

**FY2021**  
**ESG**  
**REPORT**



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## Forward-Looking Statement

Organon makes various statements in this report, including, but not limited to, statements about management's expectations about Organon's environmental, social, and governance strategy and goals. These "forward-looking statements" may be identified by words such as "expects," "intends," "anticipates," "plans," "believes," "seeks," "estimates," "will" or words of similar meaning. These statements are based upon the current beliefs and expectations of the company's management and are subject to significant risks and uncertainties. If underlying assumptions prove inaccurate or risks or uncertainties materialize, actual results may differ materially from those set forth in the forward-looking statements. Organon undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in Organon's filings with the Securities and Exchange Commission ("SEC"), including the company's Annual Report on Form 10-K for the year ended December 31, 2021 and subsequent SEC filings, available at the SEC's Internet site ([www.sec.gov](http://www.sec.gov)).

## A letter from the CEO



Dear Organon Stakeholders,

In June 2021, as we spun off as an independent company, we saw the opportunity to address an urgent societal need and create a highly sustainable foundation to run a successful business.

**We launched with a focus on addressing the unmet health needs of women and a vision—to create a better and healthier every day for every woman—that is needed now more than ever.**

In our first year, we made significant progress realizing what we set out to do—delivering on our business goals and priorities, while making significant progress in advancing new medicines and products for some of the most pressing health needs women and patients face, all over the world.

Our approximately 9,300 founding employees have embraced our vision—they are Here for Her Health—and, based on our values, created a strong culture that is propelling us forward.

Together, we are guided by our purpose—to help women and girls achieve their promise through better health. By addressing gender-related disparities in health, we are building a more sustainable future for women, families, economies, and society. Our purpose is inextricably linked to our corporate vision and strategy, and underpins our environmental, social, and governance (ESG) approach as a framework to serve the interests of each of our key stakeholders. Our Board of Directors oversees our ESG strategy, and together with our Executive Leadership Team, works to ensure the strategy is implemented and embraced across the organization.

As a new company, we have integrated our purpose and our ESG principles into the core of our business and launched the only women's health company of its kind. The report that follows details our considerable progress in our inaugural year as a standalone company, as well as the goals we have set for the years ahead.

We appreciate your interest in Organon as we continue on our path to becoming the leading global women's health company.

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**Kevin Ali**  
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'K Ali', written over a horizontal pink line.



# A letter from the Board of Directors



Dear Organon Stakeholders,

On behalf of Organon's Board of Directors, we appreciate your interest in our company and are proud to present our inaugural ESG report.

Since Organon's spin-off last year, the Board has taken an active role in overseeing the development of the company's ESG strategy. Our Board is highly diverse, and our Directors bring a range of skills, perspectives, and life experiences to their roles. We all agree, however, on the importance of strong ESG practices to the company's financial success, resilience, and ability to achieve our corporate purpose.

The ESG Committee of the Board has been particularly engaged in providing guidance regarding this strategy and exercising oversight of its development. Even the name of this required governance committee was chosen deliberately to reflect Directors' belief that good governance extends to oversight over social and environmental risks and opportunities.

Although it has been only one year since the spin-off, the ESG Committee has already reviewed with Management important ESG priorities, including our programs to enhance access to our medicines, help ensure the quality of our products, and help ensure governance and oversight of political engagement, as well as our current environmental footprint and sustainability ambitions—in addition to other issues.

The Talent Committee of the Board has also played an important role in the development and early implementation of Organon's ESG strategy, especially regarding human capital management. The Talent Committee has focused substantial attention on the company's culture, diversity, equity, inclusion, and belonging (DEI&B) strategy, employee engagement metrics, and executive compensation programs, among others matters.

In December 2021, both the ESG and Talent Committees, as well as the full Board of Directors, approved the company's proposed ESG strategy, including its long-term goals and key metrics. As part of these discussions, Management provided the Board with the advice received during the development of the strategy from major shareholders, employees, external experts, and policymakers.

Because Organon's ESG strategy is integrated into our business strategy, it will continue to evolve with our business. As part of our foundational commitment to help address the unmet health needs of women, however, the company will maintain robust ESG goals, take action to make progress against them over time, and continue to engage transparently with our stakeholders. We know that these non-financial metrics contribute to long-term value creation and support improving the health of women, the health of their families, and their societies. This is what Organon is all about, and we look forward to reporting on our future progress.

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**Carrie Cox**  
Chairman of the Board  
Chairman of the Talent Committee

**Robert Essner**  
Chairman of the ESG Committee





*#hereforherhealth*

**ABOUT  
ORGANON**



 **ORGANON**



# Organon: 2021 Highlights

## Social: Her Equity

### Innovation for women's health:

We are a global healthcare company dedicating to advancing the health of women. Our business focuses on four cornerstones of women's health: contraception, fertility, maternal and peripartum conditions, and conditions unique to women.

#### Innovation and access

140

markets where we reach patients

69

lowest-income countries eligible for the Her Promise Access Initiative

60

medicines and other products across a range of areas

5

transactions completed (or executed) to expand our Women's Health portfolio in the first year

#### Supplier diversity and engagement

25%

increase of our addressable spend with diverse suppliers by 2025, from a 2021 baseline. We will use leading metrics to measure our economic impact and job creation in our communities

5

minimum number of new or existing suppliers we plan to engage in a development and mentorship program in the near term

#### Employees

89%\*

"proud to work at Organon and feel valued"

86%\*

"feel their work gives them a sense of personal accomplishment"

50%\*

of employees are women

#### Community

~\$1.2M

donated to advocacy and community organizations around the world in response to natural and humanitarian crises

\$9.5M+

biosimilars donated to eligible patients across the United States

## Environment: Her Planet

We seek to reduce our environmental impact through the efficient use of energy, water, and materials in our operations.

75%

of our operational waste reused, recycled, or used beneficially

50%

of our manufacturing facilities have biodiversity projects underway

57,899

metric tons CO<sub>2</sub>e of total Scope 1 + Scope 2 greenhouse gas (GHG) emissions

781,663

gigajoules (GJ) of total energy use throughout our 6 sites

## Governance: Her Trust

Our Board of Directors and Executive Leadership Team oversees ESG-related issues

69%

of the directors are women—the highest level of female representation by far of any healthcare company in the S&P 500\*\*

46%

of directors from underrepresented minority groups

12

number of independent directors

All Organon data begins as of Spin on June 2, 2021; data and rates are therefore from that point onwards (June 2, 2021 to December 31, 2021) unless otherwise stated. Environment figures are for the full calendar year 2021.

\* Headcount values are as of end of period December 31, 2021.

\*\* 2021 Spencer Stuart Healthcare Sector Snapshot: [2021 U.S. Stuart Board Index](#).



We are a global healthcare company formed through a spin-off from Merck & Co., Inc., Rahway, New Jersey, United States (MSD outside of the United States and Canada), with the vision to create a better and healthier every day for every woman. We seek to deliver innovation, improve access, and expand choice to help address the unmet medical needs of women, and ultimately improve their lives.

Across the globe, women have vast unmet medical needs. For decades, very few companies have dedicated resources to innovation and improving women's health. We are investing in high-need areas that have no established precedent and where we believe the current standard of care is unacceptable to meet the needs of patients.

We focus on three key areas to achieve our vision of a better and healthier every day for every woman:

## Women's Health

We believe that women are the foundation of a healthier world, and we know that women need more choices when it comes to their healthcare. We plan to continue building on our strengths in reproductive health and fertility as we assemble a suite of health options that help address the areas of high unmet needs for women.

## Biosimilars

Biosimilars, which are approved by regulators as being highly similar to approved biologic medicines, are used to treat a range of serious conditions. They offer patients more treatment options and reduce costs compared to biologics—potentially helping expand access to biologic medicines.

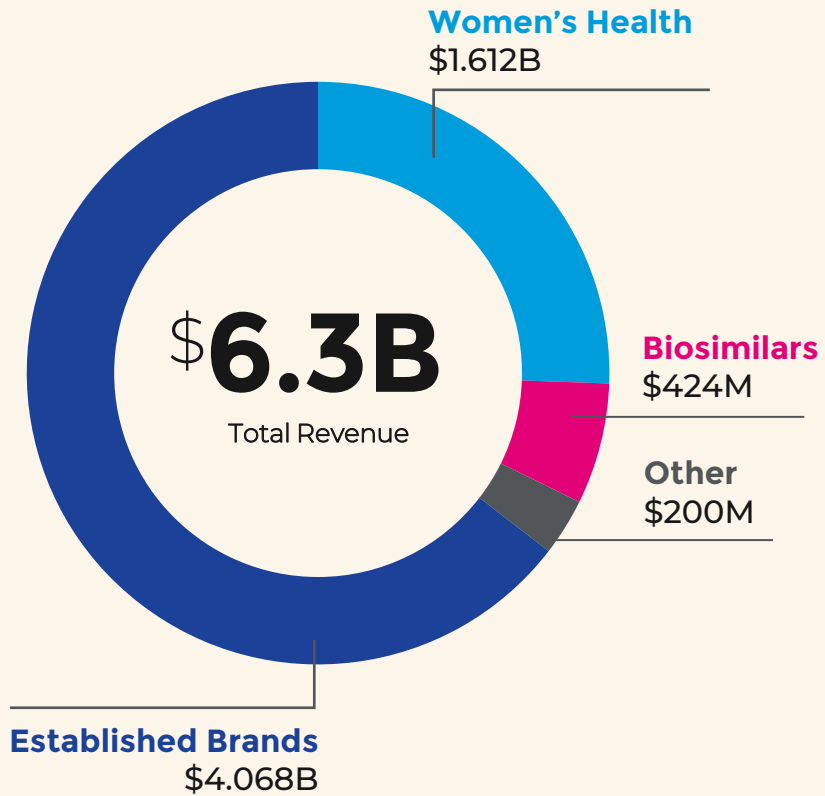
## Established Brands

Our established brands include well-known products, which generally are beyond market exclusivity, across a range of therapeutic areas including respiratory, cardiovascular, dermatology, non-opioid pain, and more.





# Revenue split of 2021



Organon's operations include the following product portfolios:

## Women's Health



## Biosimilars



## Established Brands



# We are creating a **sustainable business** that serves a critical societal need.

Our suite of products recorded revenue of \$6.3 billion for the fiscal year ended December 31, 2021. Nearly 80% of our revenue was generated outside the United States. Our corporate headquarters is in Jersey City, New Jersey, and we have manufacturing facilities in Brazil, the United Kingdom, Belgium, the Netherlands, Indonesia, and Mexico.

We emerged from the spin-off from our former parent in June 2021 and made significant progress in advancing its women's health vision. In our first year, we completed or executed five licensing agreements or acquisitions in areas where treatment options are limited. The first acquisition brought into our portfolio is the *Jada*<sup>®</sup> system, a medical device for the control and treatment of abnormal postpartum hemorrhage (PPH) when conservative management is warranted.

In our most recent transaction in March 2022, we announced that we have entered into an agreement with Daré Bioscience whereby we will license global rights to *Xaciato*<sup>™</sup> (clindamycin phosphate vaginal gel, 2%). The transaction is subject to customary closing conditions and is expected to close in the second quarter of 2022. *Xaciato* is an FDA-approved medication for the treatment of bacterial vaginosis (BV) in females 12 years of age and older. BV is the most common cause of vaginitis worldwide and is estimated to affect approximately 21 million women in the United States.

These products build on top of a strong foundation of more than 60 medicines and other products across a range of areas including: reproductive health, heart disease, dermatology, allergies, and asthma.

**\$6.3**

billion revenue

**80%**

of revenue generated outside  
the United States

**6**

manufacturing sites

**60**

medicines and other products  
across a range of areas



## Her Promise. Our Purpose. Here for Her Health.

There are almost 4 billion women and girls in the world,<sup>1</sup> and each holds a unique promise.

This promise is fueled by the power of her health. Healthy women are the backbone of a thriving, stable, and resilient society. And when we invest in her health and equity, we all benefit from the power of her promise.

At Organon, our vision is to create a better and healthier every day for every woman. Her promise is our purpose. That's why we are working with partners around the world to introduce health solutions that help women and girls achieve their promise through better health. By addressing gender-related disparities in health, we build a more sustainable future for women, families, economies, and society.

Our purpose is inextricably linked to our business strategy, where we seek to accelerate innovation and introduce and expand access to health options that help secure her promise and equitable place in the world.



<sup>1</sup>UN [World Population Prospects 2019](#).



## Our core values

The work we do every day is informed by our core values:

### Be real.

We are authentic and transparent.

### Own it.

We drive accountability and empowerment with high integrity and ethical standards.

### Rise together.

We will collaborate and succeed as a team.

### Keep moving.

We will be entrepreneurial and resilient, lean into challenges, and embrace change.

### Bring your fire.

We maintain passion for our purpose and what we do.

### We all belong.

We see DEI&B as critical to all we do, making sure everyone has a voice, and feels a sense of belonging.

**And above all, act with integrity.**

## Our approach to **ESG** and **stakeholder engagement**

We believe that by advancing the **health of women**, we help advance the **health of society**.



Our ESG strategy helps ensure we deliver on our corporate vision – **a better and healthier every day for every woman**. Our business is inextricably linked to our ESG priorities. We focus on the issues that matter most to our stakeholders, our business, and most importantly, women around the world.

To create this inaugural report, we reviewed ESG reporting standards including frameworks from the Value Reporting Foundation’s [Sustainability Accounting Standards Board \(SASB\)](#) and [Global Reporting Initiative \(GRI\)](#). We also support and align our reporting to the United Nations Sustainable Development Goals (UN SDGs). We then conducted an ESG issue prioritization process to identify and prioritize issues using the **Datamaran**® platform, a software platform that enables a data-driven and dynamic process for ESG risk identification and monitoring.

The **Datamaran** platform enabled us to benchmark ESG issues that are pertinent to our industry. To gain further insights into our ESG initiatives and progress, we also conducted in-depth interviews with employees from different functions and geographies around the world and consulted with a significant number of our top 15 investors. We asked the latter about their ESG priorities and worked closely with our key functional leaders. During this process, we also provided updates to our Executive Leadership Team and ESG Committee of the Board of Directors.

Our list of priority topics reflects these inputs. This priority-based approach to ESG reporting helps ensure that we can **continue to build a meaningful ESG strategy that responds to external events**, evolving business priorities, stakeholder expectations, and our own performance results.

Our **commitment to continuous improvement in ESG performance, transparency, and reporting** includes the development of this first report and future ESG reports to follow. The report’s scope begins as of Spin - June 2, 2021; data and rates are therefore from that point onwards (June 2, 2021 to December 31, 2021) unless otherwise stated. The scope also spans the full enterprise of Organon and all of our legal entities. All dollar amounts reported in this report are in U.S. dollars. In these pages, we share our progress in the three pillars of our ESG strategy as well as our aspirations and commitments for the future.





OUR ESG TOPICS

# Her Promise



## SOCIAL

### HER EQUITY

Address unmet medical needs of women while helping to ensure sustainable access to our products and instill a culture of belonging for employees and supply chain partners

- Access & affordability
- Access to medicines and healthcare
- Community relations
- Customer practices
- Diversity, equity, inclusion, and belonging (DEI&B)
- Employee health & safety
- Innovation & technology
- Labor practices
- Product quality, safety & integrity
- Product design & life cycle management
- Public health risks
- Responsible consumption & production
- Workforce management

### HER PLANET

Elevate our ambition to achieve net zero greenhouse gas (GHG) emissions and to integrate water stewardship and circular economy principles into our business model

- Air emissions
- Climate change risks & management
- Ecological impacts
- Energy management
- GHG emissions
- Natural capital
- Transition to renewables & alternative energies
- Waste & hazardous materials management
- Water & wastewater management

## ENVIRONMENT

### HER TRUST

Help ensure strong Board oversight and elevate our commitment to transparency, ethics, compliance, privacy, and product quality

- Business model resilience
- Competitive behavior
- Customer privacy & data security
- Ethical corporate behavior
- Ethics in research & development (R&D)
- Governance structures & mechanisms
- Human rights
- Management of the legal & regulatory environment
- Management of local impacts
- Physical & sociopolitical risks
- Selling practices & product labeling
- Sourcing efficiency & management
- Transparency

## GOVERNANCE

OUR APPROACH TO ESG

# Our Goals

We are working to achieve Her Promise through the following goals:



**Expanding  
Access to  
Medicines and  
Healthcare**



**Innovation in  
Women's Health**



**Diversity,  
Equity,  
Inclusion, and  
Belonging**



**Environmental  
Stewardship**



**Deliver  
on Trust**

**Working together with partners, we aim to prevent an estimated 120 million unintended pregnancies by 2030.**

We plan to provide 100 million girls and women in low- and middle-income countries with affordable access to contraceptive options by 2030.

**We aim to redefine and harness innovation in women's health by dedicating a majority of our pre-clinical and clinical development activity toward areas that address the unmet health needs of women and girls.**

**We will work with partners to expand access to treatment options that improve her health and help secure her promise.**

- Working with health authorities, we plan to expand access to the *Jada* system to treat postpartum hemorrhage (PPH) in women around the world, in both developed and developing markets.
- We will seek to secure affordability solutions and education to decrease the unmet medical need in fertility.

**We aim to achieve balanced gender representation through all levels of the company globally by 2030.**

- To reach this goal, we strive to maintain our current global gender balance while increasing the number of women in mid- to senior leadership roles.

**We aim to achieve pay equity.**

- To reach this goal, we have engaged external economic and legal experts to conduct pay equity studies in two of our largest markets in 2022 (the United States and the United Kingdom).

