



ORGANON

Here for her health

2022

ESG

REPORT



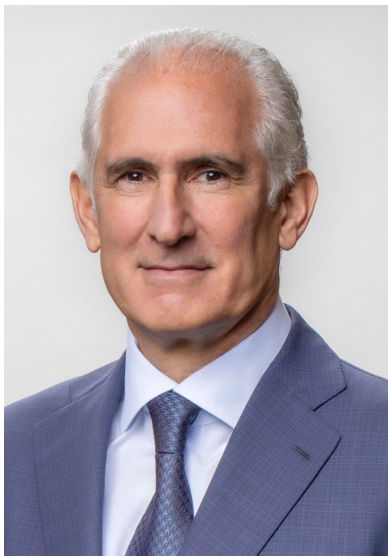


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Cautionary Note Regarding Forward-Looking Statements

Some statements and disclosures in this report are “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that do not relate solely to historical or current facts and can be identified by the use of words such as “may,” “expects,” “intends,” “anticipates,” “plans,” “believes,” “seeks,” “estimates,” “will,” or words of similar meaning. These forward-looking statements are based on our current plans and expectations and are subject to a number of risks and uncertainties that could cause our plans and expectations, including actual results, to differ materially from 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 Organon’s Annual Report on Form 10-K for the year ended December 31, 2022 and subsequent SEC filings, available at the SEC’s Internet site (www.sec.gov).



A Message from our CEO

Dear Organon Stakeholders,

We started Organon with an important vision – to create a better and healthier every day for every woman. In our first full year as a company, our people have united behind that vision and a shared purpose to help all women and girls achieve their promise through better health.

In 2022, we introduced Her Promise, our comprehensive environmental, social and governance (ESG) strategy and associated goals. Since then, we have acted with urgency to translate our goals into action to make meaningful progress. For example:

- **Significant progress innovating for women's health.** This includes completing eight business development deals since we began—five in 2022—for assets that represent hope in very underserved areas, such as endometriosis and postpartum hemorrhage. We are building our Women's Health pipeline, while at the same time strengthening the broader ecosystem of research and development dedicated to women.
- **Approximately halfway toward our goal of reducing 120 million unplanned pregnancies by 2030.** Working with others to provide affordable contraception alongside education and training, we had helped prevent 57 million unintended pregnancies since the Her Promise Access Initiative began under our predecessor company.
- **Accelerated our efforts to reduce unplanned pregnancies with new funding and action.** In 2023, we launched a new, three-year initiative called Her Plan is Her Power, which expands and accelerates the company's efforts to reduce unplanned pregnancies through global advocacy as well as investments in community-driven solutions in the United States, in low- and middle-income countries,

and around the globe. We also initiated support for community-led responses focused on improving maternal health among underserved populations.

- **Advanced gender equity inside and outside the company.** Our esteemed Board of Directors—the most gender diverse among the S&P 500—continues to be recognized. We've also made progress toward our goals of increasing female representation in leadership, completing our first pay equity studies of employees, and achieving our supplier diversity goal.
- **Made progress toward key environmental goals.** This includes reductions in energy, water, and waste. As part of our commitment to transparency around our assessment of climate-related risks and opportunities, we have included our inaugural Task Force on Climate-related Financial Disclosures (TCFD) disclosure in this ESG report.

We believe our purpose and our contribution to the health of women is needed, perhaps more than ever. I am grateful to our more than 10,000 founders around the world who make this work possible. I am energized by the opportunities ahead as we continue to show the world what it means to be Here for her health.

KEVIN ALI
Chief Executive Officer



Letter from Board of Directors

Dear Organon Stakeholders,

On behalf of Organon's Board of Directors, we appreciate your interest in our company and are pleased to present our second ESG report, reporting on our first full year of operations.

Our company has a compelling vision and purpose. We strive to help ensure that women and girls can achieve their promise through better health. The Board has been closely involved in the development of the strategy to support this purpose.

Organon's growth in 2022 speaks to our success in increasing access to our important products. We are proud of the expansion of our contraceptives and fertility portfolios as we continue to help address the unmet need for quality women's healthcare around the globe. The double-digit growth of our Biosimilars franchise also represents an important commitment to increase access to these more affordable, quality biologic products. And finally, we are exceptionally pleased that our cardiovascular, respiratory, dermatology, pain and other products – what we call “Established Brands” – continue to be trusted by millions for their quality and efficacy.

Our commercial success is based on a foundation of trust. We strive every day to earn and keep the trust of our patients, our partners, our regulators, our employees, and the broader communities we serve. This is a fundamental reason why the Board is so committed to Organon's long-term ESG strategy.

In a short amount of time, Organon has not only established short- and long-term goals across the social, environmental, and governance areas, but we have also made significant progress in implementing programs to achieve these goals. The full Board is engaged and ensures we devote time on our agendas for regular reporting and discussion. In addition, each of the three standing Board

committees also plays an important oversight role. The Environmental, Social and Governance Committee has primary responsibility for Organon's strategy and performance, and it devotes special attention to issues relating to public policy engagement, product quality, employee health and safety, environmental sustainability, and charitable giving. The Talent Committee has oversight of human capital management including executive compensation, employee engagement and workplace culture, and diversity and inclusion programs. The Audit Committee engages on specific ESG topics such as cybersecurity, ethics and compliance.

We use this multifaceted approach because we believe Organon's ESG strategy is a powerful driver for long-term business success and a competitive strength. We know that growing our business requires that we consider the perspectives of our shareholders as well as the perspectives of other stakeholders that can influence our commercial success and sustainability.

This year's ESG Report is full of exciting new programs and important new disclosures that demonstrate our commitment to operating with a high degree of transparency. Thank you again for your interest in Organon and the company's unwavering commitment to realizing its vision of a better and healthier every day for every woman.

