual salary reviews are also conducted to ensure fair compensation. Regular check-ins with leadership are encouraged and conducted to discuss working hours and workload, providing an opportunity to address any issues related to excessive working hours. We perform an annual risk assessment that includes evaluating workload to identify and mitigate potential risks related to excessive working hours and stress.
- ***Employee Support Program:*** An employee support program is available to assist employees in managing stress and workload, offering resources to help maintain well-being. The resources include a career coach and psychologist to support their professional development and mental well-being at work.  
*Health insurance:* We provide health insurance for all employees, which includes coverage for physical treatments.

### ***Gender Pay-Gap:***

The gender pay-gap is a recognized issue across many industries, including ours. Despite efforts to promote gender equality, there may still be disparities in pay between male and female employees performing similar roles or roles of equal value. This risk is inherent due to historical and systemic factors that influence pay structures and career progression within the industry.

To address the inherent risk of a gender pay gap within our operations, we have several measures aimed at promoting gender equality and ensuring fair compensation practices.

- **Monitoring of pay gap:** We have a longstanding commitment to fair and equitable pay for all employees doing similar work and work of equal value. This commitment is consistent with our core values of integrity, fairness and treating all people with dignity and respect. Having the right culture, systems and practices for talent recruitment and development is critical in driving our ability to compete in global markets where talent is increasingly scarce and diverse. With the support of external experts and legal partners, we conduct annual pay equity studies in the U.S. and abroad. The pay equity studies take into account job-related factors and allow us to identify whether any adjustments to compensation are needed to ensure we continue to pay our employees equitably. In our annual Global pay equity review for 2024, we are pleased to report that there were no impacted employees, and no adjustments were necessary in Norway.
- Furthermore, we are proud that the majority of our leadership positions at MSD (Norge) AS, MSD Animal Health Norge AS and MSD Animal Health Innovation AS are held by women. This representation at the leadership level supports our commitment to gender equality and provides role models for career progression within the company.

### ***Discrimination and Harassment:***

As companies operating in diverse fields, and with a broad customer base including wholesalers, retailers, hospitals, government agencies, and farmers, our employees may be exposed to an inherent risk of discrimination and harassment both in our operations and through contact with external stakeholders. This risk can arise from interactions within the workplace between colleagues, as well as in social gatherings hosted by us. Discrimination can also occur in the form of lack of accessibility of work environments for people with disabilities, and it can cause unconscious bias in recruitment processes. Ensuring a respectful and inclusive work environment with a consistent focus on diversity and inclusion is essential to mitigate this risk.

To monitor and address any issues related to discrimination and harassment, we conduct a biannual employee survey to gather feedback and identify areas for improvement. Additionally, all employees undergo ethics training to promote awareness and understanding of ethical behavior in the workplace. We have also implemented a "Speak Up" tool, which is communicated through annual learnings, to provide a confidential platform for whistleblowing and reporting any incidents of discrimination or harassment. Additional measures include:

- **Recruitment Bias:** To minimize recruitment bias, we have established an independent recruitment process managed by our Global Talent team, which is located outside of Norway. This helps ensure objectivity and fairness in hiring decisions. Furthermore, all hiring managers receive training on recruitment practices and unconscious bias where they learn about unconscious biases that can occur in interview settings, and how they can be prevented. It is a global and mandatory initiative that our interview panels are diverse for all interviews.
- **Accessible Office Spaces:** We strive to make our office spaces as accessible as possible to accommodate employees with disabilities and ensure that our work environments are inclusive and supportive. All our offices in Norway are subject to universal design to foster accessible working spaces for all our employees.
- **Diversity, Equity, and Inclusion (DEI):** We have appointed DEI ambassadors to champion diversity, equity, and inclusion initiatives within the company. DEI training is provided to all employees to enhance their understanding and commitment to creating an inclusive



workplace. MSD (Norge) hosts monthly DEI-group meetings to discuss current issues and promote awareness campaigns for DEI topics.