**We aim to support the transition to a low carbon economy, with an ambition to achieve net zero GHG emissions in our operations and through our supply chain.**

- By 2025, we aim to reduce our Scope 1 and 2 GHG emissions by more than 25% from adjusted 2020 levels.<sup>2</sup>
- By 2025, our goal is to have at least 70% of our supplier spending devoted to suppliers that have GHG emissions reduction programs.

**By 2050, we aim to integrate water stewardship and circular economy principles into our business models.**

- By 2025, we aim to reduce water usage in our operations by >5% from adjusted 2020 levels<sup>2</sup> and having more than 70% of our overall spending with suppliers that have water-reduction programs.
- By 2025, our goal is that more than 80% of our sites' operational waste will be reused, recycled, or otherwise used beneficially.

**We are committed to upholding the highest levels of ethics and integrity throughout our business.**

We currently have a highly capable Board of Directors with an exemplary mix of relevant skills and experience. In addition, it is one of the most diverse Boards of Directors in the healthcare industry. We aspire to maintain the expertise as well as the gender and racial diversity that characterizes our Board today.



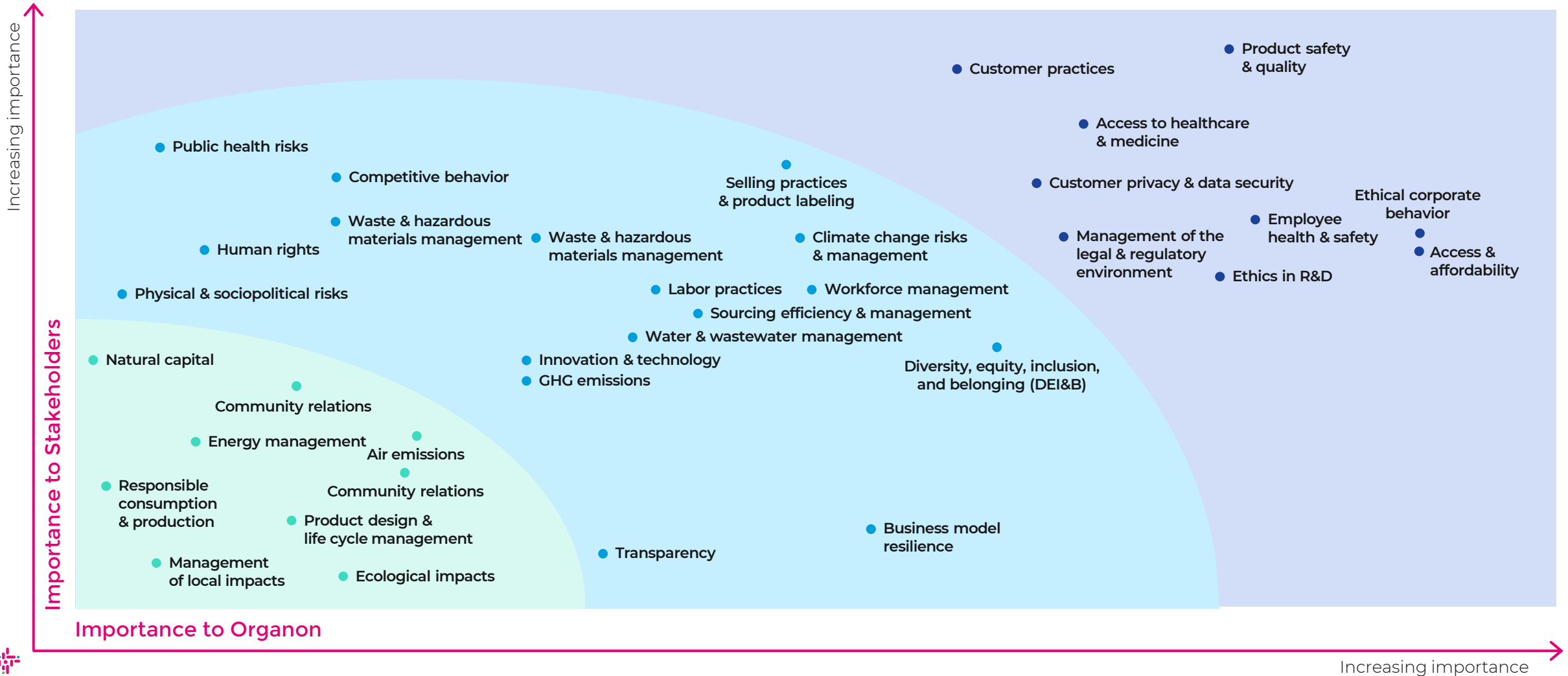
<sup>2</sup> Baseline will be adjusted to normal (non-COVID) circumstances.

OUR APPROACH TO ESG

# ESG Prioritization Matrix

Our ESG strategy is informed by an ESG prioritization process to identify priority topics that matter the most to our business and stakeholders. The assessment results are plotted on the ESG prioritization matrix below, with their position relative to the degree of importance to our stakeholders and potential business impact.

Tier 3    Tier 2    Tier 1

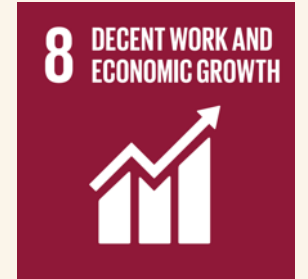


OUR APPROACH TO ESG

# UN SDGs Alignment

The 2030 Agenda for Sustainable Development, adopted in 2015 by all UN Member States, provides a shared blueprint for people and the planet, now and into the future. The 17 [UN Sustainable Development Goals \(SDGs\)](#) are designed for global action and for achieving a better future for all. The SDGs represent a global call for action to the world to come together to work toward a more prosperous, inclusive, sustainable, and resilient world.

We support the UN SDGs. Specifically, our purpose aligns with SDG 3 (Good Health and Well-being) and SDG 5 (Gender Equality), as well as SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequalities), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), SDG 14 (Life Below Water), and SDG 17 (Partnerships for the Goals).



# ESG governance

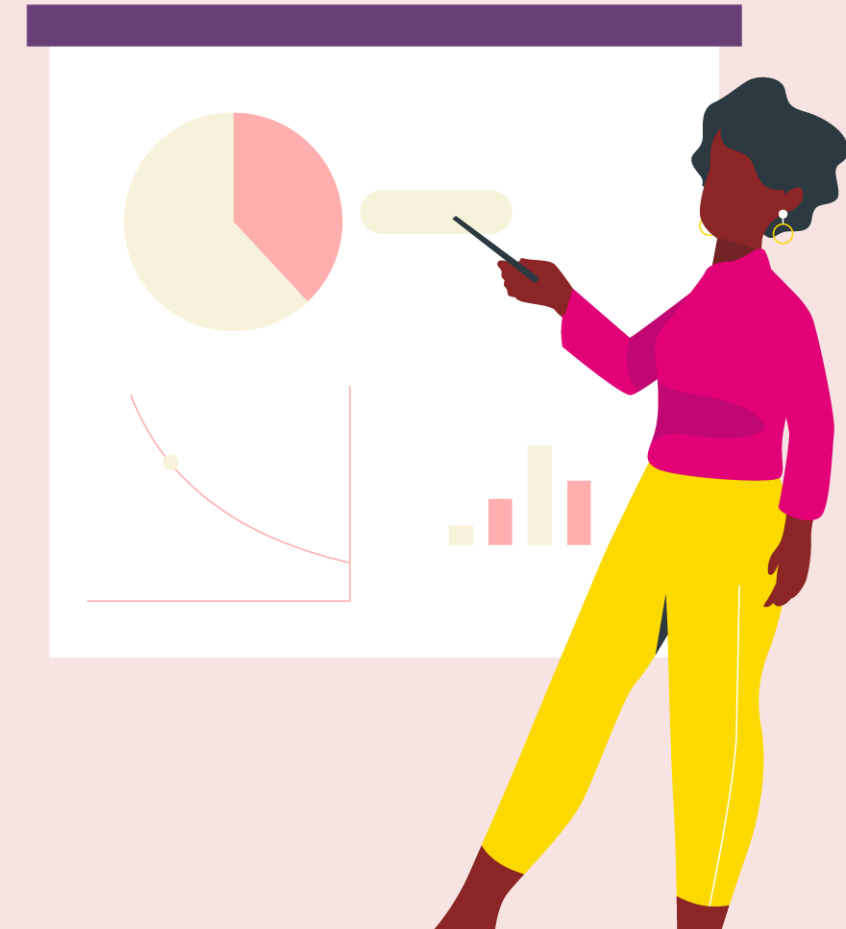
**Ensuring ethical behavior and providing transparency into our actions takes cooperation at every level of Organon, from our broad base of employees to our shareholders and directors.**

At the highest level, our Board of Directors oversees our ESG strategy. The ESG Committee of the Board of Directors oversees and makes recommendations to the Board regarding ESG, and other sustainability matters relevant to the company's business.

Our ESG strategy was created in 2021 in partnership with the ESG Committee, our internal cross-functional Public Policy and ESG Council, top shareholders, external experts in women's health, and our employees. We used input from these stakeholders, along with our ESG issue prioritization process, to develop short- and long-term goals for the program. The Executive Leadership Team reviewed and approved our goals, and in December 2021, the ESG Committee, the Talent Committee, and the full Board of Directors endorsed our ESG strategy.

The ESG Committee oversees our corporate governance, including the practices, policies, and procedures of the Board and its committees. Further, the ESG Committee annually reviews the size, structure, and needs of the Board and Board committees, recommends director nominees to the Board for approval, and plays a role in ESG-related risk and compliance oversight, including in the areas of environmental health and safety, manufacturing quality systems, and political and policies engagement, among other areas.

The entire Executive Leadership Team is responsible for developing and reviewing our ESG strategy and is accountable for making progress against the goals and targets set out in the strategy. The Executive Vice President, ESG and External Affairs, reports directly to the CEO and is a member of the Executive Leadership Team. She has a dedicated ESG team that works across all the functions to help ensure that progress is made against each of our ESG targets and that we report this progress in a timely, transparent fashion. In addition, the ESG Council, made up of our executives with functional responsibilities across the business who report to members of the Executive Leadership Team, puts our ESG strategy into action. Certain aspects of ESG performance are also embedded into the Company Scorecard, which is tied to annual incentive programs.



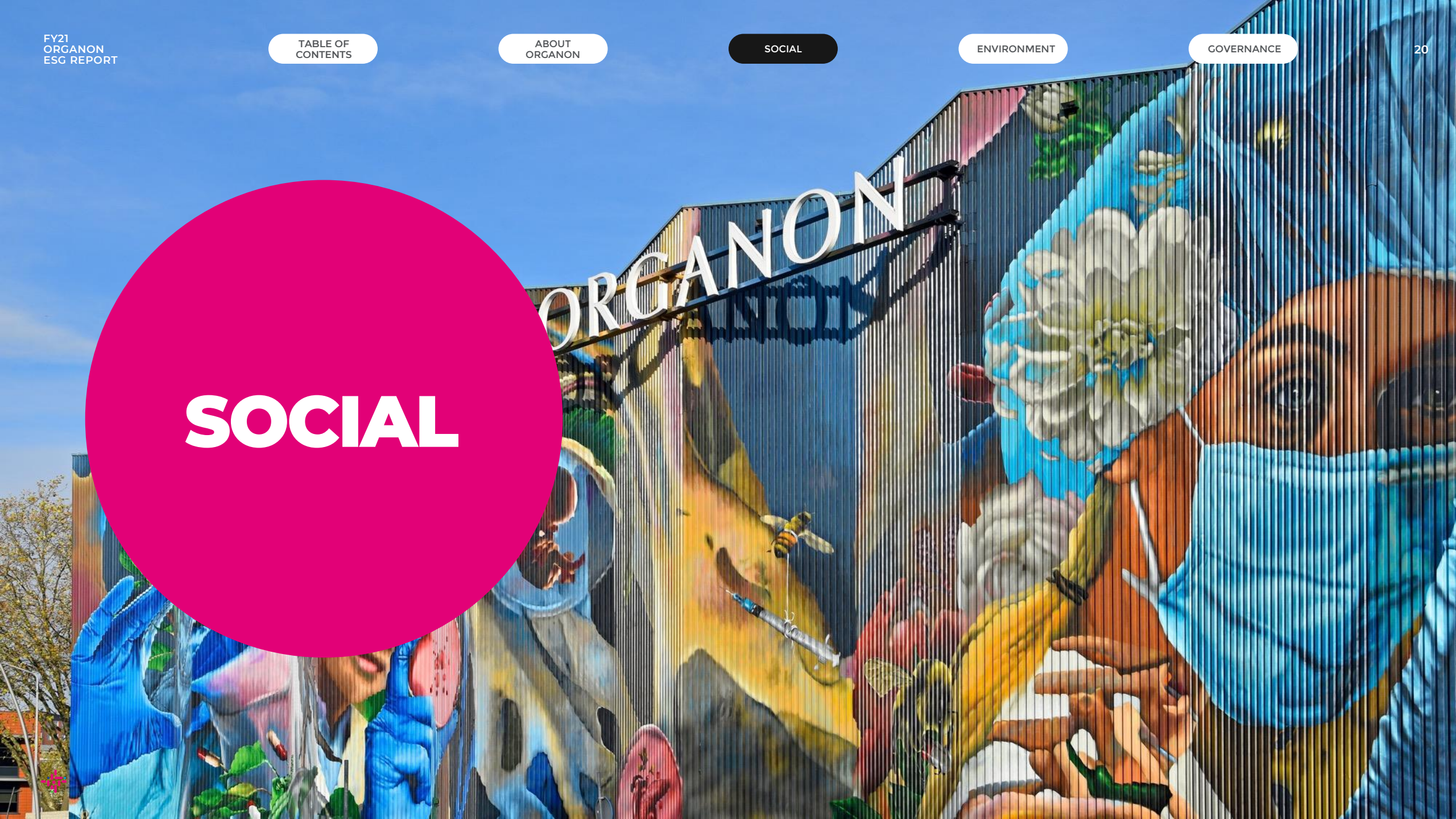


ESG GOVERNANCE

# Our ESG Governance Structure



# SOCIAL





**Health is the backbone of sustainable development—at the individual, community, and societal level—and gender equity is a powerful indicator of economic growth. Yet, in many places around the world, women’s health is not a priority.**

At Organon, we want to help women and girls achieve their promise by leading healthier, more empowered lives. We are working toward this purpose using multiple approaches, including innovating in women’s health, expanding access to needed medicines and other products, and advancing equity inside and outside the company.



# Innovation for women's health

**We are one of the few healthcare companies that is dedicated to pursuing scientific innovations for women's health, prioritizing where critical therapeutic gaps exist.**

Our R&D and business development activities are focused on four cornerstones of women's health: contraception and fertility; maternal and peripartum conditions such as postpartum hemorrhage (PPH), preeclampsia, and preterm labor; disorders unique to women such as endometriosis, fibroids, polycystic ovary syndrome (PCOS), and bacterial vaginosis (BV); and menopause. We will potentially expand these activities to diseases and healthcare issues that disproportionately affect women. Our diverse product portfolio—especially that of the Established Brands franchise—generates significant cash flow that will help fund our efforts to build out a suite of products that serve women, while we are also investing in programs and initiatives that expand access to existing products.

In addition to our work with the *Jada System*, we are looking at ways to prevent preterm births, which are associated with various health risks for mothers and possible long-term complications for babies. To address this issue, we have licensed ebopiprant from ObsEva, a biopharmaceutical company dedicated to improving women's reproductive health. Ebopiprant is an investigational product that is being evaluated as a potential preterm labor treatment by reducing inflammation and uterine contractions. If approved, it has the potential to be a first-in-class innovation for this common and serious problem.

## Our Goals for Innovation in Women's Health

We aim to redefine and harness innovation in women's health by dedicating a majority of our pre-clinical and clinical development activity toward areas that address the unmet health needs of women.

**We will work with partners to expand access to treatment options that improve her health and help secure her promise.**

- Working with health authorities, we plan to expand access to the *Jada* system to treat PPH to women around the world, in both developed and developing markets.
- We will seek to secure affordability solutions and education to decrease the unmet medical needs in fertility.



INNOVATION FOR WOMEN'S HEALTH

# The need for more options in postpartum hemorrhage treatment

PPH is one of the most common complications of birth, with increased rates seen in low- and middle-income countries (LMICs). The increased risk of PPH is due to factors such as lack of access to healthcare, inadequate number of care providers, and availability of necessary interventions and resources.

The *Jada System* began as the project of students at California Polytechnic State University who were looking for new solutions for PPH, with a specific focus on LMICs. They quickly realized that the traditionally used uterine balloon tamponade, which expands inside the uterus to stop the bleeding, prevented contractions. However, natural contractions can actually help reduce and cease hemorrhaging.

The *Jada System* utilizes vacuum technology to provide visible and observable control of bleeding. A low-level vacuum induces physiologic contraction of the uterus to control and treat abnormal postpartum uterine bleeding or hemorrhage.

While the founding team's vision was to provide the *Jada System* to LMICs, the device first received clearance in the United States.

Our goal is to make it accessible to mothers and patients worldwide as part of our vision to create a better and healthier every day for every woman.

Outside of the United States, the goal has required the *Jada System* team to combine innovation with an understanding of how healthcare access impacts the device's use. The team's goal is for the *Jada System* to be usable in multiple care settings and with practitioners of various skill levels. In working toward this goal, the team is investigating the specific needs and requirements of practitioners in low resource settings to determine the optimal solution to successfully impact the high rates of PPH within LMICs.