Carrie Cox

Chairman of the Board
Chairman of the Talent
Committee

Robert Essner

Chairman of the ESG
Committee

About Organon

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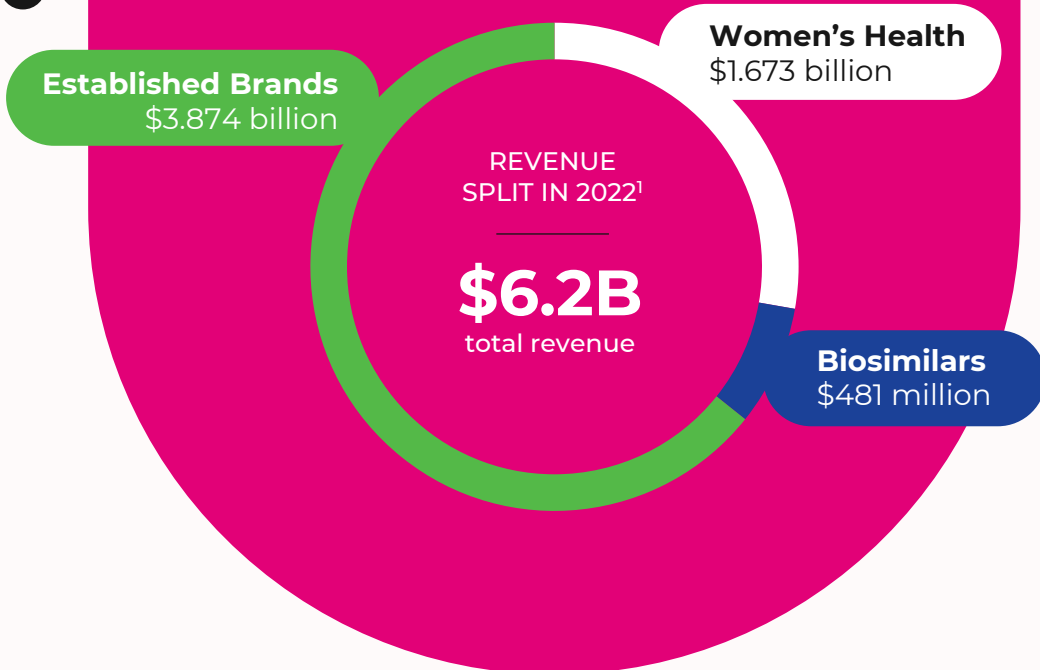
- > Company overview
- > Her Promise. Our Purpose. Her Health.
- > Our core values
- > Our approach to environmental, social, and governance (ESG) and stakeholder engagement
- > ESG governance

Photo: Organon Canada National Meeting | Montreal, Canada | Her Day 2022



We are a global healthcare company that is Here for her Health.

We seek to deliver innovation, improve access, and expand choice to help address the unmet health needs of women and ultimately improve their lives, as well as their communities and all of society. Few companies have dedicated resources to the innovation necessary to improve women's health. We are investing in certain high-need areas that have no established precedent and where we believe the current standard of care is unacceptable.



¹Please see our [Annual Report / 10-K](#) to learn more about our revenue in 2022.

We focus on three key areas to achieve our vision of a better and healthier every day for every woman. Our product portfolios include the following:

Women's Health



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

Biosimilars



Biosimilars, which are approved by regulators as being highly similar to their referenced biologic medicines, are used to treat a range of serious conditions and can reduce costs compared to biologics. We aim to improve healthcare economies and access to treatment by providing high-quality biosimilar medicines to healthcare systems, providers, and patients.

Established Brands



Our Established Brands include well-known products, which generally are beyond market exclusivity, across therapeutic areas including respiratory, cardiovascular, dermatology, non-opioid pain, and more. We are seizing new opportunities to bring these important treatments to patients who need them.



Her Promise. Our Purpose. Here for Her Health.

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There are almost four billion women and girls in the world¹, 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 her equitable place in the world.

¹UN Department of Economic and Social Affairs Population Division, *The 2022 Revision of World Population Prospects*, 2022.





Our core values

We act with integrity, embracing our values in everything we do.

Be real.

We are authentic and transparent.

Own it.

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

Rise together.

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





Our approach to environmental, social, and governance (ESG) and stakeholder engagement

We believe that by advancing the health of women, we advance the health of society. And our ESG strategy helps ensure we deliver on our corporate vision: **A better and healthier every day for every woman.** Our ESG priorities are embedded throughout our business, where we focus on the issues that matter most to our stakeholders, our company, and women around the world.

Building on the strong foundation we established in our inaugural report last year, this year's report includes enhanced disclosures and transparency about our business, as a result in part to our expanded data management and reporting. As we developed the 2022 report, we reviewed ESG reporting standards including those from the International Financial Reporting Standards (IFRS) Foundation's Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI). We also support, and align our reporting to, the United Nations Sustainable Development Goals (UN SDGs). Throughout the year, we used a data-driven and dynamic qualitative and quantitative process for ESG risk identification and monitoring.

The priority topics we track (see [Our ESG topics](#)) reflect ESG issues that are important to Organon, based on the results of our ESG materiality assessment that was conducted in 2021. The disclosures in this report are informed by the SASB and GRI standards for our industry and the Task Force on Climate-Related Financial Disclosures (TCFD) framework, as well as feedback from stakeholders including employees, investors, and ESG ratings agencies. 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. For example, in 2022, we expanded these inputs to include the metrics of the UN Women's Empowerment Principles and the Bloomberg Gender-Equality Index.

This report covers the full enterprise of Organon and all of our legal entities for the 2022 calendar year (January 1, 2022, through December 31, 2022) unless otherwise stated. All dollar amounts are listed in U.S. dollars.



Our ESG topics¹

SOCIAL

HER EQUITY

Address unmet health needs of women while helping to ensure sustainable access to our products and instill a culture of belonging for employees and business partners.

- Access to medicines and healthcare
- Community engagement
- Diversity, equity, inclusion, and belonging (DEI&B)
- Employee health and safety
- Human capital
- Innovation for women's health
- Product safety and quality

ENVIRONMENT

HER PLANET

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

- Air emissions
- Biodiversity
- Climate change risks and resilience
- Energy usage
- GHG emissions
- Waste management
- Water usage

GOVERNANCE

HER TRUST

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

- Board composition and practices
- Ethics and compliance
- Ethical marketing practices
- Fair competition and open markets
- Human rights
- Political contributions and public policy
- Privacy and data security
- Procurement and supply chain practices
- Product labeling
- Tax

¹This listing of our ESG topics has been updated to align with the key sections of the report. Topics not covered in the report have been removed and topics have been renamed to align with what they are called in the respective report sections.



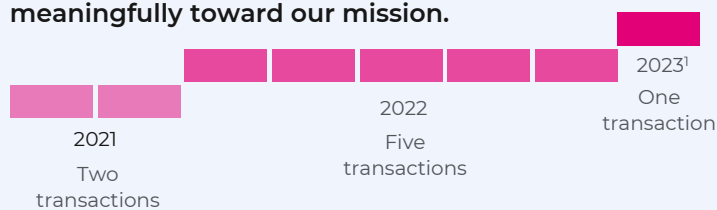
Our goals

We have set ambitious short- and long-term goals and, in 2022, made steady progress toward achieving them.

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 and girls.
- **We will work with partners to expand access to treatment options** that improve her health and help secure her promise.
- **We will search for potential solutions that can achieve a significant impact** by improving care, diagnosis, quality of life, and health outcomes for women.

Eight transactions completed or executed since 2021 that allow us to advance meaningfully toward our mission.



¹This data reflects information from after 2022. All other information in this report reflects data from Spin on June 2, 2021 through December 31, 2022.

² Her Promise Access Initiative program began with Merck & Co in 2012.

³ Where and to the extent permitted by law.

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.
- We are working with health authorities to find ways to expand access to postpartum hemorrhage (PPH) treatment options to women around the world.

By the end of 2022

47 million women provided access to family planning options, and we had helped prevent 57 million unintended pregnancies since the Her Promise Access Initiative program began.²

Diversity, equity, inclusion, and belonging

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.³



Our female representation in roles at director-level and above increased from **43.45%** in 2021 to **46.70%** in 2022.