DEI is an important topic for our businesses, and we aim to create a work environment that is free from discrimination and harassment, promotes diversity and inclusion, and ensures fair and unbiased recruitment practices. Deriving from MSD globally, we commit to the “Global Diversity, Equity and Inclusion Strategy”. The strategy’s focus areas and leading principles are developed with the intention of embedding the principles of diversity, equity and inclusion throughout the entire organization. In addition to many leading principles, some are related to: ensuring alignment of people policies, practices and systems to influence greater DEI, ensuring our commitment to mitigate risk through effective action and compliance.

At MSD (Norge) we have a set out priorities for DE&I for 2024. This involves, among other things, ensuring that all our employees feel respected, included, and taken care of, and confident that they can be themselves in the workplace. Measures include everything from social activities and mentoring programs to internships in other regions, and various types of support and arrangements for facilitating volunteer work at home or abroad.

In MSD's Nordic-Baltic cluster, we have an active team of D&I ambassadors who represent different functions and backgrounds. This group actively shares valuable insights on diversity and inclusion with both management and other colleagues across the organization.

		2024: Norway DEI Priorities			
		Create the future together	Bring out the best in each other	Impact lives	Walk our talk
<b>Our Purpose</b> The Norwegian DE&I community work to ensure that DE&I is fully integrated into day-to-day interactions, on all levels, at MSD Norway	<b>Priorities</b>	Foster a diverse and inclusive workplace where all employees feel psychologically safe to speak up and promote a diverse set of EBRGs to enable interaction for all our employees.	Invest in every individual and empower all employees to take part in their personal development and skills.	Amplify our DE&I efforts externally to strengthen our corporate position as a leading DE&I company to attract talent, create diverse partnerships and boost our performance.	Enable collaboration and resources in the cluster and in countries to drive the DE&I agenda and increase the community's visibility.
	<b>Objectives</b>	By the end of 2024, we have a culture where we feel psychologically safe, breaking down barriers through knowledge sharing, allyship and interest in each other.	By the end of 2024, employees see DE&I as an integral part of their personal development, incorporating allyship, workplace community and enterprise leadership skills.	By the end of 2024, MSD is recognised to be a resourceful partner to our communities through volunteering, allyship and respect.	By the end of 2024, we have increased visibility of the DE&I community through diversifying our channels and collaborating with the NoBa cluster and EBRGs to ensure that all employees feel confident with DE&I topics and safe to speak up
	<b>Key results</b>	<ul style="list-style-type: none"> <li>We have increased knowledge sharing and allyship through:                             <ol style="list-style-type: none"> <li>Event on history and terms of LGBTQ+ by "FRI"</li> <li>4 Fuel-It sessions</li> <li>20% increase in Faces of MSD</li> <li>Watch party on 4 EBRG events during the year</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>Ensure 100% of employees have a priority in workday related to DE&amp;I and tagged using the correct WoW.</li> <li>Demonstrate commitment to interpersonal skill development through facilitation of a personal branding event.</li> <li>Allyship is considered and aligned in all DE&amp;I activities.</li> <li>Increased employee awareness of Enterprise leadership skills from a Lunch &amp; Learn session.</li> <li>Foster inclusive and diverse approaches DE&amp;I by co-creating activities with the Wellbeing group.</li> </ul>	<ul style="list-style-type: none"> <li>DE&amp;I events and activities with impact potential are communicated externally by collaborating with communication functions.</li> <li>We have increased volunteering activity by 50%. Examples of contributions: Språk-kafe,pride-week volunteer, suppekjøkken, kreftkompassets mentorprogram etc</li> </ul>	<ul style="list-style-type: none"> <li>Official MSD participation in Pride!</li> <li>Increase the "diversity" of events. Email, MSD Social space, TEAMS, F2F, walks (accessible to all preferences)</li> <li>Friends sharing concept is adopted from Sweden, arranged on the same day for visibility</li> <li>Share info on all EBRGS in town halls throughout the year</li> </ul>

**Health and safety:** Our sales personnel are often required to drive to different sites which may subject them to safety risks while operating vehicles in traffic. The safety of our employees while operating vehicles on company time takes high priority. All employees operating vehicles as part of our operations go through rigorous safety training to minimize the risk of avoidable traffic accidents.