Inside the United States, the *Jada System* gives healthcare providers another option to help address a perennial problem. Rates of atonic PPH have steadily increased in the United States over the past several years and women of color are more likely to experience poor outcomes associated with PPH. As part of a pilot access project, we provided the *Jada System* to five under-resourced healthcare centers in large cities that primarily serve Black, Indigenous, and people of color (BIPOC) and low-income patients.

The team deployed a limited number of grant-funded *Jada System* and complete training programs to obstetric clinical staff at all five sites. The pilot enabled the treatment of over 40 patients and provided key insights into how we could better reach and serve under-resourced facilities going forward.

For example, the team observed differences in staffing dynamics which require an adjusted approach to training at safety-net hospitals. The *Jada* team is working to integrate learnings into efforts to accelerate access and optimize training for similar sites moving forward.

The *Jada System's* potential to help treat PPH is significant. And as we consider the unique promise of mothers and their families, making this important option available to as many mothers as possible is our imperative.





INNOVATION FOR WOMEN'S HEALTH

# Collaboration and partnerships for innovation

We are accelerating our pipeline by creating a global and networked R&D model to advance assets that show promise with the goal of making them accessible to women around the world. We are looking across academic centers, as well as at early and established companies, to find promising drugs, diagnostics, and devices. Our global capabilities in clinical development, patient safety, and regulatory and medical affairs mean we are well positioned to identify, develop, and advance healthcare options that have the promise to help enable women to live their best lives across every stage of life.

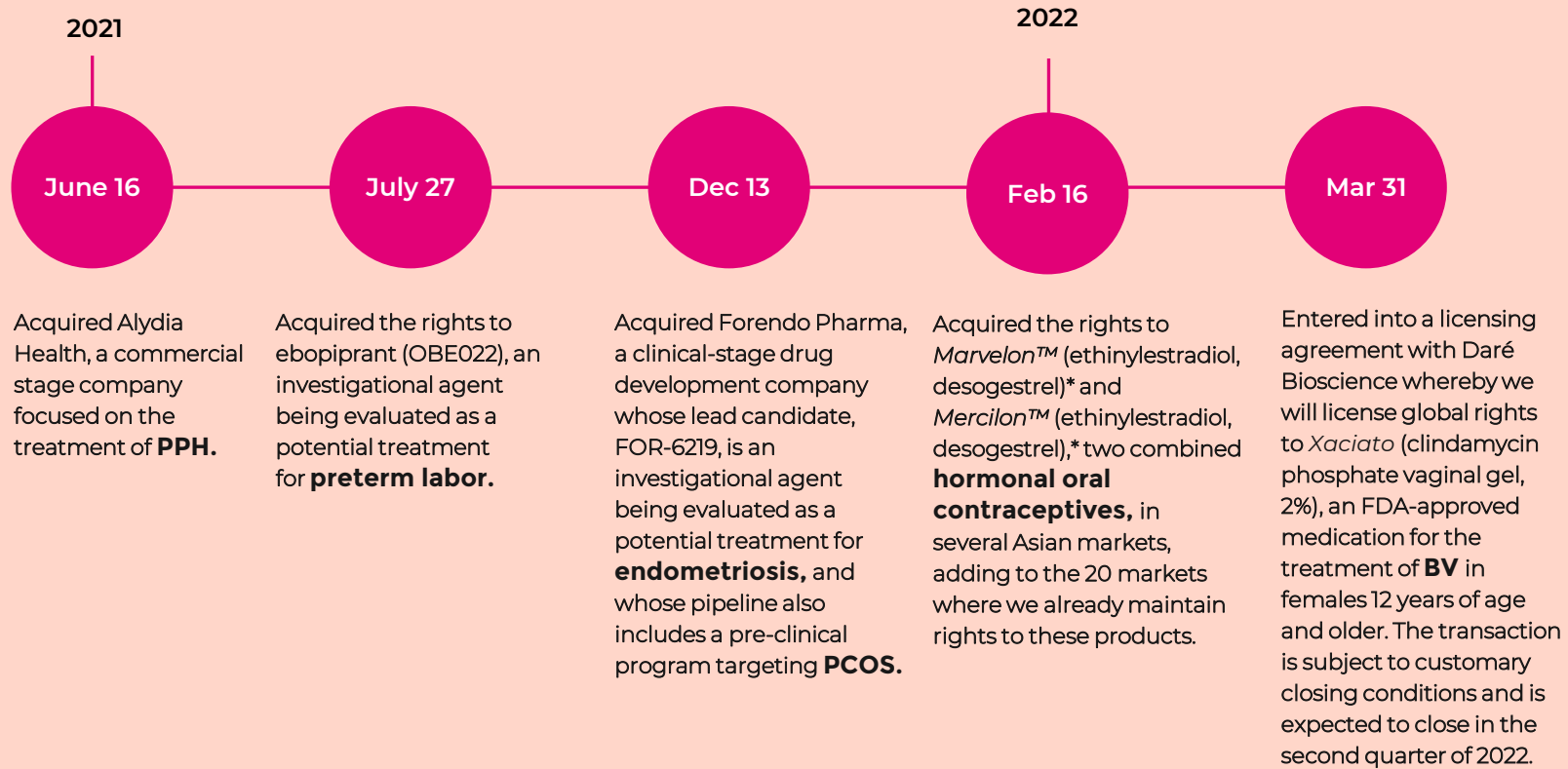
**We are also working with non-traditional innovators who may find new solutions to seemingly intractable problems.**

For example, we have partnered with Flat6Labs, a leading seed and early-stage venture capital firm in the Middle East. Together, we created and launched the **Femtech Accelerator Program**, which helps support female-led start-ups operating in the digital healthcare space in the Middle East and North Africa.



## Business development activities to expand our women's health portfolio

In under a year, we have completed or executed five transactions that allow us to advance meaningfully toward our mission:



\* Indicates brand names of products that are not available in the United States.

# Access to medicines and healthcare

The barriers to accessing medicine and healthcare that improve women’s lives can be geographic, financial, social, cultural, or political. We aim to knock down as many of them as we can. That is why access to medicine is a key pillar of our ESG strategy and critical to helping girls and women achieve their promise.

We have centered our access efforts on healthcare products that treat diseases or issues designated as priorities by the Access to Medicine Index—heart disease, migraine, asthma, and contraceptive methods. We also prioritize access programs in the 108 countries that have the highest need. Our flagship access initiative is our Her Promise Access Initiative, which aims to increase access to contraceptive options for women living in low-income countries.

In addition, our R&D and business development activities are focused on our four women’s health cornerstones and on challenges that disproportionately affect women.

## Our Goal for Expanding Access to Medicines and Healthcare

Working together with partners, we aim to prevent an estimated 120 million unintended pregnancies by 2030. We plan to provide 100 million girls and women in low- and middle-income countries (LMICs) with affordable access to contraceptive options by 2030.

**120M**

unintended pregnancies prevented

**100M**

girls and women with affordable access to contraceptive options



ACCESS TO MEDICINES AND HEALTHCARE

# Increasing access to contraceptives to help women and girls achieve Her Promise

The decision of when—and whether—to start a family is one of the most important choices a woman can make. Family planning helps reduce unintended pregnancies and provides women with the opportunity for education and economic independence. It also helps women space their pregnancies and prevents adolescent pregnancies, both of which lead to safer births. Yet women in low-income countries often lack access to contraceptives that make this choice possible.

Our Her Promise Access Initiative is working with other organizations around the world to help girls and women prevent unplanned pregnancies. The initiative is part of a multi-agency, global effort to expand contraception availability to 69 of the lowest-income countries.

The initiative began in 2012 at the London Summit on Family Planning. The resulting program—known as FP2020—brings together stakeholders including non-government organizations

(NGOs), government agencies, and pharmaceutical companies. We began our participation when we were a part of our former parent.

As part of this coalition, we partner with NGOs to provide patients with *Nexplanon*® (etonogestrel implant) (sold as *Implanon NXT*™ in many countries outside the United States) which is a birth control implant that goes into women's arms. The program also distributes *Marvelon*™, *Mercilon*™, *Cerazette*™, and *Exluton*™ contraceptives and birth control pills.

And we have already had an impact. Well before we spun, more than 20 million women had received *Nexplanon* through our access program, helping to prevent an estimated:







Our Her Promise Access Initiative is working with other organizations around the world to help girls and women prevent unplanned pregnancies.





## Fertility **access**

We strongly believe that everyone should be able to start a family, regardless of where they live, their financial circumstances, relationship or gender status, sexual orientation, or demographic and cultural background.

In many countries, women face challenges to accessing fertility treatments. That is why we are advocating for policy reforms to help ensure equal access to fertility products and services around the world. (See the [Governance section](#) for more information on our public policy activities.)





# Value and **affordability**

**We are addressing issues of access through a broad commitment to affordability for all women. The COVID-19 pandemic exacerbated existing gender inequities, especially with respect to women's income and employment. These inequalities have a direct impact on women's ability to afford healthcare.**

To help address this issue, we are working with women's health and gender equity advocates, patient organizations, NGOs, multilateral organizations, and commercial partners on a range of mechanisms that expand medication access and reduce price as a barrier. We invest, for instance, in health literacy, healthcare provider training, support services, and financing and affordability solutions aimed at improving access to health services and medications for women around the world.

Within our commercial strategy, we continue to focus on Established Brands and biosimilars that provide high-quality, affordable options to governments and other payers who can then extend access to medicine for women.

Our Established Brands portfolio embodies early innovation and deep heritage. Our portfolio includes medicines that have in some cases been helping patients for decades, and some that have earned household name status.

The value of our portfolio is upheld by the critical, chronic, or acute needs our treatments address, and the respect they have gained over the years.

The 49 products in our Established Brands portfolio represent a broad portfolio of well-known brands, which generally are beyond market exclusivity, including leading brands in cardiovascular, respiratory, dermatology, and non-opioid pain management, for which generic competition varies by market. Yet, feedback from health authorities, healthcare professionals, and the general public tells us that our medicines are still helping people in different corners of the globe better manage their health, especially in those countries where branded products are preferred.

Expanding upon this legacy, we have a chance to apply a renewed focus on this portfolio and seize new opportunities where they exist to bring these important treatments to people who need them, with an added focus on women. We are maximizing every opportunity to meet evolving needs and reinvigorate our presence.



MEDICINE COST AND AFFORDABILITY

# Biosimilars aim to improve healthcare economies and treatment access

Our biosimilars aim to improve healthcare economies and treatment access by providing high-quality biosimilar medicines to healthcare systems, providers, and patients. Biosimilars are biologic medicines that are highly similar, but not identical, to reference biologic medicines, which are therapies produced by living cells.

The resulting drug molecules are larger and generally more complex than other medicines and able to treat a wide range of health conditions.<sup>2,3</sup> As a result, biologic therapies have become the fastest-growing class of medicines in the world. However, they are also a major driver of increased healthcare costs.<sup>2,3,4</sup>

Biosimilars provide additional biologic treatment options for patients and introduce market competition that can potentially reduce the costs of treating serious medical conditions.<sup>2,3</sup> We recognize the importance of delivering treatment options that potentially help

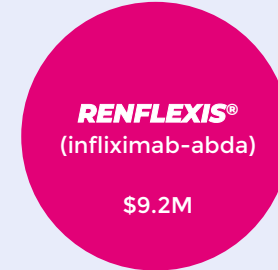
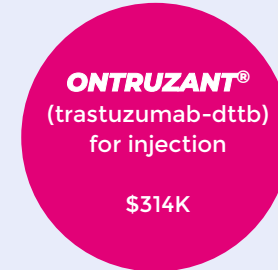
reduce spending pressures on healthcare systems and enable a greater number of people to access important medicines.

Biosimilars have no clinically meaningful differences from reference biologic medicines and must meet rigorous standards for market approval.<sup>2,3,4</sup> We seek to help navigate the complexities of biosimilar adoption. As the biosimilar landscape changes, so do we—with an unwavering commitment to dedicated support. We champion care equity by supporting increased access to biologic treatments, and we see an enormous—yet, currently underutilized—path to realize this goal by:

- **Incorporating biosimilars into the biologic treatment life cycle.**
- **Increasing adoption and uptake of biosimilars with payers and prescribers.**

In the United States, our Patient Assistance Program (PAP) provides certain biosimilar products free of charge to patients in critical economic situations. In 2021, we donated over \$9.5 million of biosimilars to eligible patients across the country.

## QUANTITIES DONATED TO UNITED STATES PAP\*



\* total donations calculated using WAC cost as of Jan 14, 2022



<sup>2</sup> U.S. Food and Drug Administration. Biosimilars may be a treatment option for your patient—learn the facts. Biosimilars Drop-In Articles. Published October 19, 2017. Accessed January 5, 2022. <https://www.fda.gov/drugs/biosimilars/biosimilars-drop-articles>

<sup>3</sup> U.S. Food and Drug Administration. Overview of Biosimilar Products. Updated July 28, 2021. Accessed January 5, 2022. <https://www.fda.gov/media/151058/download>

<sup>4</sup> European Medicines Agency. Biosimilar medicines: overview. Accessed January 5, 2022. <https://www.ema.europa.eu/en/human-regulatory/overview/biosimilar-medicines-overview>



## Responsible pricing

We are committed to expanding access to health solutions that help secure her promise and equitable place in the world. We seek to advance responsible pricing to help improve health equity and access to medication. All price changes on our products—in all markets—go through our defined review and approval process.

Our standard operating procedures define the pricing governance process, including the purpose, scope, key principles, and responsibilities of key stakeholders in pricing governance. This governance requires local market oversight by appropriate teams, including Finance, Legal, and the Managing Director, and it also incorporates a global review and approval process, under appropriate circumstances.

To achieve greater accessibility and equity, we offer many different pricing and investment approaches, including tiered pricing, that drive expanded access in LMICs. In particular, we are committing to providing *Nexplanon* (sold as *Implanon NXT* in many countries outside the United States) at low cost to countries with high need. In areas of highest public health need (low-income and select lower-middle-income markets), we partner with global NGOs, governments, and other stakeholders to offer *Nexplanon* at cost-plus pricing.

We aim to make our medicines as accessible and affordable as possible for the patients who need them. Each situation varies based on the dynamics of the particular market and individual circumstances. In general, we consider factors including:

- Value provided to patients
- Value provided to healthcare systems
- Unmet need
- Access
- R&D sustainability
- Competition



# Human capital

**Our human capital strategy focuses on employees' experience at Organon, from recruitment to onboarding to development, promotion, and offboarding.**

As part of this strategy, we aim to advance gender equity, inside and outside our company. For us, this work starts within Organon. Globally, we are striving to achieve balanced gender representation at all levels of the organization (consistent with labor market availability). Additionally, in each of our markets, we are looking to increase the representation of historically underrepresented minority groups so that Organon reflects the local communities in which we operate.

In 2021, many employees joined Organon from our former parent. Recognizing this transition, we have rebranded all of the Organon workforce as "founders" and are looking to enhance their career-growth experiences. Our monthly Foundations for Founders series, facilitated by a member of our senior leadership team, gives our employees the opportunity to upskill and round out their business acumen. We also implemented LinkedIn® Learning, which provides on-demand learning opportunities for employees around the world. In 2022, we are introducing a new talent management approach that focuses on those opportunities important to individual employees.

Performance at Organon is about both: the success of the organization and the collective success of individuals. For individuals, managing performance is about building greater awareness through frequent feedback and strengthening ownership for individual performance, development, and growth. For the organization, managing performance is about unlocking the potential for individuals to do their best work, aligned with and contributing to overall company priorities.

Our performance and rewards philosophy is predicated on having frequent, quality conversations that count. This is an employee-driven process, asynchronous—in the natural rhythm of one's work, not by artificial company deadlines. The performance experience at Organon creates opportunities for employees to be recognized and rewarded for their contributions throughout the year, empowering them to own their career development.

## Our Goal for Gender Parity

We aim to achieve balanced gender representation through all levels of the company globally by 2030. To reach this goal, we will maintain our current global gender balance while increasing the number of women in mid- and senior leadership roles.





# Pay equity

Aiming to achieve pay equity across our global operations is another component of our strategy.

In 2022, we are engaging external economic and legal experts to conduct pay equity studies in two of our largest markets (the United States and the United Kingdom). We intend to extend those studies into other regions over the next three years.

Going forward, we intend to continue using comprehensive evaluative approaches to help equitable decision-making regarding compensation allocation across our organization. These include regular pay equity studies (as described above) and the implementation of our new Performance and Rewards @Organon program, which is designed to help foster pay equity practices.

## Our Goal for Pay Equity

We aim to achieve pay equity.

To reach this goal, we are engaging external economic and legal experts to conduct pay equity studies in two of our largest markets in 2022 (the United States and the United Kingdom).



# Employee benefits, health, and well-being

We provide benefits that aim to enrich the health, well-being, and security of our employees around the world so that they can rise to the challenge of our mission.

For example, our benefits packages include retirement plans with generous employer contributions, financial planning services, tuition reimbursement, and more. As part of our 401(k) plan in the United States, employees can contribute up to 6% of their total pay and receive a matching employer contribution up to 4.5% of their total pay, and we also offer additional retirement contributions based on years of service and age.

In addition to financial health, we also want to help employees improve their physical and mental health and well-being. To that end, we offer additional benefits to support our employees, promote work/life balance, and have established flexible work options based upon employee needs.

We also offer paid time-off and leave policies for employees to take the time to care for themselves and their loved ones throughout various life stages. These benefits include 12-week, gender-neutral paid leave for birth, adoptive, and surrogate parents globally, and 20 days of bereavement leave to support employees who have experienced a pregnancy loss. In the United States, our enhanced fertility benefit includes no limit on the

lifetime insurance maximum. Together with our adoption and surrogacy benefits, our employees have the financial resources and support to help build their families.