We aim to achieve pay equity.

We have completed pay equity studies conducted by external economic and legal experts in three of our largest markets (the United States, the United Kingdom, and Switzerland) and plan to conduct studies in additional markets in 2023, which, in total, account for approximately 60% of our employees globally.

99.5%

gender pay equity in the United States, the United Kingdom, and Switzerland.

99.9%

pay equity for non-White (incl. Black, Hispanic, and Asian employees) and White employees in the United States.



Environmental stewardship

- **By 2025, 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.**
- We aim to reduce our Scope 1 and 2 GHG emissions by more than 25% from 2020 levels.^{1,2}
- Our goal is to have at least 70% of our supplier spend devoted to suppliers that have GHG emissions reduction programs.
- We plan to characterize our Scope 3 GHG emissions and regularly update them to reflect our supply chain.

ACHIEVED 2022

We have made progress on our goal of characterizing Scope 3 GHG emissions by developing an initial estimate of Scope 3 GHG emissions in 2022.

PROGRESS

▼ **3.4% reduction** in Scope 1 and 2 GHG emissions against the 2020 baseline.

We began reviewing our suppliers' GHG emission reduction plans. We are evaluating supply chain risk management tools that will track, trend, and help develop our suppliers' environmental sustainability.

- **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 2020 levels
- Our goal is to have at least 70% of our supplier spend devoted to suppliers that have water reduction programs.
- We plan to characterize the water usage in our value chain and regularly update it to reflect our value chain.
- We aim to have 30% of our legacy packaging reviewed against the Sustainability Packaging Guidelines to identify opportunities to reduce our environmental impact.
- Our goal is that more than 80% of our sites' operational waste will be reused, recycled, or otherwise used beneficially.³

ACHIEVED 2022

89% of our operational waste was **reused, recycled, or otherwise used beneficially.**

PROGRESS

▼ **2.3% reduction** in water usage compared to 2020 levels.

We will be assessing all new products against the **Sustainability Packaging Guidelines**, which will drive recycled content, recyclability, and responsible sourcing.

Our goal for biodiversity



PROGRESS

○ Four out of six of our manufacturing sites **have already invested in biodiversity projects** either on or off site.

By 2025

We will plan to **invest in projects** that preserve and restore biodiversity at or near all Organon manufacturing facilities and major office locations.

○ By the **end of 2023**, all six sites will have **reached** this goal.

By 2050

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

○ In 2023, we will also plan to **investigate biodiversity projects** for our major office locations.

¹ For our baseline, we assumed that fleet emissions for 2020 are the same as in 2022.
² Biogenic emissions are included in our Scope 1 and 2 GHG emissions goal.
³ Otherwise used beneficially includes composting and incinerated with heat recovery.



Deliver on trust

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

In early 2023, MSCI upgraded Organon’s ESG rating to an **A**, driven largely by its assessment of our governance processes.

- **We currently have the most gender-diverse Board of Directors in the S&P 500,¹** as well as one of the most diverse Boards in the healthcare industry. We aspire to maintain the expertise as well as the gender and racial diversity that characterizes our Board composition today.

46% of our directors are from U.S. **underrepresented racial and ethnic groups.**

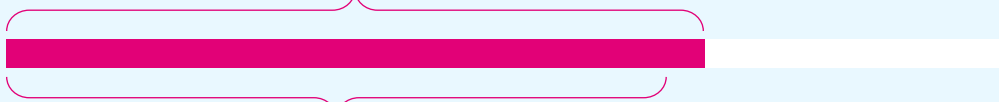


¹ Bloomberg, *Women Reach 32% of S&P 500 Board Seats for the First Time*, 2022.

² Where and to the extent permitted by law.

PROGRESS

70% Since our founding in 2021, nearly **70%** of our directors have been women.



66% In addition, **66%** of our standing **Board committees** are chaired by women.

Our goals for supplier diversity and engagement

We aim to engage at least five new or existing suppliers in a development and mentorship program and increase addressable spend with diverse suppliers by 25%, from a 2021 baseline, by 2025.²

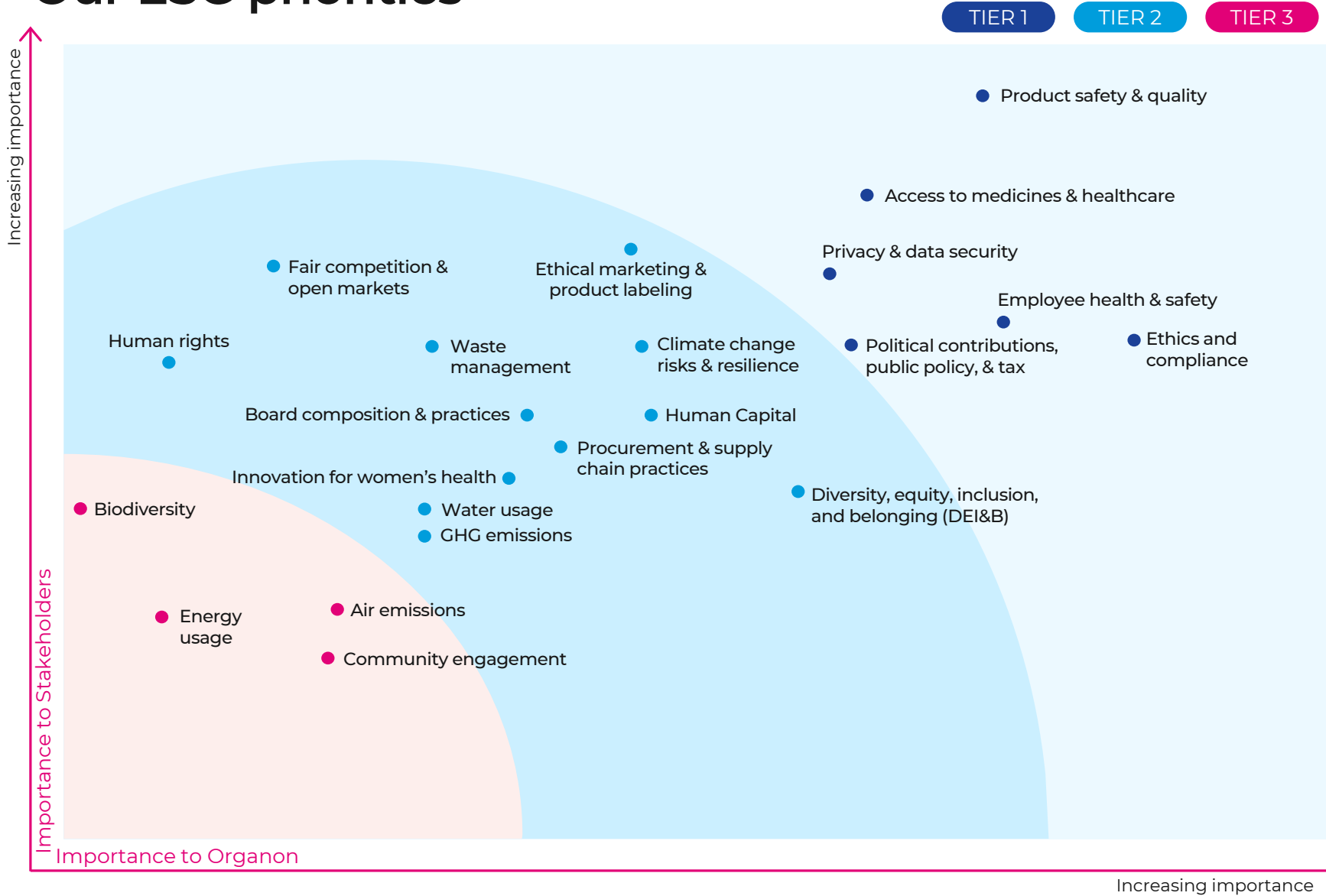
○ Organon **increased diverse spend by 48%** over 2021 actuals, achieving this goal in 2022.