In MSD Animal Health Norge AS, we provide services and product development within the aquaculture sector which requires employees to perform work at fish farms and wellboats. Our work includes vaccination of fish, and equipment installation and maintenance where our personnel operate and work on wellboats with heavy equipment which may pose physical risks to their health. Furthermore, there is an inherent risk for safety when handling fish vaccines or other substances that may lead to serious health issues if not managed properly. Health and safety are top priorities in these parts of our operations, and we regularly perform inspections and risk assessment on the fish farms and boats to ensure that health and safety measures are performed correctly and are up to date. The risk assessments inform our health and safety procedures, which include (but are not limited to): emergency procedures, requirements for personal protective equipment, descriptions of specific procedures on ships, fish farms and transportation. In addition, we complete 'Safe Job Analysis' forms before each customer visit and document in-field activity. Moreover, all employees exposed to these risks through their work are thoroughly trained in risk-specific safety procedures.

In MSD Animal Health Innovation AS, we conduct research related to animal disease prevention and medication, and most of our employees are researchers. Through our research, our personnel may be exposed to potentially harmful substances which can have negative effects on their health. Thus, we emphasize the efficiency of our HSE procedures and routines for our researchers who are all required to undergo risk-specific training.

In OS Id AS, we produce animal identification systems and recognize the associated physical risks. To ensure safety, all employees undergo comprehensive HSE training, including annual fire and first aid training, bi-annual CPR training, and EHS onboarding for new hires. We conduct quarterly EHS meetings, track safety KPIs, and collaborate with the Occupational Health service for annual "Gemba walks." Our Work Environment Committee (AMU) and adherence to Norwegian law and internal safety standards further enhance our commitment to maintaining a safe workplace.

#### 2.4 Grievance mechanisms and channels to report concerns

We are committed to maintaining transparent and accessible grievance mechanisms across the companies to encourage and enable the reporting of potential concerns, including any violations of our Code of Conduct, policies, procedures, laws, or other misconduct. These mechanisms are designed to ensure that all employees feel safe and supported when raising concerns.

Employees have multiple channels to report their concerns, including their Managers, Human Resources, Compliance, Legal, AMU (workers representatives) or the Office of Ethics. This multi-

channel approach encourages the employees to choose the reporting method they are most comfortable with.

In addition to these internal channels, we provide a "Speak Up" tool, accessible at [msdethics.com](https://msdethics.com). This tool is operated by an independent third-party and is available 24 hours a day, 7 days a week. The "Speak Up" tool offers a confidential platform for employees to report concerns anonymously, ensuring that their identities are protected.

### 3. Human rights in the supply chain

#### 3.1 Commitment to human rights in the supply chain – Policies and processes

In our companies, we are dedicated to conducting business with the highest ethical standards and respect for human rights. MSD at a global level has established a Business Partner Code of Conduct (BPCC) that outlines our expectations regarding human rights, labor practices, and other ESG factors. This code is communicated to our suppliers and applies to all companies employing the global tools rooted at an MSD global level (MSD (Norge) AS, MSD Animal Health Norge AS, MSD Animal Health Innovation AS). The BPCC sets expectations and guidelines for ethical and responsible behavior that our business partners must follow. It is based on globally recognized standards, including the United Nations Global Compact Principles, the International Labor Organization (ILO) Core Conventions, the Universal Declaration of Human Rights (UDHR), and the Pharmaceutical Supply Chain Initiative's (PSCI) Principles. These frameworks guide ethical conduct and responsible business practices within our organization and among our partners.

Our partners must respect the human rights of all stakeholders, treating them with dignity and respect. They are expected to assess and address any adverse human rights impacts caused by their operations and supply chain practices and provide remediation where required. Additionally, partners must provide a safe and healthy working environment and support worker well-being. We require our partners to establish accessible grievance mechanisms for stakeholders to report concerns, illegal activities, or breaches of these principles without fear of reprisal, intimidation, or harassment.

A violation of the BPCC may lead to termination of the partner's agreement with our company and potential legal consequences. We ensure compliance through information requests, audits, and other monitoring methods, reserving the right to investigate partners' records and facilities as specified in contracts. Our BPCC is incorporated in our company standard contracts and agreements, requests for proposals, and purchase order terms and conditions. Partners are expected to cooperate with these audits, information requests, and investigations.