Our health benefits typically include preventive health check-ups and screening, vaccine and flu shots, age- and gender-appropriate cancer screenings, and more. We also offer access to specialized services to help employees navigate complex diagnoses or accelerate appointments for top-notch cancer care. We also provide coverage for a full range of transgender-related services and procedures. Since only a limited number of expert medical professionals specialize in trans-care, employees can use any accredited provider, regardless of their location or whether they accept insurance, and receive coverage as if it were in-network. This includes behavioral health therapists who specialize in working with transgender patients.

To maintain mental health, employees receive access to online meditation services, free professional counseling, work-life services, and speaker-led workshops on topics such as time management through our global Employee Assistance Program (EAP) provider, Resources for Living.

In addition to our global work-life benefits portfolio, we offer a wide range of country-specific work-life programs in each market aimed at supporting working parents or employees with other caregiving responsibilities.

In the United States, we also offer several benefits targeted to support employee caregivers, including access to specialized caregiver support through our partner Wellthy, Inc. We also provide a backup care benefit through LifeCare, Inc., which employees can utilize if their usual child or eldercare arrangement falls through. And via MilkStork, Inc., we provide new mothers who travel for business a way to deliver milk home quickly and at no cost.

We have also created an internal employee well-being index, which is a set of survey questions within our engagement survey. We use these responses to help guide our human resources initiatives and ensure we are responding to employee needs.

Among Organon employees:

89%

*“proud to work at Organon and feel valued.”*

86%

*“feel their work gives them a sense of personal accomplishment.”*

Source: Take the Mic: Founder Experience Survey conducted Q4 2021.



EMPLOYEE BENEFITS, HEALTH AND WELL-BEING

# Award-winning human resources

Our local and regional HR teams have been recognized for their work, including:



TOP  
**50**



won Best Company for Diversity, Best Company for Women, and Best CEO

ORGANON  
**MENAT**



won 2021 Chartered Institute of Personnel and Development's Best Health & Well-being Programme

ORGANON  
**China**



named by sHERO as the winner of Leading DEI Best Company award in 2021



# Diversity, equity, inclusion, and belonging

**Our ESG strategy is focused on achieving gender equity through better health for women, and we have aligned that strategy with our approach to diversity, equity, inclusion, and belonging (DEI&B).**

That means we go beyond gender to advance equity among historically underrepresented minority groups as defined by their geographic and cultural context. We recognize the intersectionality of gender, class, and race/ethnicity, and we have been working to help amplify our employees' voices as well as to elevate marginalized and historically underrepresented minority groups all around the world.

Our efforts to recruit diverse talent highlight this commitment in action. For example, we have established partnerships with various diversity-focused organizations and associations, including Women of Color in Pharma, myGwork, and Diversity:IN, to help us build diverse talent pools. We are building a Global Talent Sourcing team to identify and engage with diverse talent in the marketplace. And we evaluate and engage with universities and schools to help develop a diverse talent pipeline for the future.

Looking ahead, we plan to expand our recruiting partnerships, develop global networking programs, and launch a program to assist those returning to the workforce after an extended leave, such as to care for a family member. In 2021, we piloted a Women's Leadership Program for promising female employees in our Commercial and Manufacturing divisions. We are now expanding eligibility to other functional areas. We measure and track these efforts, so we know where we are and where we are headed.

We aim to create and instill a culture of belonging for our employees and supply chain partners.





DIVERSITY, EQUITY, INCLUSION, AND BELONGING

# What diversity looks like



## Among Organon employees:

50%

Female

47%

Male

2%

Not declared and  
unidentified

Note: Gender representation values are global and are as of end of period December 31, 2021. Totals may not add up due to rounding.

63%

White

31%

Underrepresented  
Ethnic Groups (UEG)\*

6%

Not declared and  
unidentified

Note: Race and/or ethnicity representation values are for the United States and are as of end of period December 31, 2021. Totals may not add up due to rounding.

\*\*Underrepresented Ethnic Groups are defined as: Asian, Black, Latino/Hispanic, and Other Ethnic Groups (e.g., American Indian, Alaska Native, Native Hawaiian, or Other Pacific Islander).

See data tables in the Appendix for a more detailed breakdown.

# Product quality

**People trust us to produce and market safe and effective medicines and medical devices. To preserve this trust, our products undergo rigorous quality checks before release and continue to be closely monitored once they are on the market. We consider product quality to be one of our top priorities, and we provide the policies and structures to help ensure that we meet this expectation.**

This commitment begins with our robust quality management systems (QMS), which are designed to promote and facilitate regulatory compliance and operational excellence throughout a product's life cycle, from upstream product inputs to downstream finished products, including manufacturing and packaging. We seek to meet and exceed governmental requirements through our internal product safety standards. We expect our contractors, suppliers, and other partners to adhere to our product quality standards and regulatory requirements related to quality, and employees are empowered to help ensure these partners share our rigorous approach.

Employees participate in required training to adhere to Good Manufacturing Practices (cGMP) and with policies and procedures put in place to identify deviations from cGMP. Any deviations to specifications filed with regulatory agencies are promptly reported in accordance with regulations and our product quality standards.

We also help to ensure that there is accountability for our quality initiatives by implementing executive oversight. The Senior Executive for Manufacturing and Supply oversees the quality organization for commercial products, working closely with the Global Head of Quality. Our quality group manages quality operations at our six internal facilities and oversees quality operations at our contract manufacturing sites and in our distribution networks.

These functions represent the end-to-end quality oversight of the manufacture of our product portfolio. We also monitor key metrics related to maintaining and sustaining the quality systems and culture on a monthly basis. This is part of the internal quality council process that is executed through the Organon Manufacturing & Supply (OMS) network.

Our products are tested throughout the manufacturing process prior to approval for release to the market. This testing is governed by a regulatory framework as well as approved specifications and test

methods in alignment with our product regulatory submissions.

The company investigates product quality complaints and take measures to address product quality issues including, when appropriate, market actions like recalls.

In 2021, there were two market actions taken on products that had been released. The total number of units impacted was 0.19% of all units marketed by us since the spin-off from our former parent in June 2021 to the end of the year.

**We are focused on consistently improving our product quality systems and processes applicable to our product portfolio in addition to the complex and evolving regulatory and compliance framework applicable globally.**



# Product safety

**We seek to ensure the safe use of our products worldwide through proactive safety assessment, effective risk management, and transparent risk communication throughout the full life cycle of our products.**

Our Chief Medical Officer (CMO) holds overall responsibility for the benefit/risk determination of products, provides medical oversight for all clinical programs, supervises the development and implementation of medical policies (including those related to data transparency and the sharing of clinical data), and has responsibility for the design, execution, and implementation of pre-registration expanded access (compassionate use) programs.

**Our Global Pharmacovigilance and Safety Science (GPSS) function manages a global system for the collection, review, and reporting of adverse experience reports we receive worldwide, and for the continuous assessment of product safety. Our Chief Safety Officer holds overall responsibility for the safety of our products.**

Any suspected changes to the safety profile of our products are evaluated by a cross-functional team of experts and escalated to senior management as appropriate. Should a change in the safety profile of one of our products be identified, we are committed to working expeditiously to implement remedial measures. These measures may include escalation to regulatory agencies, updates to the product label, further investigation, implementation of risk minimization measures, and, in rare instances when appropriate, product recall.

Our commitment to product safety also extends to our clinical studies. During the clinical development of a new product, we as a sponsor have the accountability for establishing the product's safety profile, as well as ensuring the safety and well-being of the subject in an interventional study. Over the course of the study, serious adverse events must be reviewed with an expedited timeline. Any other safety information must be reviewed by the safety team at regular intervals. For products with specific risks, we engage external expert panels to adjudicate individual cases and/or review the overall safety of the study at regular intervals.



# Product integrity

**We safeguard our products from illicit actions, including counterfeiting, tampering, diverting, or otherwise interfering with their proper use. Our product integrity strategy proactively seeks to protect the safety and security of our patients through activities throughout our supply chains.**

As part of these efforts, we have invested in serialization in certain markets—adding a barcode with a unique identification number on each package going to market—to secure our supply chain and prevent or detect counterfeiting and diversion. When serialization is complete, stakeholders across the supply chain will be able to scan the code and verify it as a serial number corresponding to an Organon product. This investment will continue over the next few years as we go live in more markets.

Additionally, our Global Security & Resilience team offers regular employee training on the Counterfeit, Diversion, and Tampering reporting process. Our Global Security & Resilience team is also partnering with internal and external stakeholders—including packaging engineers, artists, and other third parties—to develop secure packaging designs for our products, including tamper evidence options and other anti-counterfeiting features.

The final design for a product depends on its external risks according to market, region, location, country regulations, and therapeutic area. Our labeling strategy also requires high-quality and compliant labeling documents, which help ensure the safe, effective, and informed use of products for patients and healthcare providers globally.

In 2021, we continued our commitment to raising awareness of the risks posed by counterfeit products and advocating for increased enforcement to shape relevant regulatory requirements. Our Product Integrity program focuses in part on raising public and stakeholder awareness of the risks of counterfeit medicines. We partner with other pharmaceutical companies and with organizations focused on security, patient safety, and public health to advocate for high-priority, anti-counterfeiting policies.





## Counterfeit prevention

We have forensic detection devices in the field to analyze and detect counterfeits in regions around the world. In addition, we conduct forensic analysis of questionable products to determine whether they are counterfeit, diverted, or otherwise illicit, which allows us to gather intelligence on counterfeiting operations and understand the threats to public health.

As counterfeiters improve their skills and techniques, our forensic scientists have pioneered the use of several analytical tools for the detection and characterization of counterfeit medicines and continue to explore new analytical techniques to increase their forensic testing capabilities. We cooperate with relevant government agencies, other pharmaceutical manufacturers, wholesalers, distributors, health professionals, consumer groups, and key related organizations in the campaign against counterfeit medicinal products. We also educate the public about the risks of counterfeit products and how to protect against them.

In 2021, Global Security & Resilience addressed 166 product integrity events in 40 countries, related to 58 different Organon products. Across the industry, such figures vary based on the size of a company's portfolio and where the products are distributed. Counterfeit, diversion, supply chain security, tampering, and brand security events have led to law enforcement partnerships, arrests, and seizures of counterfeit or illicit Organon products. Product counterfeiting was the most common type of reported event, followed by product diversion and product tampering.



# Employee health and safety

We care for the well-being of our employees and maintain a safe and healthy working environment for all employees, contractors, and guests because it is not just the lawful thing to do; it is the right thing to do. Our corporate **Environmental Health and Safety (EHS) Council**, made up of senior leaders from all business functions, has an oversight role for ensuring that we maintain a safe workplace as well as a culture of EHS excellence.

## EHS in action

The Global Safety and Environment (GSE) group is responsible for overseeing our EHS Management System, which is implemented throughout the organization through EHS policies, standards, and procedures. The system contains policies and comprehensive, detailed goals. Standards, guidelines, and tools are integrated into the EHS Management System to inform various activities completed by our workers and at our worksites.

The EHS Management System applies to all our workers and workplaces. We periodically perform internal audits to assess compliance with internal policies, EHS laws and regulations, and identify areas for potential improvement.

We further work within our supply network to identify EHS risks associated with external partners' business activities and operations. We consider compliance with EHS regulations and the integrity of their internal EHS programs in selecting our partners. We work with our external partners to help ensure that they strive to operate their business operations in an ethical, safe, and environmentally and socially responsible manner.

For example, we periodically perform assessments of our external partners and monitor any corrective actions necessary to help ensure compliance with applicable EHS regulations.

We are implementing Safe by Choice, a behavioral safety program with the goal of achieving an incident-free safety culture and workplace within our manufacturing organizations. We believe that every employee can establish positive safety behaviors. To that end, we provide a combination of in-person and online EHS training for all job classifications. We also encourage leadership and employees to share responsibility for achieving an incident-free workplace through thorough, open communication about safety-related situations.

We require employees to immediately report any accidents, injuries, unsafe conditions, and near misses to their supervisor, and to follow local emergency response procedures. We empower employees to correct problems when appropriate. We set annual injury and illness performance targets and objectives, as well as measure our progress toward them on a monthly basis. We also assess safety events to determine the cause and put appropriate corrective actions in place.

In 2021, we reported 21 recordable work-related injuries among employees. Recordable injuries are non-fatal injuries occurring in the workplace, which result in days away from work, restricted work, or medical treatment beyond first aid. There were no Organon work-related fatalities in 2021.



# Community engagement

**We endeavor to support communities in need and provide a timely response to disasters and humanitarian crises, working in collaboration with our nonprofit partners.**

We supported CARE's humanitarian response efforts in Afghanistan that focused on providing life-saving assistance and livelihood recovery support to those affected by the crisis. Women and girls remained at the center of CARE's humanitarian response. CARE mobilized resources to implement various relief activities in Afghanistan, such as providing financial assistance to help families secure food, shelter, protection, and livelihood opportunities; providing access to health services including primary and reproductive healthcare; gender-based violence-focused lifesaving services; nutritional services; shelter materials and other non-food relief items to prepare for winter months; and education services.

Working with Direct Relief, we also donated essential medicines to disaster relief and recovery efforts related to the Haiti earthquake in August 2021. In total, Direct Relief mobilized more than 192 pallets-worth of medical aid totaling \$12.8 million to Haiti. Direct relief along with key global partners ensured emergency medical modules were deployed to get medicines and supplies to Haitian health facilities and doctors.

We contributed to the disaster relief efforts of the Red Cross during Hurricane Ida and the tornadoes that struck the South and Midwestern states in the United States last December. The Red Cross deployed more than 450 disaster workers to help families and communities affected by the tornadoes to find shelter and access meals and relief items, as well as individual care, in collaboration with key partners and stakeholders in this collective disaster response effort.

We encourage and support our employees to volunteer their time in the service of communities and nonprofit organizations that support the broader vision of Organon to create a better and healthier every day for every woman. We believe that cultivating an environment of employee volunteers serves (a) our employees by enriching the quality of their lives and by providing opportunities for service experiences; (b) us by building trust with neighbors and the community, enhancing employee skills, talents and experiences, and furthering our reputation as a community partner; and (c) the community by lending support and aid to nonprofit organizations, public charities, or NGOs, including those that support access to healthcare and healthy lifestyles, advance women's health, and advance DEI&B (including, but not limited to, equity across gender, race and ethnicity). To put this commitment to communities into action, we issued our employee volunteer policy that enables all full-time employees to dedicate 40 regularly scheduled work hours per calendar year toward volunteer activities.





An aerial photograph of a large industrial facility, likely a pharmaceutical plant, with several large white wind turbines in the background. The facility consists of multiple large, interconnected buildings with flat roofs. The surrounding landscape is a mix of green fields and wooded areas under a cloudy sky. A large, bright pink circle is overlaid on the left side of the image, containing the word 'ENVIRONMENT' in white, bold, sans-serif capital letters.

# ENVIRONMENT





**We know a healthy planet is essential to the health of women, for today and for generations to come. And while the ongoing climate crisis impacts the world at large, its effects are magnified by pervasive gender inequality. In other words, the impacts of climate change disproportionately burden women.**

At Organon, we are working to implement environmentally friendly practices and long-term sustainability across our own operations and the value chain, to help ensure that we are contributing to positive change for women everywhere. Our cross-functional EHS Council and ESG Council are responsible for oversight of developing and implementing our environmental sustainability strategy, including the aspirational goals outlined below. Our GSE organization works with our internal business and external partners to help ensure compliance with environmental laws as well as to develop and implement our environmental sustainability strategy. Our environmental sustainability strategy addresses GHG emissions, water, materials (including waste), and biodiversity.



## Our ambitions and goals for environmental **sustainability**

Throughout our value chain, we seek to reduce our environmental impact through strategic management of energy, water, and materials; sourcing renewable energy; and making changes in our supply chain and packaging.

**We have set several near-term goals to help us achieve our ambitions for environmental sustainability as we work toward 2050.**



# Greenhouse gas (GHG) emissions



## 2025

We aim to reduce Scope 1 and 2 GHG emissions<sup>5</sup> by >25% from adjusted 2020 levels.

• Our goal is that at least 70% of our supplier spending will be devoted to suppliers that have GHG emission reduction programs.

• We plan to characterize our Scope 3 emissions<sup>6</sup> and regularly update them to reflect our supply chain.

## Our long-term ambition

We aim to support the transition to a low carbon economy. In so doing, our ambition is to achieve net zero GHG emissions in our operations and through our supply chain.

<sup>5</sup>Per the United States Environmental Protection Agency (US EPA), Scope 1 emissions are direct GHG emissions that occur from sources we control or own, such as emissions associated with fuel combustion in boilers, furnaces, and/or vehicles. Scope 2 emissions include indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling.

<sup>6</sup>Per the US EPA, Scope 3 emissions are the result of activities from assets we do not own or control, but that we indirectly impact in our value chain.



OUR AMBITIONS AND GOALS FOR ENVIRONMENTAL SUSTAINABILITY

# Greenhouse gas emissions

Reducing emissions is a key component of our environmental strategy. We seek to contribute to the transition to a low carbon economy. In so doing, our ambition is to achieve net zero greenhouse gas emissions in our operations and through our supply chain. Today, we are taking the intermediate steps to get there by reducing our Scope 1 and 2 GHG emissions by at least 25% by 2025. In addition, we are working to characterize our Scope 3 GHG emissions by the end of 2025. To get there, we are evaluating the carbon impact from our value chain—including suppliers, contract manufacturers, and distributors—to help identify reduction opportunities as we continue to pursue a responsible sourcing strategy.