○ Organon’s Chief Procurement Officer was recognized as one of the **TOP 25 Diversity Change Leaders** by Diversity Plus Magazine.

PROGRESS



Our ESG priorities



Our ESG strategy is based on the topics that matter most to our business and our stakeholders. This graphic plots each topic in relation to its importance to Organon and to our stakeholders.

This listing of our ESG topics has been updated to align with the key sections of the report. Topics not covered in the report have been removed and topics have been renamed to align with what they are called in the respective report sections.



Alignment with the UN Sustainable Development Goals (SDGs)

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.

We support the 17 UN SDGs, which represent a global call for action to come together to work toward a more prosperous, inclusive, sustainable, and resilient world.



In addition to the UN SDGs, we also align our activities with the following principles/organizations:



In support of

**WOMEN'S
EMPOWERMENT
PRINCIPLES**

Established by UN Women and the UN Global Compact Office





ESG governance

Organon prioritizes ethical behavior and transparency in all our actions, including our ESG strategy. Living these ideals requires cooperation at every level of our company, from our employees to our shareholders and directors.

Our Board of Directors oversees our ESG strategy, which they endorsed in December 2021.

The ESG Committee oversees ESG and other sustainability matters that are relevant to our business and makes recommendations on these topics to the full Board. The ESG Committee also 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 the areas of environmental health and safety, manufacturing quality systems, and political and policies engagement, among other areas.

The Talent Committee oversees human capital management, including executive compensation, employee engagement, workplace culture, and Organon's diversity and inclusion programs. The Talent Committee plays a role in the selection and oversight of the specific metrics from the ESG

strategy that are included in the [Company Scorecard](#), which affect annual incentive payouts.

The Audit Committee engages on specific ESG topics, including cybersecurity, ethics, and compliance.

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 it. The Executive Vice President, ESG and External Affairs, reports directly to the Chief Executive Officer (CEO) and is a member of the Executive Leadership Team. Her dedicated ESG team collaborates across all Organon functions to support progress against each of our ESG targets and ensure timely and transparent ESG reporting.

Reporting to the Executive Leadership Team, the Public Policy & ESG Council is made up of senior leaders with functional responsibilities across the business and, together, they are responsible for implementing our ESG strategy.

Our ESG governance structure



Social: Her Equity

In this section

- > Innovation for women's health
- > Product safety and quality
- > Access to medicines and healthcare
- > Human capital
- > Employee health and safety
- > Community engagement

Photo: "we Are Tomorrow" Mural | U.S. Embassy Bangkok, Thailand | Artist: Amanda Phingbodhipakkiya



At Organon, we are working to help women and girls achieve their promise through better health.

Health is at the root of sustainable development for individuals, communities, and societies. In addition, gender equity is an important indicator and contributor of economic growth. Women's health should be a priority everywhere in the world.

We are working toward a better and healthier every day for every woman by bringing forward the innovations needed to support women's health, expanding access to 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 dedicated to advancing scientific innovations that support women's health.

We focus our efforts on areas where critical therapeutic gaps exist in women's health. Our research and development (R&D) and business development activities encompass four key areas of need:

- Contraception
- 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)

We are also expanding our efforts to address diseases and health conditions that disproportionately affect women.

We are actively pursuing devices, diagnostics, and digital solutions that have the potential to address women's unmet needs. Our diverse set of products provide a sustainable source of cash flow that helps fund our efforts to invest in research to build a suite of new products that support women's health while allowing us to continue to invest in programs and initiatives that expand access to existing products.





Since our launch in 2021, Organon has been building an R&D pipeline that includes a variety of innovative assets across Women's Health.

We are investing in research in the following areas:

- A Biosimilars commercialization agreement/collaboration to treat breast cancer and osteoporosis
- PPH
- Preterm labor, which affects 15 million women and babies each year globally¹
- Endometriosis-related pain, a common and chronic condition affecting up to one in 10 women of reproductive age globally²
- Treatment for BV which affects approximately 21 million women in the United States alone³
- Hormone-free, on-demand contraception, an option preferred by many women who have few effective alternatives
- An option to acquire a device for use during minimally invasive laparoscopic hysterectomy

Our goals for innovation in women's health

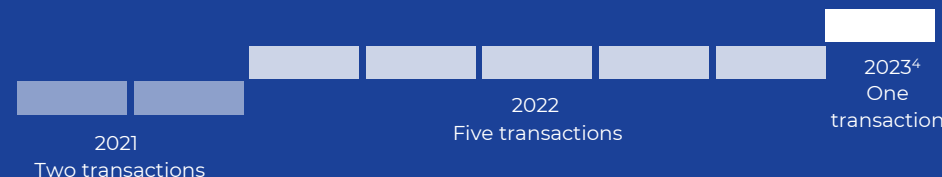
We aim to redefine and harness innovation in women's health by dedicating a majority of our pre-clinical and clinical development activity toward areas that address the unmet health needs of women and girls.

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

We will search for potential solutions that can achieve a **significant impact** by improving care, diagnosis, quality of life, and health outcomes for women.

PROGRESS

Eight transactions completed since 2021 that allow us to advance meaningfully toward our mission.



¹ National Library of Medicine, *National, regional, and worldwide estimates of preterm birth rates in the year 2010 with time trends since 1990 for selected countries: a systematic analysis and implications*, 2012.

² World Health Organization, *Endometriosis: Key facts*, 2023.

³ Journal of the American Sexually Transmitted Diseases Association, *The Prevalence of Bacterial Vaginosis in the United States, 2001-2004; Associations With Symptoms, Sexual Behaviors, and Reproductive Health*, 2007.

⁴ This data reflects information from after 2022. All other information in this report reflects data from Spin on June 2, 2021 through December 31, 2022.



Collaboration and partnerships for innovation

We know that healthy women are the bedrock of a thriving, stable, and resilient society.

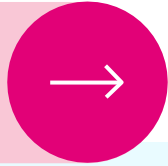
We believe women thrive when there is a healthy ecosystem of research dedicated to scientific understanding of disease pathology alongside collaborative R&D efforts among companies, organizations, and governments. Our goal is to nurture this ecosystem to advance the field and improve women's lives.