#### 3.2 Supplier human rights risk assessments and identified risks in our supply chains

Our supply chain can be viewed as in two main parts: global and local procurements. For contracts managed at a global level on behalf of the Norwegian companies, the due diligence is conducted by MSD at a global level. For suppliers involved directly with the Norwegian companies, the same policies and systems apply, but the risk assessments and necessary follow-up is conducted at a local level.

We evaluate and use innovative solutions that enhance the security and visibility of the end to-end supply of our products. Along with dedicated resources to monitor risk intelligence and industry security trends, we are well positioned to adapt and respond as security risks change and new ones emerge.

### 3.2.2 Supplier human rights risk assessment in the Norwegian companies

In our commitment to uphold human rights and adhere to the OECD Guidelines, we have carried out supplier risk assessments as part of our due diligence efforts. The criteria for these assessments were informed by OECD recommendations and considered factors such as country risk, sectoral risk, as well as the potential adverse impacts on human rights and decent working conditions associated with specific products and enterprises.

The supplier risk/ impact assessment is designed to identify and mitigate potential risks of negative impacts on human rights and decent working conditions within our supply chain and among business partners. The approach also allows us to address specific risks and challenges unique to the supply chains of our regional operations.

The assessment began with a broad scoping exercise covering inherent (geographical and sectoral-) risk to identify suppliers that required more detailed individual assessments. A total of 461 suppliers across the four companies were screened for geographical and sectoral risks and a prioritized list of 37 suppliers that were flagged for further evaluation based on product risk and enterprise- specific risk.

The 37 suppliers were screened based on publicly available information and assessed based on their commitments to respect human rights, remedies and grievance mechanisms, commitments to embed responsible business conduct and human rights in combination with inherent knowledge on the companies.

The level of risk associated with each supplier determined if any follow-up measures are needed, and a total of 10 suppliers were chosen for further follow up. Suppliers with higher risk levels may require additional follow-up, or corrective actions to ensure compliance with our human rights standards.

For MSD (Norge) AS, MSD Animal Health Norge AS and MSD Animal Health Innovation AS the suppliers with the highest inherent risk belong to the following sectors (in no particular order):

Sector	Inherent human rights risks
Health care providers and services	<ul style="list-style-type: none"> <li>Health and safety at work/ Hazardous and undesirable work, Labour rights/ Vulnerable, easily replaced and/ or low-skilled workforce</li> </ul>
Pharmaceuticals	<ul style="list-style-type: none"> <li>Human rights risks in the supply chain of medical supplies, Labour conditions (contracts working hours)</li> </ul>

Real estate management and development	<ul style="list-style-type: none"> <li>Health and safety at work/ Hazardous and undesirable work, Discrimination and gender</li> </ul>
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Sources used to identify human rights risk related to sectors are: MVO Risk Checker, BSR, UNEP, Statistisk Sentralbyrå, Shift, Sustainable Hospitality Alliance.

For OS Id AS the suppliers with the highest inherent risk belong to the following sectors (in no particular order):

Sector	Inherent human rights risks
Construction materials, Real estate management and development, Construction and engineering	<ul style="list-style-type: none"> <li>Forced labour &amp; Human trafficking, Discrimination and gender</li> </ul>
Trading companies and distributors	<ul style="list-style-type: none"> <li>Labor rights (fair wages and working conditions), Occupational Health and safety</li> </ul>
IT Services	<ul style="list-style-type: none"> <li>Forced labour and human trafficking, Discrimination and gender</li> </ul>

Sources used to identify human rights risk related to sectors are: MVO Risk Checker, Responsible Sourcing Tool, Statistisk Sentralbyrå

### 3.3 Routines to safeguard human rights in our supply chain

At MSD globally and the Norwegian companies we have various measures aimed at protecting human rights in the supply chain.

At MSD (Norge) AS, MSD Animal Health AS and MSD Animal Health Innovation AS, we ensure that appropriate contractual requirements and other documentations are in place before entering a formal relationship with a supplier, in addition to seeking assurance from suppliers to respect the principles in our Business Partner Code of Conduct (BPCC) through global procurements.