To advance these goals, we have begun a solar panel project at our Oss, Netherlands site that involves installing solar panels on our production facilities and new warehouse. Some solar panels were installed at the production facilities in 2020, which generate 105,000 kWh per year. In 2022, the solar panels were installed on the warehouse, which will generate another 220,000 kWh per year. When the entire project is complete, we estimate it will generate 475,000 kWh per year.


Emissions	2021
Scope 1 GHG emissions, total (MT CO <sub>2</sub> e)*	24,981
Scope 1 GHG emissions, by source (MT CO <sub>2</sub> e)	
Facilities (owned facilities, 6 sites)	23,913
Refrigerants	1,068
Scope 2 GHG emissions, facilities (MT CO <sub>2</sub> e)**	32,918
Market-based	32,918
<b>Scope 1 + Scope 2 GHG emissions, total (MT CO<sub>2</sub>e)</b>	<b>57,899</b>

\*Scope 1 includes natural gas, LPG and fuel usage and emissions associated with refrigerants at our 6 manufacturing sites. Emissions of our fleet are not included.

\*\*Scope 2 emissions are the emissions associated with the purchased electricity and steam of our sites. May not add up to total due to rounding.

Note: Data is for full calendar year 2021.

In Brazil, we improved fleet routes and consolidated deliveries of *Nuvaring*® (etonogestrel/ethinyl estradiol vaginal ring), enabling a reduction in our fleet from 30 vehicles a month to 10, averting more than 100 tons of CO<sub>2</sub> emissions each year. And our Cramlington facility in the United Kingdom is home to two 2MW wind turbines, which saved 2,986 tons of CO<sub>2</sub> emissions in 2020, as well as an adjacent biomass plant from which it derives both electricity and steam supply.<sup>7</sup>

 <sup>7</sup> We do not own the renewable energy credits associated with the electricity generated from the wind turbines at Cramlington.



# Water usage



## 2025

We aim to reduce water usage in our operations by >5% from adjusted 2020 levels.

Our goal is that at least 70% of our overall spending with suppliers will be devoted to those that have water reduction programs.

We plan to characterize the water usage of our value chain and regularly update it to reflect our value chain.

## 2050

Our ambition is to integrate water stewardship principles into our business models.



OUR AMBITIONS AND GOALS FOR ENVIRONMENTAL SUSTAINABILITY

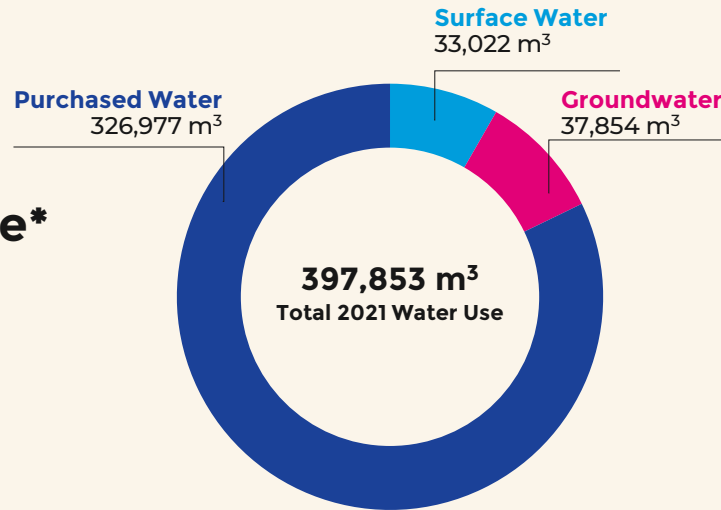
# Water usage

Our ambition in this area includes integrating water stewardship principles, as defined by the [United Nations Global Compact CEO Water Mandate](#), into our business models by 2050. By 2025, our goals are to reduce water usage in our operations by more than 5% from adjusted 2020 levels and ensure that at least 70% of our spending is with suppliers who have water reduction programs.

In 2021, our operational water use was as follows:

## 2021 Water Use\*

Withdrawn by Source



In late 2021, we joined the UN Global Compact CEO Water Mandate, an initiative that mobilizes business leaders on water, sanitation, and the UN SDGs. As an endorser of the United Nations Global Compact CEO Water Mandate, we commit to continuous progress against six core elements of stewardship to understand and manage our own water risks: (1) Direct Operations (2) Supply Chain & Watershed Management (3) Collective Action (4) Public Policy (5) Community Engagement (6) Transparency.

In Campinas, Brazil, 100% of the water we use for manufacturing is extracted from the Atibaia River. Since 1997, our Campinas plant has participated in the Reviva the Atibaia River environmental conservation project in partnership with the Jaguatibaia Environmental Protection Association and the Association of Remos de Sousas. In early 2021, we installed a purified water system that reduced water extraction by 23%. In addition, we are now reusing part of the effluent in the site's cooling tower. In total, these measures have reduced water extraction by up to 1,159 m³ per month.

At our Pandaan facility in Indonesia, we installed bioporous holes as part of World Water Day in March 2022. These holes facilitate the decomposition of organic waste, help fertilize soil, reduce flooding, and recharge groundwater. And at our facility in Xochimilco, nearly 20% of the wastewater we generate is reused for irrigation of the grounds.

At our production facility in Oss, we use purified water for our operations. In 2021, an external expert reviewed the purified water process in one of our biggest production buildings. As a result, we implemented two important improvements:

- The amount of water that is drained is improved, and
- The system settings are improved and aligned better with our production process.

These improvements at Oss resulted in a water saving of 13 m³/day. This is 4.1% of the total purchased water used at the site.



\*Note: This graphic provides a breakdown of operational water usage throughout our six sites: Campinas, Brazil; Cramlington, United Kingdom; Heist, Belgium; Oss, Netherlands; Pandaan, Indonesia; Xochimilco, Mexico. May not add up to total due to rounding. Data is for full calendar year 2021.

# Waste reduction

## 2022

We plan to develop our Sustainability Packaging guidelines, which will drive recycled content, recyclability, and responsible sourcing.

## 2023

Our goal is that packaging of all new products will be designed according to our Sustainable Packaging guidelines.

**The circular economy is based on three principles, driven by design:**

Eliminate waste and pollution

Circulate products and materials (at their highest value)

Regenerate nature is underpinned by a transition to renewable energy and materials. A circular economy decouples economic activity from the consumption of finite resources. It is a resilient system that is good for business, people, and the environment.

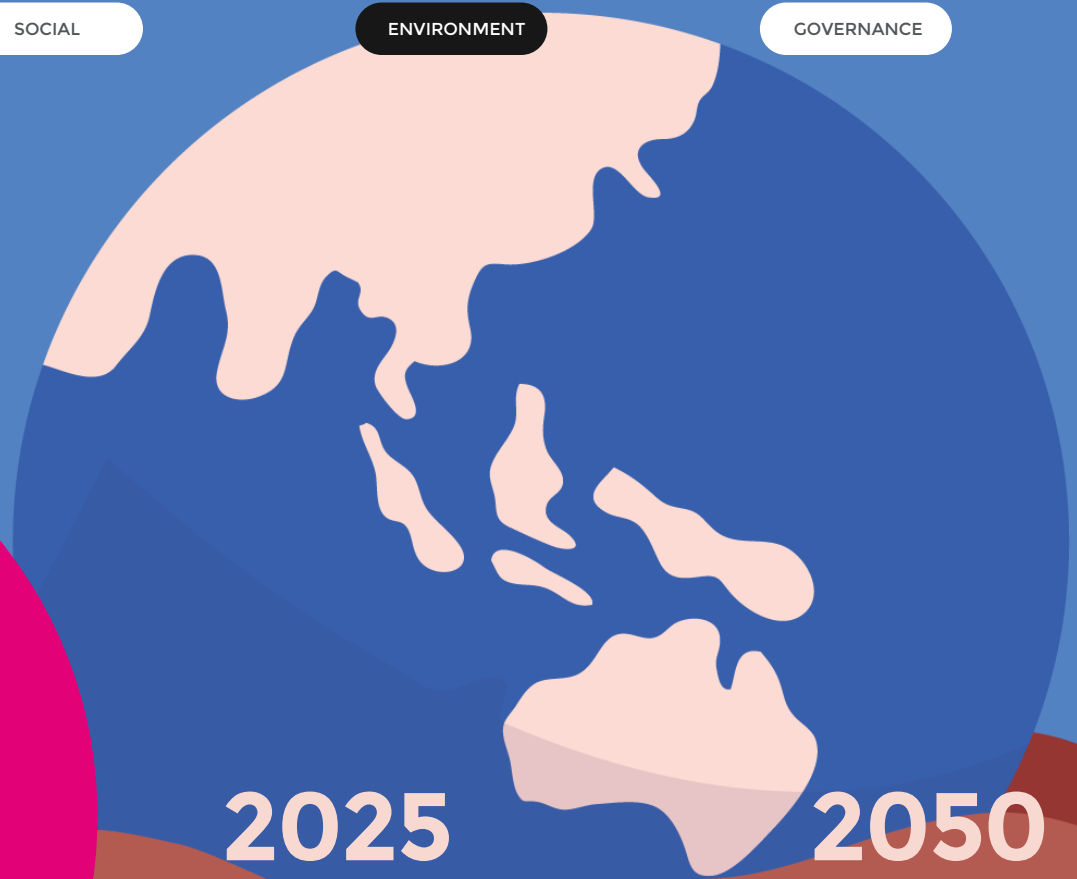
## 2025

Our goal is that at least 80% of the operational waste at our six owned manufacturing sites will be reused, recycled, or otherwise used beneficially.

We aim to have 30% of our legacy packaging reviewed against the Sustainable Packaging guidelines to identify opportunities to reduce environmental impact.

## 2050

Our ambition is to integrate Circular Economy principles into our business models to maximize resource efficiency.



OUR AMBITIONS AND GOALS FOR ENVIRONMENTAL SUSTAINABILITY

# Waste reduction

Reducing waste across our organization is another aspect of our sustainability strategy. By 2050, our ambition is to integrate circular economy principles into our business models to maximize resource efficiency.

By 2025, our goal is that at least 80% of our sites' operational waste will be reused, recycled, or otherwise used beneficially. In addition, we aim to have at least 30% of our legacy packaging reviewed against the Organon Sustainable Packaging guidelines to identify opportunities to reduce environmental impact. We intend to develop those guidelines in 2022.

In 2021, 75% of our operational waste was reused, recycled, or used beneficially, meaning it was reused, recycled or combusted with energy recovery.

For example, our manufacturing site in Heist, Belgium, has a robust waste management program, which separates waste into more than 50 streams, including 14 for plastic alone. This improved sorting has meant we have increased the amount of waste that is reused or recycled.

At our facilities in Oss, the Netherlands, Waste Champions within each department initiate and implement waste improvements and promote awareness across the organization. They share ideas and best practices across departments, helping to ensure that the whole organization benefits from their knowledge.

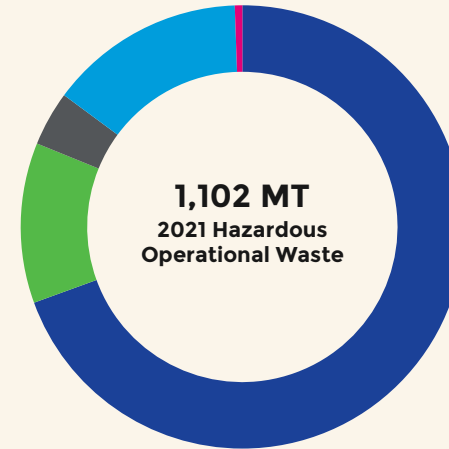
For example, waste collection containers and signage in the office areas in our Oss facilities direct employees to separate cardboard cups and plastic, metal, and other drink packages from residual waste.

Likewise, our Campinas, Brazil, facility has replaced non-recyclable boxes used to transport finished products, instead adopting reusable thermal boxes. Between the project's launch in 2020 and November 2021, this effort eliminated 53.3 tons of waste.



## 2021 Operational Waste\*

Hazardous



- Incinerated**  
766 MT
- Energy Recovery**  
129 MT
- Recycled**  
44 MT
- Other**  
158 MT
- Landfilled**  
6 MT

## 2021 Operational Waste\*

Non-Hazardous



- Incinerated**  
106 MT
- Energy Recovery**  
1,139 MT
- Recycled**  
2,470 MT
- Composted**  
335 MT
- Other**  
349 MT
- Reused**  
217 MT
- Landfilled**  
67 MT

\*Note: May not add up to total due to rounding and data is for full calendar year 2021.



# Biodiversity

Over the long term, our ambition is to preserve and increase biodiversity at our manufacturing sites and offices. By 2025, our goal is to invest in projects that preserve and restore biodiversity at or near all our sites and major office locations.

Biodiversity projects are already underway at 50% of our manufacturing facilities. For example, we are monitoring growth of more than 300 tree seedlings at our Campinas, Brazil facility.

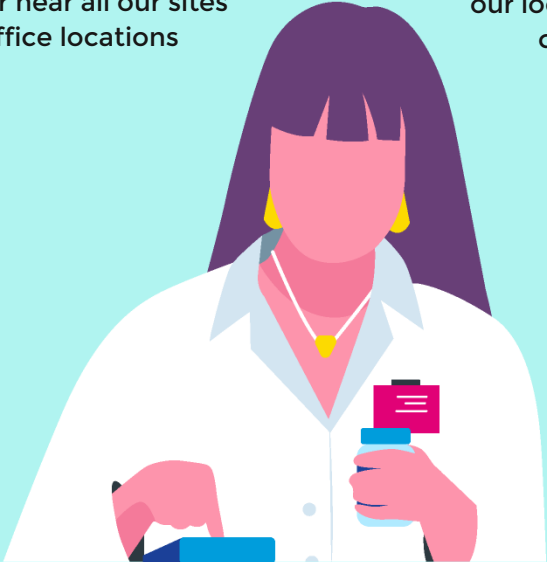


## 2025

We aim to invest in projects that preserve and increase biodiversity at or near all our sites and major office locations

## 2050

Our ambition is to preserve and increase biodiversity at our locations and in our communities





## Climate change risks and resilience

We support the goals of the Task Force on Climate-Related Financial Disclosures (TCFD) and the Carbon Disclosure Project (CDP).

As discussed throughout the environment section of this report, we continue to assess its GHG emissions and has set near-term GHG emissions reduction targets.

**Going forward, we will continue to assess the effects of climate change on our business.**





ORGANON  
Here for her health

International Women's Day  
2022

OGN  
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NYSE



# GOVERNANCE





**Women’s leadership is critical to fulfilling her promise. At Organon, we are working to amplify women’s voices and promote women’s leadership at all levels. We recognize that to be a credible voice for women’s rights and gender equity, we must embody these values and ethics, and we must hold ourselves accountable to these same high standards.**

These governance efforts are led by the highly capable members of our Board of Directors, which is one of the most diverse in the healthcare industry.

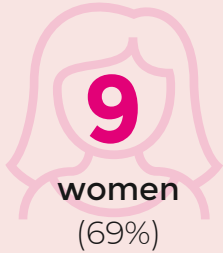
### **Our Goal for Delivering on Trust**

We aim to uphold the highest levels of ethics and integrity throughout our business. We currently have a highly capable Board of Directors with an exemplary mix of relevant skills and experience. In addition, it is one of the most diverse Boards of Directors in the healthcare industry. We aspire to maintain the expertise as well as the gender and racial diversity that characterizes our Board today.





# Board composition and practices



Our Board has a wide and deep variety of skills, experiences, and areas of expertise. Our 12 independent directors bring significant leadership and industry accomplishments, financial acumen, medical degrees, and substantial experience in healthcare delivery, pharmacy, public health policy, scientific research, and operational, marketing, and digital backgrounds.

The Board also represents both gender and racial/ethnic diversity, which positions us as a leader among boards: nearly 70% of the directors are women, and 46% are from underrepresented minority groups. In addition, about half have lived and worked outside the United States, bringing a true global perspective, appropriate for a company with significant revenue outside the United States.



racially/  
ethnically diverse  
(46%)



independent



# Public policy

It is not enough for us to build a company that reflects our commitment to women's health and gender equity. We have to help build a community that reflects those values.

To do so, we support policies that elevate the interests of women and patients, improve public health, and promote access to medicines and healthcare solutions. We develop policy positions in areas connected to our vision and mission and aspire to collaborate with those who share our passion for improving the lives of women and their families. And we transparently share our views on many legal and regulatory issues related to our industry as part of our unwavering commitment to ethics and integrity.

Our public policy and government relations efforts are overseen by the Executive Vice President, ESG and External Affairs, in full collaboration with other key members of our Executive Leadership Team, including the Heads of R&D and Manufacturing & Supply as well as the General Counsel and Corporate Secretary. We work with policy makers, legislators, multilateral organizations, and governments worldwide to help ensure that policy and regulatory environments globally, nationally, and locally foster patient access to medicines, and that they foster ethical business practices, science, and innovation.

We focus on the following areas of public policy:



## Women's well-being

We seek to improve women's health and advance gender equity



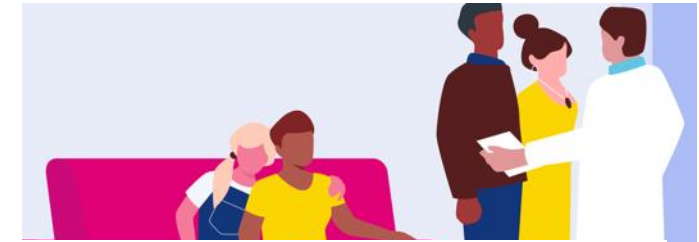
## Innovation in healthcare

We support policies that promote innovation within the healthcare ecosystem for the benefit of patients



## Access to healthcare

We work to enable people around the world to live their best lives around the world by delivering innovative health solutions—and ensuring they are accessible to the patients who need them



## Public health

We aim to play an active role in helping to address many of the public health issues in our world today, such as the growing burden of non-communicable diseases and the environment

Our public policy efforts include the [Wall of Voices report](#), which highlights our mission in listening to and hearing Her. This report analyzes the insights women shared as part of an active listening project and reveals key women's health themes that warrant increased attention. We then leveraged those insights into public policy recommendations.