Partnerships with innovators across the healthcare ecosystem, including companies, academic institutions, foundations, venture capital, and healthcare providers, will help us identify emerging science, guide it, and nurture it to accelerate the development of much-needed solutions for all women.

Business development activities to expand our Women's Health portfolio

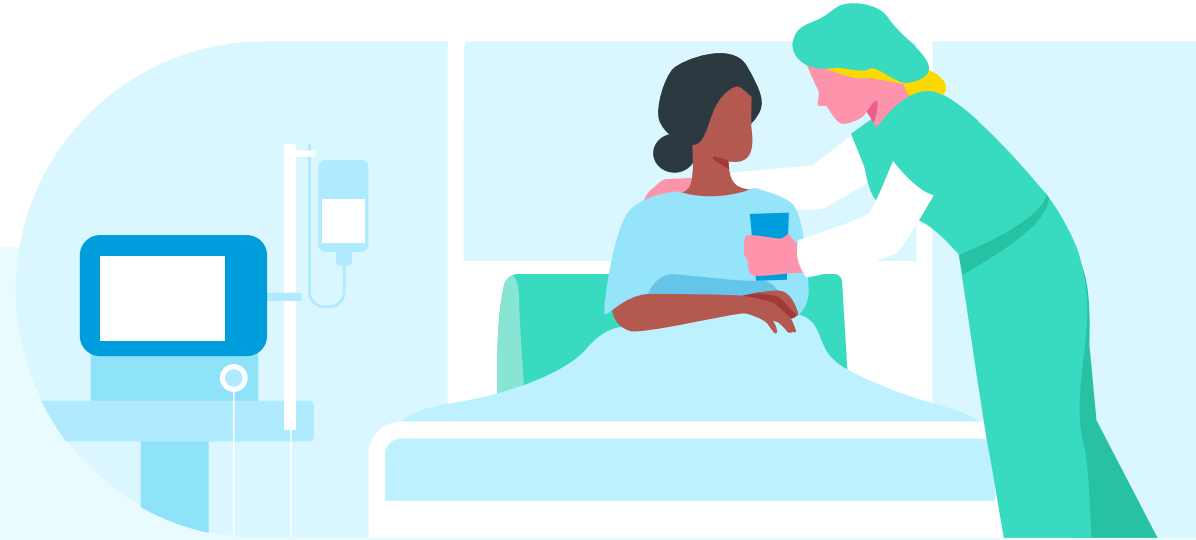
Since spin, we have completed eight transactions, five of which were in 2022 and early 2023, that advance innovation for unmet medical needs.





Fostering innovation throughout the R&D pipeline

Innovation for her health can take many forms. We seek opportunities to meet women's needs wherever they arise, from early to late-stage technologies, encompassing both pharmaceuticals and devices.



Organon is dedicated to pursuing scientific innovations for women's health, prioritizing areas where critical therapeutic gaps exist. We're building an industry-leading pipeline of therapeutics and devices to address women's unmet needs - with both early and late-stage assets focused on our four therapeutic cornerstones: contraception; fertility; maternal and peripartum conditions (post-partum hemorrhage, preeclampsia, preterm labor); and conditions unique to women (endometriosis, fibroids, PCOS, menopause). Through a focused and active external innovation strategy Organon is constantly exploring emerging science with the opportunity to provide better healthcare solutions for women.

Contraception has not historically attracted investments in innovation. We believe this situation needs to change. In 2022, our commitment to exploring bold approaches in areas where the available options do not adequately meet women's needs led to a research collaboration and exclusive licensing deal with Cirque Biomedical for a novel investigational non-hormonal, on-demand contraceptive. Collaborations like this one support our efforts to address women's needs in areas such as non-hormonal (male and female) contraception, where limited options currently exist.

We also seek out opportunities to meet women's needs through targeted investments in late-stage technologies. In January 2023, Organon announced a strategic investment in Claria Medical to support development of an investigational medical device for use during minimally invasive laparoscopic hysterectomy. This investigational device was selected for inclusion in the U.S. Food and Drug Administration's Safer Technologies Program, a collaborative effort intended to reduce the time it takes to obtain marketing authorization for eligible devices



Product safety and quality

People around the world trust us to produce and market safe and effective medicines and medical devices. We deploy rigorous processes and procedures throughout the product lifecycle, beginning with clinical trials, to ensure our products serve a diverse patient population, meet our quality standards, are used safely, and are protected from illicit actions such as counterfeiting.

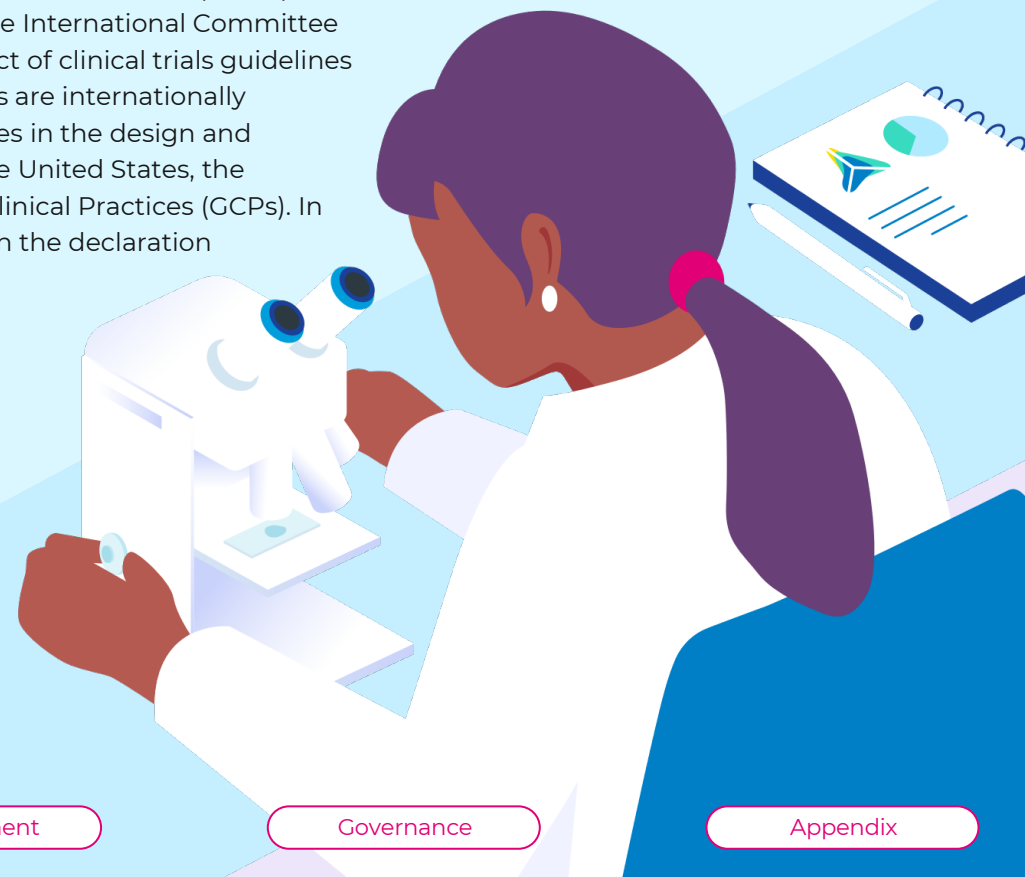
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Clinical trials

Our commitment to product safety is built into our products from the very beginning through our clinical trials.