When entering relationships with new suppliers we use the platform “Ariba Risk” as the starting point to determine which statements are required from the suppliers.

Following, the software “Aravo” is used to manage suppliers/ third parties and various risk domains, covering inherent risk assessment, due diligence risk assessment and enhanced due diligence assessments in three layers through questionnaires.

Our direct suppliers that are identified as high-risk are asked to complete an ESG self-assessment questionnaire that cover various aspects of human rights, labor practices, and ethical standards. Suppliers are also asked to provide details of any past human rights related violations.

At OS Id AS we are currently in the process of aligning with global processes and systems and has therefore only utilized Aravo since the end of 2024. Additionally, the global BPCC is not yet applied to all our suppliers. The implementation of “Ariba Risk” at OS Id is planned for 2026.

### 3.3.1 Collaboration and global industry efforts

We collaborate with Pharmaceutical Supply Chain Initiative (PSCI) Human Rights and Labour subgroup. PSCI is an industry collaboration that supports principles for responsible supply chain management for ethics, human rights, health and safety, environment, and related governance and management systems.

We are a member of BSR's Human Rights Working Group, a global cross industry network of businesses focused on human rights challenges. This working group helps companies around the world to implement the UN Guiding Principles on Business and Human Rights (UNGPs), by sharing knowledge and practical guidance.

As a signatory of the United Nations (UN) Global Compact, we are committed to advancing the 10 principles on human rights, labour, environment and anti-corruption and the UN Sustainable Development Goals (SDG). We share our progress with the UN SDG targets for Good Health and Wellbeing, Gender Equality, Decent Work and Economic Growth and others in our company's Impact Report 2023/2024.

### 3.3.2 Grievance mechanisms and remediation

We maintain grievance mechanisms accessible to external stakeholders (including suppliers and other business partners) to allow the reporting of concerns, including any related to human rights, health and safety, and labour practices "Speak Up" tool, accessible at [msdethics.com](https://msdethics.com). This tool is operated by an independent third-party and is available 24 hours a day, 7 days a week. The "Speak Up" tool offers a confidential platform for employees to report concerns anonymously, ensuring that their identities are protected. We expect our partners to establish grievance mechanisms accessible to internal and external stakeholders who shall be encouraged to use them to report concerns, illegal activities, or breaches of these principles at work without threat of or actual reprisal, intimidation, or harassment.

MSD globally conducts labour & human rights audits, as well as Health Safety and Environmental audits at selected supplier facilities (among suppliers with contracts at a global level) to seek assurance and verification of them meeting our expectations. We work with them to address identified non-conformities revealed by audits, and we track and report on the closure of remedial actions taken in a timely manner.

## 4. Continued work with human rights and key planned measures for the year ahead

### 4.1 Planned measures for own operations and the supply chain

We are dedicated to implementing robust due diligence practices within our operations and supply chain to mitigate the risk of adverse impacts associated with our activities, supply chains, and business partners. While no actual adverse impacts have been identified, we remain focused on addressing and reducing the inherent risks identified in our due diligence assessments, striving for continuous improvement in our efforts.

#### **Our commitments include:**

1. Assigning clear roles and responsibilities for conducting due diligence assessments across our operations and supply chain.
2. Follow up and actively monitoring high-risk suppliers and implementing appropriate measures based on their feedback.
3. Facilitating constructive dialogue between Norwegian companies and Merck Global to broaden due diligence assessments to include the entire supply chain of high-risk products throughout.
4. Updating our records with information from the previous year to ensure transparency and accountability.
5. Establishing specific targets and measures to be achieved in the upcoming reporting cycle.
6. Conducting comprehensive due diligence assessments of our own operations and supply chain to uphold our commitment to ethical practices.
7. Mapping and identifying key stakeholders while evaluating ongoing stakeholder dialogue.
8. Working towards the inclusion of our Business Partner Code of Conduct in our supplier relations at OS Id AS.
9. Providing training for our employees on our procedures and practices related to the Norwegian Transparency Act.

Through these initiatives, we aim to enhance our sustainability efforts and ensure responsible business practices at every level.

This report is signed by the companies' boards, and the report is published annually on our websites. If there are significant changes to the results of our human rights due diligence result, the report will be updated.