

MSD R&D Innovation Centre Limited**STAKEHOLDER ENGAGEMENT and 172 (1) STATEMENT for the period ending 31 December 2024**

For more than a century, MSD has been at the forefront of research, bringing forward medicines, vaccines, and innovative health solutions for the world's most challenging human and animal diseases. Through inclusive scientific research, enabling access to ground-breaking treatments and effective partnerships with the health system, we believe that we can cultivate a more equitable healthcare landscape that is equipped to make a real difference to patients' lives and ultimately, tip the scales on health disparities in the UK. From designing diverse and inclusive trials for our medicines and vaccines, to improving health literacy and overcoming barriers to patient access to services and treatments, we are committed to doing all we can to improve health outcomes.

What we do and how we do it matters. Our values are our core: putting patients first, respect for people, ethics and integrity and innovation and scientific excellence. Our Code of Conduct enables our employees to operate with the highest levels of integrity at every level throughout our organisation.

Throughout the year the directors of the company have acted in good faith to promote the success of the company for the benefits of its members. In performing their duties under section 172 (1) of the Companies Act 2006 they have considered the following factors, where applicable based on the nature of the company's operations:

a) The likely consequences of any long-term decision.

Within the company research goals are endorsed by our research leadership team. We engage with internal governance committees to provide regular progress updates on delivery of our pipeline of drug discovery projects through transparent reporting. Strategic decisions, including R&D prioritisation and capital allocation, are made with a long-term view to delivering sustainable value to our stakeholders. Specific examples are listed below:

- Governance Therapeutic Area Disease Review (TADR) meetings where teams present targets and modalities for declaration into the preclinical pipeline.
- Governance Composition of Matter (COM) meetings where teams present strategies for the endorsement of therapeutic modalities.
- Discovery Biology Leadership Team meetings to discuss the global strategic operation of the departments.
- London Site Coordination Team meetings.

b) The interests of the company's employees by fostering a collaborative and inclusive culture, investing in professional development, mental health support, flexible working arrangements and providing competitive and fair compensation. Regular department meetings, town halls, employee pulse surveys, Employee Business Research Groups (EBRGs), cross-functional team-building workshops and the Office of Ethics aim to ensure employees feel safe to speak up and that their voices are heard and acted upon.

c) The need to foster the company's business relationships with suppliers, customers and others.

We are committed to developing safe, effective, and accessible treatments for patients. Our drug discovery and development strategies are guided by patient-centric design, and we engage with clinical experts and research charities (via very strict compliance processes) to ensure our pipeline reflects unmet medical needs. We also engage in Scientific Input Engagement (SIE) meetings to invite key academic experts to comment on new therapeutic areas of interest, our programs and clinical projects.

We maintain strong relationships with our Contract Research Organisation's (CROs) (via either fee-for service or fixed term contracts for provision of reagents, compounds, Research Operating Plan (ROP) assays etc.), academic institutions, and technology providers. Partnerships with the CRICK as landlords and collaborators (e.g. via the MSD-Crick Governance committee and hub facilities support). Ethical sourcing, data integrity, and transparency are core to our partnerships. We conduct regular audits and maintain open communication to ensure alignment with our research quality and compliance standards.

We connect with academic, venture capital, biotech and other Pharma companies in the ecosystem to find ways to work together to advance therapeutics for the treatment and prevention of disease.

d) The impact of the company's operations on the community and the environment.

At MSD we support early talent development through education initiatives, post-doctoral (both supporting internal MRL post-doc schemes and funding external PhD and post-doctoral projects with placements within our labs), graduate and student placements and work experience for school students. We support international professional organisations focused on advancing neuroscience research. We also actively participate in the research community through participation in grant review committees, advisory boards, engagement at and sponsorship of research conferences and publication of our research in peer-reviewed journals.

Safe working practices and environmental sustainability is embedded in our operations, including energy-efficient lab design, waste reduction programs, and carbon footprint monitoring.

e) The desirability of the company maintaining a reputation for high standards of business conduct, and,

f) The need to act fairly between members of the company. With the latter points e) and f) both being emphasised throughout points a) to d) and aligning with our core values as a company.