As a sponsor, we are accountable for submitting pre-clinical and clinical data to regulatory agencies in support of our marketing applications and ensuring the safety and well-being of trial subjects in any interventional study. We review all safety information regularly and any serious adverse events on an expedited timeline. We also use expert panels to adjudicate individual cases for products with specific known risks.

Organon complies with Good Clinical Practices (“GCP”) in the United States and with the International Committee for Harmonization of the conduct of clinical trials guidelines (ICH Guidelines”). ICH Guidelines are internationally accepted principles and practices in the design and conduct of clinical studies. In the United States, the standards are known as Good Clinical Practices (GCPs). In addition, Organon complies with the declaration of Helsinki, which are standards that sponsors of clinical trials comply with in order to protect the safety and well-being of participants of clinical trials.





Diversity in clinical trials

In line with our commitment to women, we know the importance of conducting clinical trials with diverse subjects, ensuring medicines are well understood and developed in target populations as well as sub-populations that may respond to treatment in different ways.

We develop plans to inform recruitment strategies to comply with U.S. FDA regulations governing diversity in clinical trials. Our Clinical Development Leadership Team is responsible for ensuring that diversity in clinical trials is integrated into Organon’s trial planning process. The leadership team regularly reviews ongoing and planned studies.

Our ongoing efforts to embed diversity and inclusion strategies into clinical development cover a range of key areas. We develop all clinical trial plans to inform recruitment strategies that, at minimum, comply with U.S. FDA regulations governing

racial and ethnic diversity in clinical trials. Wherever allowed, we also seek to balance gender representation and engage participants across a variety of age groups.

At the clinical program level, **we seek to understand patient populations**, with a particular focus on epidemiology of diseases and underserved populations that feel their impact. If applicable, we involve patient advocacy groups in our planning process.

As we design studies, **we undertake an evidence-based review of protocols** to identify any potential barriers to participation by diverse groups. We also characterize and validate the makeup of intended patient populations based on analyses of real-world healthcare and demographic data. Finally, we assess our protocols against known barriers to identify any potential issues as part of our data-informed protocol assessment.

As we select sites, **we factor in the knowledge and experience sites have with diverse populations**. As we select trials, we factor in the knowledge and experience sites have with diverse populations alongside other considerations outlined in our diversity, equity, inclusion, and belonging (DEI&B) goals, including expanding our presence in developing countries. When we activate a site, we communicate intended enrollment and the demographics of the disease to the research organizations running the trials. We also include diversity training at our investigator meetings and on-site visits.

We support recruitment and retention efforts through community outreach and efforts to understand the patient journey via continuous engagement and monitoring. We work to ensure our recruitment strategy, tactics, and materials are informed by the motivations, concerns, and preferences of the populations we wish to reach. Our Electronic Case Report Form includes questions that help us track potential concerns and enhance participation engagement throughout the life of the trial.





Product quality

People trust us to produce and market safe and effective medicines and medical devices.

We preserve this trust through rigorous quality checks before release and close monitoring once our products reach the market. We consider product quality one of our top priorities, and we maintain policies and structures that help ensure we meet this expectation.

We are focused on consistently improving our product quality systems and processes applicable to our product portfolio, in addition to responding to the complex and evolving regulatory and compliance framework applicable globally. Accountability for quality initiatives in our commercial organization rests with the Senior Executive for Manufacturing and Supply, who works closely with the Global Head of Quality. Our quality group manages operations at our six internal facilities and oversees operations at contract manufacturing sites and in our distribution networks. Our internal quality control process monitors key quality systems and culture metrics on a monthly basis throughout the Organon Manufacturing & Supply network.

Our **robust quality management systems** (QMS) are designed to promote and facilitate regulatory compliance and operational excellence throughout each product's lifecycle, from upstream product inputs to downstream finished products, including manufacturing and packaging. Our internal product safety standards are designed to meet or exceed government requirements. We also expect our contractors, materials suppliers, and other partners to adhere to our product quality standards and any regulatory requirements. We maintain a supplier and contractor quality management program embedded within our QMS that defines the oversight of our suppliers, service providers, and contract manufacturers with respect to the quality of the finished product.

All of our employees participate in the **training required to adhere to current Good Manufacturing Processes** (cGMP). We also have policies and procedures in place to identify deviations from cGMP, which we report promptly in accordance with regulations and our product quality standards.

Our products are tested throughout the manufacturing process prior to their approval and release to the market. This testing conforms to regulatory frameworks as well as approved specifications and test methods that align with our product regulatory submissions. We investigate product quality complaints and take measures to address any issues, including market actions such as recalls, when appropriate. In 2022, there were no market actions taken on products that had been released.





Product safety

We seek to ensure that our products are used safely worldwide by conducting product safety assessments, effective risk management, and transparent risk communication.

Any suspected changes to the safety profile of any product are **evaluated by a cross-functional team** of experts and escalated to senior management as appropriate. Should a change in a product's safety profile be identified, we are committed to working expeditiously to implement remedial measures, including escalation to regulatory agencies, updates to the product label, further investigation, implementation of risk-minimization measures, or, in rare instances, product recalls as appropriate.

All Organon employees, contractors, and vendors are required to **complete annual training** on reporting adverse events in support of our safety profile evaluations.

Product safety management and oversight

Our Chief Medical Officer

Holds overall responsibility for product benefit/risk determinations.

Provides medical oversight for clinical programs.

Supervises the development and implementation of medical policies (including those related to data transparency and the sharing of clinical data).

Is responsible 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 review of and reporting on adverse experiences with our products worldwide.

Conducts continuous risk assessments of the safety of Organon's products.

Our Chief Safety Officer

Has overall responsibility for managing the safety profiles for our products.

Is responsible for setting the strategic direction and executing against our global product safety initiatives.

Leads the Global Pharmacovigilance & Safety Sciences group, which ensures that patient safety is our highest priority.



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 2022, 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 2022, Global Security & Resilience addressed 254 product integrity events in 45 countries, related to 61 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.





Access to medicines and healthcare

Access to medicines is a key pillar of our ESG strategy, and it is critical to helping women and girls achieve their promise. We aim to help address the barriers to accessing our medicines — whether they are geographic, financial, social, cultural, or political — and create a better and healthier every day for every woman.