# Political contributions

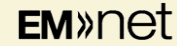
As part of our advocacy for gender equity and women’s health in the United States, we occasionally make political contributions that reflect our interests, often via the Organon Political Action Committee (PAC). In general, we make political contributions to individual candidates, though we may also contribute to leadership PACs, party committees, and governors’ associations as appropriate.

We intend to [publicly disclose](#) direct PAC and corporate political contributions to individual candidates, political parties, and political organizations at least semi-annually. In doing so, we seek to participate constructively and responsibly in the political process, and to provide clarifying analysis and information regarding the issues that affect our business and patient care.

In 2021, we contributed a total of \$9,500 to support the campaigns of four candidates for state-level offices in four states.

## Our public policy partners

We are members of multiple associations including:



# Ethics and compliance

**At Organon, we know that it takes all of us working together to create an ethical culture and ensure that we act with integrity in everything we do.**

The Office of Ethics & Compliance (OEC) actively supports our commitment to the highest standards of ethics and compliance by facilitating behavior consistent with the Organon [Code of Conduct](#), and by fostering a culture that promotes the prevention, detection, and resolution of potential misconduct. Our managers and employees are empowered with the tools they need to identify and report potential issues without fear of retaliation.

Robust global policies define our values and turn those values into actions. Our employees undergo regular training and education on the laws and policies that govern their conduct. Our Compliance professionals support our sales and marketing efforts worldwide.

Our Code of Conduct outlines our ethical expectations and commitment to integrity. The Code of Conduct helps us earn and ultimately keep the trust of our customers, investors, partners, and the communities in which we operate around the world. It represents the very core of our character as a company.

Our policies require that our employees be honest and accurate in what they say about our company and our products and services as well as be fair and transparent in their business dealings. Our Code of Conduct requires that our employees follow not only the letter, but the spirit of the laws, industry codes, and policies in the countries where we do business and seek help when needed.





# Ethics reporting

We rely on our employees to speak up about potential violations of our Code of Conduct, policies, procedures, the law, or other misconduct. We provide a safe environment where our employees are encouraged, prepared, and empowered to raise concerns. Employees anywhere in the world who are concerned about an ethics issue can utilize the ethics hotline, [Speak Up at organon.com/integrity](https://www.organon.com/integrity). Speak Up lets employees address work-related concerns online, via a mobile site, or over the telephone 24 hours a day, 7 days a week, in 29 different languages. Reporting employees can choose to remain anonymous.

We take reported issues seriously, and we investigate them promptly. Our internal reporting and investigations process promotes objectivity, confidentiality, dignity, and respect. We respond to proven instances of misconduct with swift and appropriate disciplinary actions.

We also implement modifications to our compliance program as appropriate. Our line managers provide ongoing compliance monitoring, auditing, and evaluation, and are expected to create an environment in which concerns are voiced, reported, and acted on. Our Chief Ethics & Compliance Officer has responsibility for corporate-wide activities, including those in the United States. The Chief Ethics & Compliance Officer reports to the General Counsel and periodically to the Audit Committee of our Board of Directors. The Chief Ethics & Compliance Officer manages a department that helps promote lawful behavior and supports the development and growth of a culture of integrity.



## Anti-bribery and **corruption**

At Organon, we build relationships; we do not buy them. Our policies and practices prohibit bribery and corruption in all its forms. Our employees are expected to follow the law to the letter and spirit. That means never promising, offering, paying, asking for, or accepting anything of value in order to improperly influence decisions or actions with respect to our business.

We expect these standards from our third-party partners as well. We strive to conduct business with individuals and organizations who share our commitment to high ethical standards and who operate in a socially and environmentally responsible manner. To reinforce the standards, we developed a [Business Partner Code of Conduct](#) founded upon the Pharmaceutical Supply Chain Initiative's Pharmaceutical Industry Principles, the 10 Principles of the UN Global Compact, and our Code of Conduct.



## Fair competition and **open markets**

At Organon, we believe that our customers—and society—benefit from fair, free, and open markets. We compete aggressively, but fairly, and always within the bounds of responsible corporate behavior.

We expect our employees to promote customer choice, to foster positive business relationships, and to embody fair business practices. The strength of our products and services and the integrity of our practices is what distinguishes us from our peers.



# Product labeling

## Clinical safety and risk management

Global Pharmacovigilance and Safety Science (GPSS) leads the Risk Management & Safety (RMS) teams for all products, from the beginning of Phase 2b through the end of the product life cycle. GPSS is responsible for the development of proactive clinical safety risk-management strategies, including the Risk Management Plan, which is a regulatory requirement in many countries for marketed drugs and devices.

The label on our product packaging contains information on possible side effects and, if appropriate, how to avoid some potential health problems. We include contact details in our product packaging and on our corporate website for patients, caregivers, and health professionals to report adverse experiences in the United States. Outside the United States, adverse experiences are reported in accordance with any additional local country laws and practices.

In instances where significant changes to our labelling are required to protect patient safety, we work with regulatory authorities to communicate to healthcare professionals in a timely manner so that they can inform patients through appropriate mechanisms. Communications to healthcare professionals may include "Dear Healthcare Provider" letters and media statements.

## Product label reviews

The ongoing oversight and monitoring of our product labels are a major focus of our safety efforts. Our label review teams monitor information on our products and work with our product RMS teams to develop or update product labeling. We regularly communicate relevant information to regulatory authorities worldwide.



# Ethical marketing practices

## We adhere to strict ethical sales and marketing practices.

Our interactions with providers, customers, and consumers are governed by laws and regulations, and by our global [Code of Conduct](#). We enforce these external and internal standards through our ethics and compliance program.

The [Code of Conduct](#) outlines our ethical expectations and commitment to integrity. The Code of Conduct helps us earn and ultimately keep the trust of our patients, our customers, our investors, our partners, and our communities around the world. It represents the very core of our character as a company. We offer an internal website that allows employees to download the Code of Conduct, search for a policy, ask a question, or raise a concern through our Speak Up Tool.

We recognize that both our reputation for integrity and the trust that our stakeholders place in us are dependent on our ethical practices. Consequently, we want to make certain that the ways in which we market and sell our products to our customers—healthcare professionals, health insurers, and governments—include accurate, balanced, and useful information so that prescribers can make the best decisions for their patients.

Our policies require that our employees discuss our products honestly and accurately. All sales and marketing communications must be consistent with product labeling and help users understand and appropriately use our products. The communications should reflect the tone, content, and meaning of the approved product labeling, and refer only to approved products, and the approved use of those products. They should also be appropriate based on the nature of the product, its use, and the recipient of the information. Unsolicited requests for off-label information must be referred to employees who are specifically designated by the company to respond to these kinds of inquiries.

To respond to increasing requests for on-demand information, in certain countries we offer resources and product information to healthcare providers on company websites and other digital platforms.

In some countries, where permitted by law, we may directly inform patients and other consumers about diseases and available treatments that they may wish to discuss with their healthcare providers. We believe direct-to-consumer advertising contributes to greater awareness about conditions and diseases, which can benefit public health by increasing the number of patients appropriately diagnosed and treated.

## Fostering ethical practices

We believe that our marketing, sales, and advertising activities make an important contribution to medicine by informing our customers of treatment options consistent with our approved product labeling.

Our sales and marketing practices are governed by external laws, regulations, industry codes of conduct, our own global [Code of Conduct](#), our corporate policies and procedures, and our compliance program.

Our compliance program seeks to address and prevent inappropriate practices, and we evaluate our policies and practices as appropriate. Our practices are monitored, and compliance is enforced to help ensure that our interactions with customers and consumers help inform their decisions accurately and in a balanced manner. We believe that compliance with all policies governing scientific, business, and promotion-related activities, in letter and spirit, is a corporate and individual responsibility. Through our ethical behavior, we strive to ensure that scientific information predominates in prescribing decisions.





ETHICAL MARKETING PRACTICES

Our guiding principles for ethical business practices involving the medical and scientific community include the following:

- we provide current, accurate, and balanced information about our products;
- we share sound scientific and educational information; and,
- we support medical research and education.

Our employees are prohibited from offering healthcare professionals items of personal benefit, such as tickets to sporting events, support for office social events, or gift certificates for stores or golf outings. Where permitted, we may occasionally provide healthcare professionals with approved educational items that are not of substantial monetary value and that are intended primarily for educational purposes. Such materials may include medical textbooks, medical journals, and anatomical models.

Our employees and others speaking on behalf of the company may give presentations specifically designed to provide the type of information that practicing healthcare professionals have indicated is needed and most useful in the treatment of their patients, in accordance with United States Food and Drug Administration (FDA) regulations and the regulations of other countries in which the presentations or discussions are taking place. A company representative may offer occasional modest meals to healthcare professionals in connection with an informational presentation; however, such meals must be in accordance with local codes and regulations.

## Compliance training and certification

As a condition of employment, all of our sales and marketing employees are required to be certified periodically on product information, sales, and marketing practices.

In the United States, for example, employees who do not satisfactorily meet these training requirements may not conduct specific activities on their own and must repeat the training until they meet the requirements.

All new employees receive training and testing. And although many of our employees who market and sell our medicines have advanced scientific or medical degrees and backgrounds, all of our sales representatives must complete general sales and product training. Training is specific to the country where an employee is based and covers the scope of the employee's responsibilities in ensuring compliance with applicable laws and regulations.

Sales representatives are trained on anti-bribery and anticorruption laws such as the United States Foreign Corrupt Practices Act and the United Kingdom Bribery Act. Sales representatives in the United States are also required to understand, among other things, their responsibilities under the Anti-Kickback Statute, the United States Prescription Drug Marketing Act, and all applicable FDA promotional regulations.

We stress that if our employees are unsure about the appropriateness of a conduct, that they should ask for help. There are several places employees can turn to for assistance.

The first option is to talk with their manager. If they do not feel comfortable with that course of action, other resources they may contact include:

- Office of Ethics and Compliance
- Global Privacy Office
- Office of General Counsel
- Human Resources Department
- Speak Up Integrity Line

In addition to mandatory training on our Code of Conduct, employees receive training on other levels of business practice and compliance, according to their roles and responsibilities. We evaluate and update the content for all marketing and sales training periodically to help ensure that it remains relevant and current.



ETHICAL MARKETING PRACTICES

Industry codes of conduct

Our sales representatives must provide truthful, non-misleading information in their interactions with the medical and scientific community. Our compliance program is consistent with applicable laws and regulations, and is aligned with the [International Federation of Pharmaceutical Manufacturers & Associations \(IFPMA\) Code of Pharmaceutical Marketing Practices](#), as well as with regional and country industry codes, such as the [Pharmaceutical Research and Manufacturers of America \(PhRMA\) Code](#), the AdvaMed Code of Ethics on Interactions with United States HealthCare Professionals, and the [Compliance Program Guidance for Pharmaceutical Manufacturers](#), published by the United States Department of Health and Human Services' Office.

These codes were established by the broader pharmaceutical industry to address concerns raised by public officials and stakeholders in the healthcare community. Self-regulating industry codes of conduct such as the IFPMA, European Federation of Pharmaceutical Industries and Associations (EFPIA), and PhRMA codes set standards for the industry's sales and marketing practices and help to ensure that companies have adequate policies and procedures in place to comply with the codes.

Requirements of [PhRMA's Code on the Interactions with Healthcare Professionals](#) have previously been incorporated into our already strong ethical business practices. For example, we follow the standards for commercial support of continuing medical education established by the Accreditation Council for Continuing Medical Education, and our compliance program requires that company representatives be periodically assessed to make sure they comply with relevant company policies and standards of conduct.



ETHICAL MARKETING PRACTICES

**Direct-to-consumer (DTC) advertising**

We believe that DTC advertising can be an important and helpful way to inform patients about diseases that may be relevant to them and about therapeutic options they may want to discuss with their physicians.

We have a policy of voluntarily submitting new United States-based DTC advertising campaigns to the FDA for its review and comment before running them. Under our DTC policies and practices, the information provided in our DTC advertising must:

- Contain appropriate product benefit and risk information.
- Be appropriately balanced, consistent with FDA regulations, and use appropriate “taste and tone”.
- Be approved by our Promotion Review Team, a governing body consisting of a team of reviewers (including an attorney, a physician, a regulatory representative from Advertising Promotion Review team, and a product scientific specialist) who help ensure that promotional material is clinically and scientifically accurate, compliant with applicable laws and regulations, and compliant with company policy.

We try to help consumers achieve better health outcomes by delivering accurate, relevant, and understandable information on

disease prevention, identification, and potential treatment. To remain true to this goal, we seek to adhere to the letter and spirit of United States FDA regulations and guidelines governing DTC promotion, meet or exceed all PhRMA guidelines on DTC advertising, and follow a comprehensive set of internal policies and practices when engaging in DTC advertising within the United States.

We seek to adhere to updated 2019 PhRMA guidelines that all DTC television advertising that identifies a medicine by name should include direction as to where patients can find information about the cost of the medicine, such as a company-developed website, including the list price and average, estimated, or typical patient out-of-pocket costs, or other context about the potential cost of the medicine. In addition, we include information on our United States Patient Assistance Program in all new United States-based DTC print and television advertisements for eligible products.

We inform and educate healthcare professionals about our products before we advertise them to consumers. We implement comprehensive programs to educate physicians and other prescribers about a new product for an appropriate period of time before starting product-specific DTC broadcast advertising in the United States.

These principles and our practices are reflected in the [PhRMA Guiding Principles on Direct-to-Consumer Advertisements about Prescription Medicines](#).



# Privacy and data **security**

**Part of our commitment to acting ethically involves working to maintain the trust our customers and partners place in us. That means respecting individuals' privacy and implementing measures to help protect personal information.**

We have created programs designed to comply with global privacy and data protection laws and regulations, which govern our ability to transfer, access, and use personal data across our business, and provide certain privacy rights to individuals. We also have our own information management and protection policies, which direct employees on how to manage company-related information, including appropriate use, storage, and dissemination.

Our Global Privacy Program is managed by our Chief Privacy Officer, who reports to the Chief Ethics & Compliance Officer. The Global Privacy Office reviews the scope and implementation of data processing activities as new products, programs, and solutions are being developed or updated. Privacy risks are identified and monitored through the data protection impact assessment process and through local Privacy Stewards supported by the Global Privacy Office.

Program oversight is implemented by the Global Privacy Data Protection Board (GPDPB), which is comprised of cross-functional leadership members named by their executive leaders. The GPDPB provides high-level guidance and direction and receives quarterly updates on the Privacy Program. The GPDPB also serves as an escalation point for cross-organizational issues and monitors progress on selected privacy risk mitigation efforts. Our Board of Directors is updated on data privacy matters as part of the quarterly Audit Committee meeting updates.

The General Counsel and Audit Committee receive regular updates on the Privacy Program via the Chief Ethics & Compliance Officer. Privacy updates include but are not limited to changes to the regulatory landscape, recent external enforcement activities, Privacy Program compliance activities, and other compliance administrative updates, as well as discussion of evolving internal and external privacy risks, and our risk mitigation strategies and plans.

We commit to reporting privacy incidents or breaches within the timelines outlined by local regulations. We commit to annual reviews of the maturity of our privacy program, at global and local levels.





# Procurement and supply chain practices

We seek to build a sustainable and diverse supply chain and create a positive economic impact in local communities and around the world. We work toward this goal by partnering with diverse suppliers who share our goals for women’s health and economic prosperity.

Our business partners commit to our [Business Partner Code of Conduct](#), which we developed based on the Pharmaceutical Supply Chain Initiative’s Pharmaceutical Industry Principles, the 10 Principles of the UN Global Compact, and our Code of Conduct. These practices are overseen by the Senior Vice President of Global Procurement & Supplier Management, who reports to the Head of Global Business Services.

In the near term, we plan to engage a minimum of five of our new or existing suppliers in a development and mentorship program and increase our addressable spend with diverse suppliers by 25% by 2025, from a 2021 baseline. We plan to

use leading metrics to measure our economic impact and job creation in our communities.

Our relationships with suppliers should always be ethical. We seek out suppliers who provide high-quality goods and services at competitive prices. We seek to obtain the goods and services we need to further our mission in a way that is lawful, efficient, and fair. Our relationships include risk assessment, a code of conduct for suppliers, well-constructed contracts, and oversight. We require suppliers to complete a self-assessment questionnaire (SAQ) that covers privacy, anti-bribery and corruption due diligence, financial risk, conflict minerals evaluation, and other issues related to their work with us.



# Human rights

Respect for human rights is a fundamental part of our mission to deliver impactful medicines and solutions for a healthier every day. Discrimination, forced labor, slavery, or other human rights violations are prohibited. Our [Human Rights Statement](#) clearly details our position and our expectations within our own operations and in our supply chain.

We use a third-party risk assessment process to help ensure our suppliers respect human rights. When we engage new suppliers that we determine to have significant risk for incidents of child labor or forced or compulsory labor due to their geographic location or type of operation, we require them to complete a SAQ that covers freely chosen employment, child labor and young workers, employment practices and disclosures, fair treatment, wages, benefits and working hours, freedom of association, privacy and data protection, environment, health, safety, management systems, business integrity, improper advantage, identification of concerns, protecting information, intellectual property, responsible sourcing of minerals, animal welfare, and compliance history.

