

# Independent Assurance Statement to Merck and Co Inc.

ERM Certification and Verification Services Inc. ('ERM CVS') was engaged by Merck and Co Inc. ('Merck') to provide assurance in relation to the indicators set out below and presented in its 2021 CDP Water Questionnaire (the 'CDP Questionnaire') for the year ending 31<sup>st</sup> December 2020.

## Engagement summary

<b>Scope of our assurance engagement</b>	Whether the 2020 selected water data are fairly presented, in all material respects, with the reporting criteria: <ul style="list-style-type: none"><li>• Total withdrawals [megaliters]</li><li>• Fresh surface water [megaliters]</li><li>• Groundwater – renewable [megaliters]</li><li>• Third party sources [megaliters]</li><li>• Total discharges [megaliters]</li></ul>
<b>Reporting criteria</b>	Merck's internal reporting criteria and definitions.
<b>Assurance standard</b>	ERM CVS' assurance methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised).
<b>Assurance level</b>	Limited assurance.
<b>Respective responsibilities</b>	Merck is responsible for preparing the CDP Questionnaire and for the collection and presentation of the information within it. ERM CVS' responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.

## Our conclusion

Based on our activities, as described below, nothing has come to our attention to indicate that the 2020 selected water data listed under 'Scope' above and stated below, are not fairly presented, in all material respects, with the reporting criteria.

Total withdrawals:	20,486 megaliters
Fresh surface water:	2,902 megaliters
Groundwater – renewable:	10,304 megaliters
Third party sources:	7,280 megaliters
Total discharges:	18,052 megaliters

## Our assurance activities

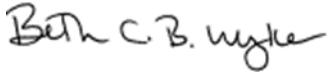
A multi-disciplinary team of sustainability and assurance specialists performed a range of assurance procedures which varied across the indicators covered by our assurance engagement, as follows:

- Virtual interviews with relevant Merck staff and subject matter experts to understand and evaluate the relevant data collection and reporting processes, as well as internal review procedures used for the selected disclosures;
- Walkthrough of the water data management systems with relevant personnel;
- A review at corporate level of water data calculation outputs;
- Virtual site visits to 4 operational sites (Ireland; Australia; United States; and Puerto Rico) to evaluate consistency of reported annual data through interviews with site-specific contacts and a detailed review of evidence for the water data;
- An analytical review of data and a check on the completeness and accuracy of the corporate data consolidation, including assumptions used; and
- Reviewing the presentation of information relevant to the scope of our work in the CDP Questionnaire to ensure consistency with our findings.

## The limitations of our engagement

The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusion in this context.

Due to COVID-19 travel restrictions, we planned our assurance engagement to include virtual site visits. While we believe this approach does not affect our limited assurance conclusion above, we draw attention to the possibility that if we had undertaken in person visits we may have identified errors and omissions in the assured information that we did not discover through the alternative assurance program.



Beth Wyke, Partner, Head of Corporate Assurance  
27 July 2021



ERM Certification and Verification Services, Inc.

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*ERM CVS is a member of the ERM Group. The work that ERM CVS conducts for clients is solely related to independent assurance activities and auditor training. Our processes are designed and implemented to ensure that the work we undertake with clients is free from bias and conflict of interest. ERM CVS and the staff that have undertaken work on this assurance engagement provide no consultancy related services to Merck and Co Inc in any respect.*