Access governance

Organon's access to medicines 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 and Supply, the Chief Commercial Officer, the General Counsel and Corporate Secretary. The ESG Committee of the Board of Directors, the Public Policy and ESG Council at the management level, and the Franchise Governance teams develop and implement Organon's access to medicines strategy. Although we have ESG-related metrics embedded in our Company Scorecard, which has an impact on executive compensation, we do not currently include any access-related metrics on the scorecard. Our Board of Directors also reviews enterprise risks and discusses them with management, including issues relevant to our business, reputation and strategy, including intellectual property risk, pipeline and business development, pricing and patient access, legal and regulatory matters, and manufacturing.

Our goals 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.

We are working with health authorities to find ways to expand access to PPH treatment options to women around the world.

PROGRESS

47 million women provided with access to family planning options, and we had helped prevent 57 million unintended pregnancies, since the Her Promise Access Initiative program began.¹



We are nearly halfway to our goal.

¹ Her Promise Access Initiative program began with Merck & Co in 2012.



Her Plan is Her Power

We launched a three-year, \$30 million initiative to accelerate the global and community response to unplanned pregnancy.

Approximately half of all pregnancies around the world are estimated to be unplanned. The health risks and diminished educational and employment opportunities caused by unplanned pregnancies can persist for generations.¹

1 in 3

of the 257 million women around the globe who want to avoid pregnancy use contraception, in part due to a lack of information and services.¹

In 2022, Organon launched the Her Promise Access Initiative in collaboration with organizations around the world to expand contraception availability to the 73 lowest-income countries. In 2023, we are building on this work with Her Plan is Her Power, a three-year, \$30 million initiative.

¹ UNFPA, United Nations Population Fund, *Seeing the Unseen: The case for action in the neglected crisis of unintended pregnancy*, 2022.

This programming will expand our efforts to **reduce unplanned pregnancies and empower women and girls** through:

→ **A three-pronged collaboration** with UNFPA, the United Nations sexual and reproductive health agency, to help reduce unplanned pregnancies by focusing on innovation, access, and education, and financing and sustainability.

Supporting the UNFPA Equalizer Accelerator Fund by establishing an innovation challenge to enable the development and delivery of sexual reproductive health information, services, and commodities.

Enhancing a **digital knowledge solution with ethical artificial intelligence** capabilities to provide information and analytics about sexual and reproductive health to frontline healthcare workers in low-resource settings.

Supporting the Equity 2030 Alliance to accelerate actions to normalize gender equity in science and technology, with a focus on sexual and reproductive health and women-focused solutions.

→ The launch of a **global grants program** that will provide resources to help women and girls reduce unplanned pregnancies and take control of their reproductive health. The first cohort of grantees includes organizations in **13 countries**, including the Dominican Republic, South Korea, Germany, and Thailand.

→ New funding and product donations to help improve access and outcomes related to unplanned pregnancies in select communities across the United States. Initial non-governmental organization (NGO) partners include Direct Relief, an organization that works to expand access to medicine and healthcare, and Power to Decide, an organization dedicated to advancing sexual and reproductive well-being for all.





Improving access to contraceptive options

The decision of when—and whether—to start a family is one of the most important choices a woman can make. At Organon we understand that family planning options help reduce unintended pregnancies and give women more opportunities to pursue education and economic independence.

Family planning can also help women space out their pregnancies and avoid adolescent pregnancies, both of which lead to safer births. Unfortunately, women in low-income countries often lack access to contraceptives that make these choices possible.

Our Her Promise Access Initiative collaborates with organizations around the world to help women and girls prevent unplanned pregnancies. The initiative is part of a multi-agency, global effort to expand contraception availability to the 73 lowest-income countries.

The initiative began in 2012 at the London Summit on Family Planning. The resulting program—known as FP2020—brought together stakeholders including NGOs, government agencies, and pharmaceutical companies. We began our participation when we were a part of our former parent company. As part of this coalition, we partner with NGOs to provide patients with family planning options to address this global need. Together with collaborators around the world, we aim to provide education, training, and improved access to family planning options.

This initiative has already had an impact:

47M

At the end of 2022, we have reached 47 million women with access to family planning options

57M

At the end of 2022, we had helped prevent 57 million unintended pregnancies

Letters

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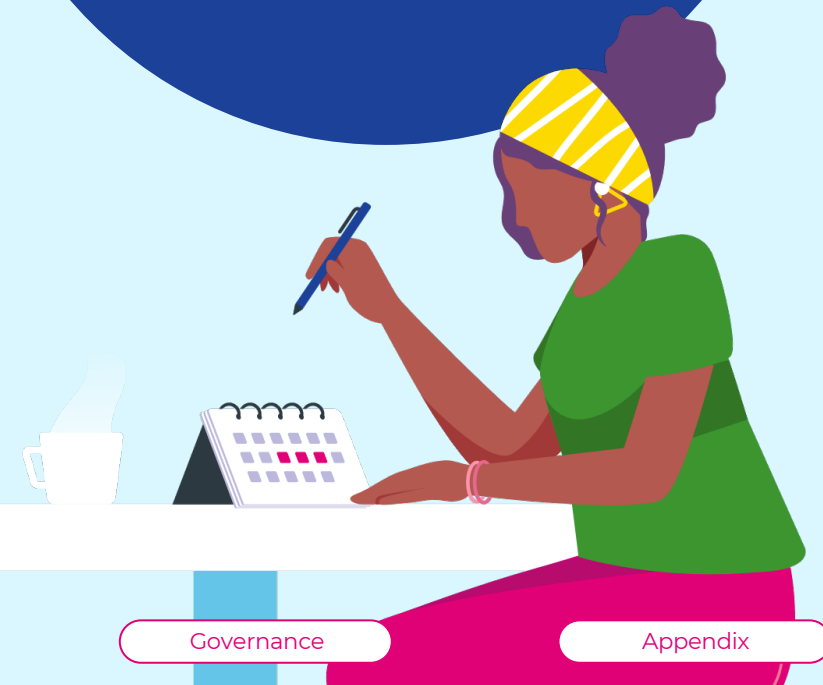
Appendix

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 LMICs with affordable access to contraceptive options by 2030.

120M
unintended pregnancies prevented

100M
girls and women reached with affordable access to contraceptive options





Expanding access to contraception in India

From the Tea Gardens of Assam, to every corner of India, women gain greater access to long-acting reversible contraceptives (LARCs).

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Roughly half of the 48.5 million pregnancies women experience in India each year are unintended, which for many, limit their potential and their promise.¹ We set a goal of forging a partnership with the Indian government to expand the basket of choices under the family planning program available to all women in the country.

¹ Guttmacher Institute, [India country profile](#), 2022

² Tea Board India, [World Production 2018 – 2022](#)

³ National Center for Biotechnology Information, National Library of Medicine, [Association between maternal anemia and pregnancy outcomes: a cohort study in Assam, India](#), 2016

⁴ Government of India, Ministry of Health and Family Affairs, [National Family Health Survey \(NFHS – 5\)](#), 2022

We needed to demonstrate the potential impact of increasing access to LARCs could produce. We collaborated with Jhpiego and United States Agency for International Development (USAID) to create a contraceptive access program. India is the world's second-largest producer of tea, and the women who work the country's many tea plantations typically have poor health indicators, high risk of unintended pregnancy, high risk for maternal mortality (four times the country's average), and low use of LARCs.^{2,3,4} In collaboration from both the public and private sector, we first focused on women who worked at five remotely located tea gardens of Dibrugarh district of Assam.