Human Rights Issue	Policies / standards										Lead Function
	Human Rights Position Statement	Human Resources Policy	Labor & Human Rights Policy	Environmental Health & Safety Policy	Procurement & Supplier Relations Policy	Business Partner Code of Conduct	Information Management & Protection Policy	Privacy & Data Protection Policy	Reporting & Responding to Misconduct Policy		
Health & Safety	x	x	x	x	x	x					Global Safety & Environment
Forced Labor & Human Trafficking	x		x								Human Resources
Discrimination & Harassment	x	x	x								Human Resources
Child Labor	x		x								Human Resources
Freedom of Association	x		x								Human Resources
Working Hours	x	x									Human Resources
Privacy	x						x	x			Global Privacy Office
Personnel Security		x									Global Security
Access to Grievance Mechanisms	x	x	x	x	x	x	x		x		Office of Ethics
Suppliers & Business Partners	x		x			x	x				Global Supplier Management

## Our top suppliers pay above living wage in key growth markets.

We have put in place appropriate policies, processes, training and monitoring systems to address key human rights issues. Support and respect for the protection of human rights is embedded and reflected in our operational policies and procedures, as summarized in the table above.



# Tax

**We recognize our role as a responsible corporate citizen to pay our fair share of taxes, including corporate income taxes, employment taxes, value-added taxes, sales taxes, excise taxes, property taxes, and customs duties.**

We also collect numerous taxes paid by our employees. The way we conduct business, including the economic impact from the taxes we pay, also reflects our commitment to striving to reach those in need with our medicines and devices, and helping to build robust, durable health systems worldwide through partnership, investment, and innovation.

Our Chief Financial Officer (CFO) is ultimately responsible for our overall tax position. The day-to-day management of tax is performed by our global corporate tax department, which supplements its own subject matter expertise with externally-sourced advice from multiple third-party subject matter experts. Effective oversight of the tax function is maintained by quarterly tax presentations to the Audit Committee of our Board, and regular meetings with the CFO and other executive leaders to discuss emerging tax matters. The integrity of our internal controls around tax accounting and tax regulatory filings is assured by our internal audit staff and our external auditor.

We seek to comply with tax requirements in every jurisdiction in which we operate and only engage in tax planning that is aligned with our commercial business activities and reputation. We use the arm's length standard in transfer pricing and OECD guidelines for international tax matters. We have a zero-tolerance approach to tax evasion and the facilitation of tax evasion. Where uncertainty exists, and when appropriate, we seek clarification from our external advisors or governmental authorities. This may take the form of tax rulings or advanced pricing agreements from governmental authorities.

We monitor proposals and changes to tax incentives and regulations in the countries in which we operate in order to assess their impact on our business, and we actively participate in industry groups interacting with government representatives to support the development of effective tax systems that encourage innovation and growth.



# APPENDIX





# Performance data tables

## Representation by Job Category and Gender (Global)

	Female	Male	Not Declared
Board	69%	31%	0%
Executive Leadership Team <sup>1</sup>	50%	50%	0%
VP and Above <sup>2</sup>	34%	65%	1%
Directors <sup>3</sup>	44%	55%	1%
Managers <sup>4</sup>	46%	52%	1%
Individual Contributors <sup>5</sup>	52%	45%	3%
<b>Total</b>	<b>50%</b>	<b>47%</b>	<b>2%</b>

## Representation by Job Category and Race and Ethnicity (United States)

	White	UEGs*	Asian	Black / African American	Latino / Hispanic	Other US Ethnic Groups	Not Declared
Board	54%	46%	15%	23%	8%	0%	0%
Executive Leadership Team <sup>1</sup>	89%	11%	0%	11%	0%	0%	0%
VP and Above <sup>2</sup>	77%	19%	8%	3%	8%	0%	4%
Directors <sup>3</sup>	62%	36%	19%	7%	8%	2%	2%
Managers <sup>4</sup>	65%	32%	18%	9%	6%	0%	3%
Individual Contributors <sup>5</sup>	62%	29%	13%	7%	7%	2%	9%
<b>Total<sup>6</sup></b>	<b>63%</b>	<b>31%</b>	<b>15%</b>	<b>7%</b>	<b>7%</b>	<b>2%</b>	<b>6%</b>

\*UEGs is defined as Underrepresented Ethnic Groups are defined as: Asian, Black, Latino/Hispanic, and Other Ethnic Groups (e.g., American Indian, Alaska Native, Native Hawaiian, or Other Pacific Islander).

Note:

All Organon data begins as of Spin – June 2, 2021; data and rates are therefore from that point onwards (June 2, 2021 to December 31, 2021) and are not annualized.

Organon's Consolidated 2021 US EEO-1 information is available on the [ESG Resources Page](#) of our corporate website.

All Board figures above are derived from our proxy statement. All other figures are as of December 31, 2021.

<sup>1</sup>“Executive Leadership Team” is defined as the Chief Executive Officer and his executive team of direct reports.

<sup>2</sup>“VP and Above” is defined as associate vice presidents and above, not on executive team.

<sup>3</sup>“Directors” is defined as ‘directors’ and ‘executive directors’.

<sup>4</sup>“Managers” is defined as all other managers with at least one direct report.

<sup>5</sup>“Individual Contributors” is defined as all other individual contributors.

<sup>6</sup>“Total” is defined as the total workforce, excluding the Board. Restricted to Active, Regular employees.



PERFORMANCE DATA TABLES

**Hiring Rates\* by Job Category and Gender (Global)**

	Female	Male	Not Declared
Executive Leadership Team <sup>1</sup>	0%	0%	0%
VP and Above <sup>2</sup>	60%	20%	20%
Directors <sup>3</sup>	45%	55%	0%
Managers <sup>4</sup>	44%	51%	5%
Individual Contributors <sup>5</sup>	54%	38%	8%
<b>Total</b>	<b>53%</b>	<b>40%</b>	<b>7%</b>

**Turnover Rates\*\* by Job Category and Gender (Global)**

	Female	Male	Not Declared
Executive Leadership Team <sup>1</sup>	0% (0%)	0% (0%)	0% (0%)
VP and Above <sup>2</sup>	2% (5%)	0% (1%)	0% (0%)
Directors <sup>3</sup>	1% (2%)	2% (3%)	0% (0%)
Managers <sup>4</sup>	3% (4%)	2% (4%)	13% (13%)
Individual Contributors <sup>5</sup>	5% (6%)	4% (5%)	7% (9%)
<b>Total</b>	<b>4% (5%)</b>	<b>3% (5%)</b>	<b>8% (9%)</b>

\*Hire Rate presented as representation of total hires at the listed job level.

\*\*Voluntary turnover is presented in each cell, with total turnover rate represented in parentheses. Total turnover rate includes all types of turnover, including restructuring and retirement.

Note:

All Organon data begins as of Spin – June 2, 2021; data and rates are therefore from that point onwards (June 2, 2021 to December 31, 2021) and are not annualized.

<sup>1</sup>“Executive Leadership Team” is defined as the Chief Executive Officer and his executive team of direct reports.

<sup>2</sup>“VP and Above” is defined as associate vice presidents and above, not on executive team.

<sup>3</sup>“Directors” is defined as ‘directors’ and ‘executive directors’.

<sup>4</sup>“Managers” is defined as all other managers with at least one direct report.

<sup>5</sup>“Individual Contributors” is defined as all other individual contributors.

<sup>6</sup>“Total” is defined as the total workforce, excluding the Board. Restricted to Active, Regular employees.



PERFORMANCE DATA TABLES

Gender Representation by Region			
Region	Female	Male	Not Declared
Asia Pacific	53%	46%	1%
Canada	71%	29%	0%
China	57%	43%	0%
Eastern Europe, Middle East, and Africa	48%	51%	2%
Europe	46%	50%	3%
Japan	35%	65%	0%
Latin America	48%	52%	0%
United States of America	56%	44%	0%
<b>Total</b>	<b>50%</b>	<b>47%</b>	<b>2%</b>

Hiring and Turnover Rates by Region			
Region	Hire Rate*	Total Turnover Rate**	Voluntary Turnover Rate
Asia Pacific	8%	3%	3%
Canada	1%	6%	6%
China	31%	16%	13%
Eastern Europe, Middle East, and Africa	3%	3%	3%
Europe	28%	3%	2%
Japan	1%	3%	3%
Latin America	8%	3%	2%
United States of America	21%	4%	3%
<b>Total</b>	<b>100%</b>	<b>5%</b>	<b>4%</b>

\*Hire Rate presented as representation of total hires at the listed job level.

\*\*Includes all types of turnover, including restructuring and retirement.

Note: All Organon data begins as of Spin – June 2, 2021; data and rates are therefore from that point onwards (June 2, 2021 to December 31, 2021) and are not annualized.



PERFORMANCE DATA TABLES

Work-related injuries	Employees	For workers who are not employees but whose work and/or workplace is controlled by the organization:
Number and rate of fatalities as a result of work-related injury	0, 0.00	0
Number and rate of high-consequence work-related injuries (excluding fatalities)	0, 0.00	0
Number and rate of recordable work-related injuries	19, 0.18	4
Main types of work-related injury	Slips, Trips, Fall, Struck/Caught by	Slip, Trip, Fall, Struck/Caught by
Number of hours worked	21,688,500	This data is presently not collected for all categories of workers who are not employees
Work-related ill health		
Number of fatalities as a result of work-related ill health;	0	0
Number of cases of recordable work-related ill health;	2	0
Main types of work-related ill health;	Sprain, strain	None

Note:

All Organon data begins as of Spin – June 2, 2021; data and rates are therefore from that point onwards (June 2, 2021 to December 31, 2021) and are not annualized.

Injury rates are subject to change over time, as new cases are added, and case classifications change in accordance with our own requirements and applicable regulatory requirements. We report injury/illnesses together in our rates and analyses.

Rates calculated using the below methodology:

Rate of fatalities as a result of work -related injury: (Number of fatalities as a result of work-related injury) / (Number of hours worked) \* [200,000]

Rate of high-consequence work-related injuries (excluding fatalities): (Number of high-consequence work-related fatalities) / (Number of hours worked) \* [200,000]

Rate of recordable work-injuries: (Number of recordable work-related injuries) / (Number of hours worked) \* [200,000]





PERFORMANCE DATA TABLES

Energy Use	2021
Total energy use (GJ) (6 operation sites together)	781,663
Purchased Energy Use by Type (GJ)	
Electricity	308,246
Natural gas	415,877
Diesel	3,934
Steam	44,481
Propane	4,110
Biogas	
Fuel oil	4,606
<b>Total purchased energy</b>	<b>781,283</b>
On-Site Generated Energy Use by Type (GJ)	
Solar PV	380
<b>Total on-site generated energy</b>	<b>380</b>

Note:  
The numbers may not add up to total due to rounding.  
Data is for full calendar year 2021.

Greenhouse Gas (GHG) Emissions	2021
Scope 1 GHG emissions, total (MT CO <sub>2</sub> e)*	24,981
Scope 1 GHG emissions, by source (MT CO <sub>2</sub> e)	
Facilities (owned facilities, 6 sites)	23,913
Refrigerants	1,068
Scope 2 GHG emissions, facilities (MT CO <sub>2</sub> e)**	32,918
Market-based	32,918
<b>Scope 1 + Scope 2 GHG emissions, total (MT CO<sub>2</sub>e)</b>	<b>57,899</b>
*Scope 1: includes natural gas, LPG and fuel usage and emissions associated with refrigerants at our 6 manufacturing sites. Emissions of our fleet are not included.	
**Scope 2 emissions are the emissions associated with the purchased electricity and steam of our sites. May not add up to total due to rounding.	
Note: Data is for full calendar year 2021.	
Water Use (m <sup>3</sup> )*	2021
Water Withdrawn by Source	
Purchased Water	326,977
Groundwater	37,854
Surface water	33,022
<b>Total</b>	<b>397,853</b>

\*This table provides a breakdown of operational water usage throughout our six sites: Campinas, Brazil; Cramlington, United Kingdom; Heist, Belgium; Oss, Netherlands; Pandaan, Indonesia; Xochimilco, Mexico.

Note:  
The numbers may not add up to total due to rounding.  
Data is for full calendar year 2021.



PERFORMANCE DATA TABLES

Operational Waste (MT)	2021
<b>Hazardous waste</b>	
Incinerated (without energy recovery)	766
Energy recovery	129
Recycled	44
Other	158
Reused	0
Landfilled	6
<b>Total</b>	<b>1,102</b>

Note:  
The numbers may not add up to total due to rounding.  
Data is for full calendar year 2021.

Operational Waste (MT)	2021
<b>Non-hazardous waste</b>	
Incinerated (without energy recovery)	106
Energy recovery	1,139
Recycled	2,470
Composted	335
Other	349
Reused	217
Landfilled	67
<b>Total</b>	<b>4,683</b>

Note:  
The numbers may not add up to total due to rounding.  
Data is for full calendar year 2021.



# Global Reporting Initiative (GRI) Index

Statement of Use	Organon has reported in accordance with the GRI Standards for the period June 2, 2021 to December 31, 2021.*  *Note: Environment data is for the full calendar year 2021.
GRI 1 Used	GRI 1: Foundation 2021
GRI Sector Standard(s)	N/A

The GRI Standards represent global best practices for reporting publicly on a range of economic, environmental, and social impacts. The tables on the next pages summarize where responses to the GRI disclosures can be found throughout this report.



General Disclosures			
Disclosure	Disclosure Title	ESG Report Section(s)/Disclosure	Additional References / Links
<b>The organization and its reporting practices</b>			
GRI 2-1	Organizational details	See <a href="#">About Organon</a> section, pages 6-12.	See our 2021 <a href="#">Annual Report / 10-K</a> .
GRI 2-2	Entities included in the organization's sustainability reporting	See <a href="#">Our approach to ESG and stakeholder engagement</a> section, pages 13-17.	
GRI 2-3	Reporting period, frequency, and contact point	Organon data begins as of Spin on June 2, 2021; data is therefore from that point onwards (June 2, 2021 to December 31, 2021) unless otherwise stated.  For any questions, please reach out to Geralyn Ritter at <a href="mailto:geralyn.ritter@organon.com">geralyn.ritter@organon.com</a> .	
GRI 2-4	Restatements of information	None. This is Organon's first ESG Report.	
GRI 2-5	External assurance	This report is not externally assured. We are considering external assurance for certain data in future reports.	
<b>Activities and workers</b>			
GRI 2-6	Activities, value chain and other business relationships	See <a href="#">About Organon</a> section, pages 6-12.	
GRI 2-7	Employees	See <a href="#">Diversity, equity, inclusion, and belonging</a> section, pages 36-37.	See <a href="#">EEO-1 Filing</a> on the <a href="#">ESG disclosures</a> webpage of Organon.com.
GRI 2-8	Workers who are not employees	See <a href="#">Diversity, equity, inclusion, and belonging</a> section, pages 36-37.	
<b>Governance</b>			
GRI 2-9	Governance structure and composition	See <a href="#">ESG governance</a> section, pages 18-19. See <a href="#">Board composition and practices</a> section, page 57.	See our <a href="#">2022 Proxy Statement</a> .
GRI 2-10	Nomination and selection of the highest governance body	ESG Committee and Audit Committee. Composition: 13 board members, 12 independent, Chair is a woman; 3 standing committees - Audit Committee (4 members, 3/4 women and ethnically diverse, Chair a woman), ESG Committee (5 members, 3/5 women and ethnically diverse), Talent Committee (4 members, 4 women, 2/4 ethnically diverse).	See our <a href="#">2022 Proxy Statement</a> , <a href="#">ESG Charter</a> , and <a href="#">Governance Principles</a> .
GRI 2-11	Chair of the highest governance body	See <a href="#">Board composition and practices</a> section, page 57.	See our <a href="#">2022 Proxy Statement</a> .
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	See <a href="#">Board composition and practices</a> section, page 57.	See our <a href="#">2022 Proxy Statement</a> , <a href="#">ESG Charter</a> , and <a href="#">Governance Principles</a> .
GRI 2-13	Delegation of responsibility for managing impacts	See <a href="#">Board composition and practices</a> section, page 57.	See our <a href="#">2022 Proxy Statement</a> .
GRI 2-14	Role of the highest governance body in sustainability reporting	See <a href="#">Board composition and practices</a> section, page 57.	See our <a href="#">2022 Proxy Statement</a> .
GRI 2-15	Conflicts of interest	See <a href="#">Board composition and practices</a> section, page 57.	See our <a href="#">Conflicts of Interest Policy</a> [referenced in our <a href="#">Code of Conduct</a> ].
GRI 2-16	Communication of critical concerns	See <a href="#">Board composition and practices</a> section, page 57.	See our <a href="#">Code of Conduct</a> and <a href="#">Conflicts of Interest Policy</a> [referenced in our <a href="#">Code of Conduct</a> ].
GRI 2-17	Collective knowledge of the highest governance body	See <a href="#">Board composition and practices</a> section, page 57.	
GRI 2-18	Evaluation of the performance of the highest governance body	See <a href="#">Board composition and practices</a> section, page 57.	





General Disclosures			
Disclosure	Disclosure Title	ESG Report Section(s)/Disclosure	Additional References / Links
<b>Governance</b>			
GRI 2-19	Remuneration policies	See <a href="#">Board composition and practices</a> section, page 57.	See our <a href="#">2022 Proxy Statement</a> .
GRI 2-20	Process to determine remuneration	See <a href="#">Board composition and practices</a> section, page 57.	See our <a href="#">2022 Proxy Statement</a> .
GRI 2-21	Annual total compensation ratio	Not discussed.	
<b>Strategy, policies and practices</b>			
GRI 2-22	Statement on sustainable development strategy	See <a href="#">Our approach to ESG and stakeholder engagement</a> section, pages 13-17.	See <a href="#">Environmental, Social, &amp; Governance</a> .
GRI 2-23	Policy commitments	See <a href="#">Ethics and compliance</a> section, page 60.	See our <a href="#">Code of Conduct</a> and <a href="#">Our Policies &amp; Positions</a> .
GRI 2-24	Embedding policy commitments	See <a href="#">Ethics and compliance</a> section, page 60.	See our <a href="#">Code of Conduct</a> .
GRI 2-25	Process to remediate negative impacts	See <a href="#">Ethics and compliance</a> section, page 60.	See our <a href="#">Code of Conduct</a> .
GRI 2-26	Mechanisms for seeking advice and raising concerns	See <a href="#">Ethics and compliance</a> section, page 60.	See our <a href="#">Code of Conduct</a> .
GRI 2-27	Compliance with laws and regulations	See <a href="#">Ethics and compliance</a> section, page 60. See <a href="#">Public policy</a> section, page 58.	See our <a href="#">Code of Conduct</a> .
GRI 2-28	Membership associations	Organon is a member of multiple associations, including but not limited to:  Biotechnology Innovation Organizaion (BIO) U.S. Chamber of Commerce OECD EmNET US ASEAN Business Council FIFARMA Council of the Americas Biosimilars Forum	
<b>Stakeholder engagement</b>			
GRI 2-29	Approach to stakeholder engagement	See <a href="#">Our approach to ESG and stakeholder engagement</a> section, pages 13-17.	
GRI 2-30	Collective bargaining agreements	See <a href="#">Human rights</a> section, page 70.	



Economic			
Disclosure	Disclosure Title	ESG Report Section(s)/Disclosure	Additional References / Links
<b>GRI 3: Material Topics</b>			
GRI 3-1	Process to determine material topics	See <a href="#">Our approach to ESG and stakeholder engagement</a> section, pages 13-17.	
GRI 3-2	List of material topics	See <a href="#">Our approach to ESG and stakeholder engagement</a> section, pages 13-17.	
<b>GRI 201: Economic Performance</b>			
GRI 3-3	Management of material topics	See <a href="#">About Organon</a> section, pages 6-12.	
GRI 201-1	Direct economic value generated and distributed	See <a href="#">About Organon</a> section, pages 6-12.	See our 2021 <a href="#">Annual Report / 10-K</a> .
GRI 201-2	Financial implications and other risks and opportunities due to climate change	See <a href="#">Climate change risks and resilience</a> section, page 54.	
GRI 201-3	Defined benefit plan obligations and other retirement plans	See <a href="#">Human capital</a> section, page 32.	
<b>GRI 202: Market Presence</b>			
GRI 3-3	Management of material topics	See <a href="#">Human capital</a> section, page 32.	
<b>GRI 203: Indirect economic impacts</b>			
GRI 3-3	Management of material topics	See <a href="#">Community engagement</a> section, page 43. See <a href="#">Access to medicines and healthcare</a> section, pages 25-27.	
GRI 203-1	Infrastructure investments and services supported	See <a href="#">Community engagement</a> section, page 43. See <a href="#">Access to medicines and healthcare</a> section, pages 25-27.	
<b>GRI 204: Procurement Practices</b>			
GRI 3-3	Management of material topics	See <a href="#">Procurement and supply chain practices</a> section, page 69.	
GRI 204-1	Proportion of spending on local suppliers	Organon is continuing to develop a method to measure this metric.	
<b>GRI 205: Anti-corruption</b>			
GRI 3-3	Management of material topics	See <a href="#">Anti-bribery and corruption</a> section, page 62.	See our <a href="#">Prevention of Bribery and Anti-corruption Policy</a> [referenced in our <a href="#">Code of Conduct</a> ].
GRI 205-1	Operations assessed for risks related to corruption	See <a href="#">Anti-bribery and corruption</a> section, page 62.	
GRI 205-2	Communication and training about anti-corruption policies and procedures	See <a href="#">Anti-bribery and corruption</a> section, page 62.	
<b>GRI 206: Anti-competitive behavior</b>			
GRI 3-3	Management of material topics	See <a href="#">Fair competition and open markets</a> section, page 62.	See our <a href="#">Anti-trust and Fair Competition Policy</a> [referenced in our <a href="#">Code of Conduct</a> ].
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not discussed.	
<b>GRI 207: Tax</b>			
GRI 3-3	Management of material topics	See <a href="#">Tax</a> section, page 71.	See our 2021 <a href="#">Annual Report / 10-K</a> .
GRI 207-1	Approach to tax	See <a href="#">Tax</a> section, page 71.	



Environmental			
Disclosure	Disclosure Title	ESG Report Section(s)/Disclosure	Additional References / Links
<b>GRI 301: Materials</b>			
GRI 3-3	Management of material topics	See <a href="#">Waste reduction</a> section, pages 51-52.	
<b>GRI 302: Energy</b>			
GRI 3-3	Management of material topics	See <a href="#">Greenhouse gas emissions</a> section, pages 47-48.	
GRI 302-1	Energy consumption within the organization	See <a href="#">Performance data tables</a> section, pages 73-78.	
<b>GRI 303: Water and effluents</b>			
GRI 3-3	Management of material topics	See <a href="#">Water usage</a> section, pages 49-50.	
GRI 303-3	Water withdrawal	See <a href="#">Performance data tables</a> section, pages 73-78.	
GRI 303-4	Water discharge	See <a href="#">Performance data tables</a> section, pages 73-78.	
GRI 303-5	Water consumption	See <a href="#">Performance data tables</a> section, pages 73-78.	
<b>GRI 304: Biodiversity</b>			
GRI 3-3	Management of material topics	See <a href="#">Biodiversity</a> section, page 53.	
<b>GRI 305: Emissions</b>			
GRI 3-3	Management of material topics	See <a href="#">Greenhouse gas emissions</a> section, pages 47-48.	
GRI 305-1	Direct (Scope 1) GHG emissions	See <a href="#">Performance data tables</a> section, pages 73-78.	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	See <a href="#">Performance data tables</a> section, pages 73-78.	
<b>GRI 306: Waste</b>			
GRI 3-3	Management of material topics	See <a href="#">Waste reduction</a> section, pages 51-52.	
GRI 306-1	Waste generation and significant waste-related impacts	See <a href="#">Performance data tables</a> section, pages 73-78.	
GRI 306-2	Management of significant waste-related impacts	See <a href="#">Performance data tables</a> section, pages 73-78.	
GRI 306-3	Waste generated	See <a href="#">Performance data tables</a> section, pages 73-78.	
GRI 306-4	Waste diverted from disposal	See <a href="#">Performance data tables</a> section, pages 73-78.	
GRI 306-5	Waste directed to disposal	See <a href="#">Performance data tables</a> section, pages 73-78.	
<b>GRI 308: Supplier environmental assessment</b>			
GRI 3-3	Management of material topics	See <a href="#">Procurement and supply chain practices</a> section, page 69.	See our <a href="#">Business Partner Code of Conduct</a> and <a href="#">Supplier Performance Expectations</a> .
GRI 308-1	New suppliers that were screened using environmental criteria	See <a href="#">Procurement and supply chain practices</a> section, page 69.	
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	There were no reported incidents.	



Social			
Disclosure	Disclosure Title	ESG Report Section(s)/Disclosure	Additional References / Links
<b>GRI 401: Employment</b>			
GRI 3-3	Management of material topics	See <a href="#">Human capital</a> section, page 32.	
GRI 401-1	New employee hires and employee turnover	See <a href="#">Diversity, equity, inclusion, and belonging</a> section, pages 36-37.	
<b>GRI 403: Occupational Health and Safety</b>			
GRI 3-3	Management of material topics	See <a href="#">Employee health and safety</a> section, page 42.	
GRI 403-1	Occupational health and safety management system	See <a href="#">Employee health and safety</a> section, page 42.	
GRI 403-2	Hazard identification, risk assessment, and incident investigation	See <a href="#">Employee health and safety</a> section, page 42.	
GRI 403-3	Occupational health services	See <a href="#">Employee health and safety</a> section, page 42.	
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	See <a href="#">Employee health and safety</a> section, page 42.	
GRI 403-5	Worker training on occupational health and safety	See <a href="#">Employee health and safety</a> section, page 42.	
GRI 403-6	Promotion of worker health	See <a href="#">Employee benefits, health, and well-being</a> section, pages 34-35.	
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	See <a href="#">Employee health and safety</a> section, page 42.	
GRI 403-8	Workers covered by an occupational health and safety management system	See <a href="#">Employee health and safety</a> section, page 42.	
GRI 403-9	Work-related injuries	See <a href="#">Performance data tables</a> section, pages 73-78.	
GRI 403-10	Work-related ill health	See <a href="#">Performance data tables</a> section, pages 73-78.	
<b>GRI 404: Training and Education</b>			
GRI 3-3	Management of material topics	See <a href="#">Human capital</a> section, page 32.	
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	See <a href="#">Human capital</a> section, page 32.	
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	See <a href="#">Human capital</a> section, page 32.	
<b>GRI 405: Diversity and Equal Opportunity</b>			
GRI 3-3	Management of material topics	See <a href="#">Human capital</a> section, page 32.	
GRI 405-1	Diversity of governance bodies and employees	See <a href="#">Governance</a> section, pages 55-71.	
<b>GRI 406: Non-Discrimination</b>			
GRI 3-3	Management of material topics	See <a href="#">Ethics and compliance</a> section, page 60.	
GRI 406-1	Incidents of discrimination and corrective actions taken	Not discussed.	
<b>GRI 408: Child Labor</b>			
GRI 3-3	Management of material topics	See <a href="#">Human rights</a> section, page 70.	See our <a href="#">Human Rights Position Statement</a> .
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	There were no reported incidents.	



# Sustainability Accounting Standards Board (SASB) Index

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## SASB Disclosures 2021

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Industry: Biotechnology & Pharmaceuticals

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SASB is an independent standards-setting organization dedicated to improving the effectiveness and comparability of corporate disclosure on ESG factors. The tables on the next pages summarize how our existing reporting aligns with the recommended metrics for the Biotechnology & Pharmaceuticals Standard within the Healthcare sector, and where this information can be found in this report.





**Table 1. Sustainability Disclosure Topics & Metrics**

SASB Code	Metric	ESG Report Section(s) / Disclosure	Additional References / Links
<b>Safety of Clinical Trial Participants</b>			
HC-BP-210a.1	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	See <a href="#">Product safety</a> section, page 39.	
HC-BP-210a.2	Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)	See <a href="#">Product safety</a> section, page 39. There were no FDA sponsor inspections in 2021 as Organon did not actively conduct clinical investigations as a sponsor.	
<b>Access to Medicines</b>			
HC-BP-240a.1	Description of actions and initiatives to promote access to healthcare products for priority diseases and in priority countries as defined by the Access to Medicine Index	See <a href="#">Access to medicines and healthcare</a> section, pages 25-27.	
HC-BP-240a.2	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	See <a href="#">Access to medicines and healthcare</a> section, pages 25-27. 1. Nexplanon® (etonogestrel 68mg implant), also sold as Implanon NXT™ in some countries outside the United States 2. Marvelon™ (desogestrel/ethinylest radiol tablet) 0.150mg-0.030mg 3. Exluton™ (Lynestrenol); tablet 500mcg	
<b>Affordability &amp; Pricing</b>			
HC-BP-240b.1	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period	Organon's approach is to make medicines as accessible and affordable as possible for the patients that need them. Each situation varies based on the dynamics of the particular market and the individual situation. In general, the following factors are considered: value provided to healthcare systems and patients, unmet needs, access, R&D sustainability, and competition.  Note: Data is unavailable given this is Organon's first year as a company.	
HC-BP-240b.2	Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year	A year-over-year price comparison is unavailable for Organon's products given this is Organon's first year as a company.	
HC-BP-240b.3	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	A year-over-year price comparison is unavailable for Organon's products given this is Organon's first year as a company.	
<b>Drug Safety</b>			
HC-BP-250a.1	List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database		<a href="#">FAERS MedWatch</a>
HC-BP-250a.2	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System		<a href="#">FAERS MedWatch</a>
HC-BP-250a.3	Number of recalls issued, total units recalled	See <a href="#">Product safety</a> section, page 39.	
HC-BP-250a.4	Total amount of product accepted for takeback, reuse, or disposal	Not discussed.	
HC-BP-250a.5	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	There were no FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP) in 2021.	



**Table 1. Sustainability Disclosure Topics & Metrics**

SASB Code	Metric	ESG Report Section(s) / Disclosure	Additional References / Links
<b>Counterfeit Drugs</b>			
HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	See <a href="#">Product integrity</a> section, page 40. See <a href="#">Counterfeit prevention</a> section, page 41.	
HC-BP-260a.2	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	See <a href="#">Product integrity</a> section, page 40. See <a href="#">Counterfeit prevention</a> section, page 41.	
HC-BP-260a.3	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	See <a href="#">Product integrity</a> section, page 40. See <a href="#">Counterfeit prevention</a> section, page 41.	
<b>Ethical Marketing</b>			
HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	Not discussed.	
HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products	See <a href="#">Product labeling</a> section, page 63.	
<b>Employee Recruitment, Development, &amp; Retention</b>			
HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	See <a href="#">Human capital</a> section, page 32.	
HC-BP-330a.2	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) midlevel managers, (c) professionals, and (d) all others	See <a href="#">Diversity, equity, inclusion, and belonging</a> section, pages 36-37.	
<b>Supply Chain Management</b>			
HC-BP-430a.1	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs for integrity of supply chain and ingredients	We did not have suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program in 2021. We are working with the program in 2022 and will disclose information regarding this matter in our FY2022 ESG report.	
<b>Business Ethics</b>			
HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	Not discussed.	
HC-BP-510a.2	Description of code of ethics governing interactions with healthcare professionals	See <a href="#">Ethics and compliance</a> section, page 60.	See our <a href="#">Reporting &amp; Responding to Misconduct Policy</a> , <a href="#">Prevention of Bribery and Corruption Policy</a> , <a href="#">Insider Trading Policy</a> , <a href="#">Conflicts of Interest Policy</a> [referenced in our <a href="#">Code of Conduct</a> ].

**Table 2. Activity Metrics**

HC-BP-000.A	Number of patients treated	Not discussed.	
HC-BP-000.B	Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)	See <a href="#">About Organon</a> section, pages 6-12.	See <a href="#">Products List</a>



# UN Global Compact

The UN Global Compact is a strategic initiative that helps companies align their business activities and strategies with ten universally recognized principles in the areas of human rights, labor standards, environmental protection, and the fight against corruption. The table on the next page summarizes how our existing reporting aligns with these disclosures and where the information can be found in this report, which serves as our Communication on Progress to UN Global Compact.



**Table 1. Sustainability Disclosure Topics & Metrics**

	Principles	ESG Report Section(s) / Disclosure	Additional References / Links
<b>Human Rights</b>			
1	Businesses should support and respect the protection of internationally proclaimed human rights	See <a href="#">Human rights</a> section, page 70.	See our <a href="#">Human Rights Statement</a> and <a href="#">Business Partner Code of Conduct</a> .
2	Businesses should make sure that they are not complicit in human rights abuses	See <a href="#">Human rights</a> section, page 70. See <a href="#">Diversity, equity, inclusion, and belonging</a> section, pages 36-37. See <a href="#">Procurement and supply chain practices</a> section, page 69.	See our <a href="#">Human Rights Statement</a> and <a href="#">Business Partner Code of Conduct</a> .
<b>Labor</b>			
3	Businesses should uphold the freedom of association and the effective recognition of the rights to collective bargaining	See <a href="#">Human rights</a> section, page 70. See <a href="#">Procurement and supply chain practices</a> section, page 69.	See our <a href="#">Human Rights Position Statement</a> and <a href="#">Business Partner Code of Conduct</a> .
4	Businesses should support the elimination of all forms of forced and compulsory labor	See <a href="#">Human rights</a> section, page 70. See <a href="#">Procurement and supply chain practices</a> section, page 69.	See our <a href="#">Human Rights Position Statement</a> and <a href="#">Business Partner Code of Conduct</a> .
5	Businesses should support the effective abolition of child labor	See <a href="#">Human rights</a> section, page 70. See <a href="#">Procurement and supply chain practices</a> section, page 69.	See our <a href="#">Human Rights Position Statement</a> and <a href="#">Business Partner Code of Conduct</a> .
6	Businesses should support the elimination of discrimination in respect of employment and occupation	See <a href="#">Ethics and compliance</a> section, page 60. See <a href="#">Diversity, equity, inclusion, and belonging</a> section, pages 36-37.	See our <a href="#">Human Rights Position Statement</a> , <a href="#">Business Partner Code of Conduct</a> , and <a href="#">Code of Conduct</a> .
<b>Environment</b>			
7	Businesses should support a precautionary approach to environmental challenges	See <a href="#">Environment</a> section, pages 44-54.	
8	Businesses should undertake initiatives to promote greater environmental responsibility	See <a href="#">Environment</a> section, pages 44-54.	
9	Businesses should encourage the development and diffusion of environmentally friendly technologies	See <a href="#">Environment</a> section, pages 44-54.	
<b>Anti-corruption</b>			
10	Businesses should work against corruption in all its forms, including extortion and bribery	See <a href="#">Anti-bribery and corruption</a> section, page 62. See <a href="#">Ethics and compliance</a> section, page 60.	See our <a href="#">Code of Conduct</a> and <a href="#">Prevention of Bribery and Anti-corruption Policy</a> [referenced in our <a href="#">Code of Conduct</a> ].





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