Each partner played a role. USAID supported advocacy with the Ministry of Health & Family Welfare and funded Jhpiego under USAID's MOMENTUM Country and Global Leadership Project: India-Yash, who provided resources and support in the field. Organon provided technical support to create the training and counseling materials. The project quickly grew. Early engagement and support from the Indian and Assam government enabled a commitment from Amalgamated Plantation Private Limited (APPL), a Tata Enterprise, to support expansion from the five originally targeted tea gardens to 16 other tea gardens managed by APPL. Tata Referral Hospital and Tea Estate Health Facilities are in the forefront of offering expanded basket of contraceptives choices, including LARCs. The project is inspiring other team companies to follow suit.

The project also set the stage for broader access across the country. India's national family planning program guided the team in the field, which subsequently accelerated the inclusion of different family planning options in the government's family planning program. This will expand access to LARCs to women across the country, free of cost. For Organon, these efforts represent the start of an ambitious journey to provide access to contraceptive options for millions of Indian women.



Answering the call for improved maternal health: A focus on birth equity in the United States

At Organon, we are working on many fronts to address disparities in women’s health. In the United States, we are leveraging our unique market position and women’s health expertise to address the inequities that perpetuate poor health outcomes for women in historically marginalized and underserved communities.

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Severe maternal morbidity and mortality are on the rise in the United States, and disparities in access, treatment and resources continue to widen in high-risk communities. Indigenous women and Black women die during childbirth at roughly double and triple the rate of white women, respectively.^{1,2}

In recent years, there’s been a growing call for birth equity in an effort to reduce these disparities. Today, that call has never been louder, as we listen to and act with those most affected. We know that achieving birth equity requires multi-faceted solutions that are built to support individuals while bolstering local institutions and addressing systemic challenges. In 2022, we contributed by leveraging our resources—including PPH treatment options, strategic philanthropy, our network of partners, and our core purpose—to effect meaningful change in birth equity and improve maternal health, starting from the ground up, with communities.

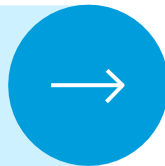
¹Centers for Disease Control and Prevention (CDC), *Maternal mortality rates in the United States, 2021*, 2023.

²National Center for Biotechnology Information, National Library of Medicine, *Severe Maternal Morbidity and Mortality Among Indigenous Women in the United States*, 2020.



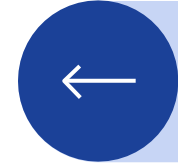
Listening to and acting with communities

We completed a Community Partner Needs Assessment with community-based organizations (CBOs) on how Organon can play an impactful role in the maternal health space. Through conversations with CBO leadership, we have identified elements of a desirable and impactful partnership, including shared values and commitment, equitable balance of resources and meaningful community engagement. This assessment has informed an initial phase of our collaborations to address birth equity. We have also identified other opportunities to work with CBOs, for example, in 2022, we co-signed an appropriations letter alongside 12 CBOs to request congressional funding for improved contraceptive and maternal healthcare.



Innovative product delivery

Over the past year, we have taken action to integrate the learnings from the PPH treatment pilot study to help low-resource, high-need facilities across the United States gain access to PPH treatment options.



Focused giving delivers impact

In 2022, we initiated a focus on birth equity as part of our philanthropic grant giving strategy. This included a partnership with the **New Jersey Birth Equity Funding Alliance (NJBEFA)** to help reduce maternal mortality in New Jersey and eliminate racial disparities in birth outcomes. NJBEFA – focused just outside of our corporate headquarters in Jersey City, NJ – has a unique grantmaking model anchored in relationships with communities and delivering sustained impact. Organon’s investment will allow NJBEFA to share best practices in New Jersey and beyond.

More resources, attention, and action are needed when it comes to ensuring equitable care for all mothers. While our journey begins in the United States, we seek to amplify this commitment globally, including in LMICs, and to help expand access by investing in the continuous development of PPH treatment options



Fertility access

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We believe everyone should be able to start a family, regardless of location, financial status, relationship or gender status, sexual orientation, or demographic and cultural background.

However, in many countries, barriers to accessing fertility treatments continue to exist. **We aim to bring the fertility community together to advocate for education and policy reforms to ensure equal access to fertility treatments and services for all aspiring parents around the world.** In partnership with Fertility Europe, we are advocating for equitable access to fertility treatment, including addressing the range of emotional twists and turns that take place along the fertility journey.





Value and affordability

For healthcare to be broadly accessible, it must be affordable.

We are committed to improving the affordability of care for women throughout the world. We work with women’s health and gender equality advocates, patient organizations, NGOs, multilateral organizations, and commercial partners to expand access and reduce barriers to care. Our investments in this area include 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.

As of the publication of this report, we do not have any value-based contracts for any of our products.

Our Established Brands portfolio embodies early innovation and deep heritage, including medicines that have in some cases been helping patients for decades, and some that have earned household-name status. The 49 products in our Established Brands portfolio represent a broad array of products that are generally beyond market exclusivity. The portfolio includes 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 around the globe to 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. We are maximizing every opportunity to meet evolving needs and reinvigorate our presence.

Within our commercial strategy, we continue to focus on Established Brands that provide high-quality options to governments and other payers.



Sustainable finance

In June 2023, Organon and CAF, Development Bank of Latin America, [signed](#) a memorandum of understanding to contribute to the United Nations Sustainable Development Goals (UN SDGs) through the design, structure, and implementation of sustainable finance programs that promote and improve equity, health, and autonomy of girls and women in Latin America and the Caribbean.

This is just one of the examples about how our company endorses sustainable finance instruments – such as labeled, sustainability linked bonds, blended finance, and social impact bonds –to fund initiatives with measurable outcomes that benefit society and the environment. Organon is working with partners on sustainable finance programs in eight countries - all in different phases - including Mexico, Colombia, Ecuador, Peru, Panama, Thailand, Kenya, and South Africa.

Sustainable finance instruments have become a common mechanism for companies and governments to fund environmental-related operational improvements, but using sustainable finance to advance social issues and investments is a new and potentially transformative approach, especially in healthcare, where the societal and financial impact have the potential to be significant.

At Organon, we have created a new and transformative model for working with governments, multilateral agencies, non-profit organizations, and other businesses to use sustainable finance to empower women to become the socioeconomic driver to unlock economic growth. We serve as the driver, planner, convenor and connector – engaging with governments around the world, using data to help them realize the value of sustainable finance mechanisms to improve lives and grow GDP; we then leverage our network to connect them with likeminded partners and subject matter experts to bring the proposed programs to life. In this way, Organon is helping governments understand the value sustainable finance can provide to their people and their economies through health-related investments.

We are intervening directly in four key areas that affect access:

- Health literacy
- Healthcare provider training
- Healthcare system strengthening
- Procurement and delivery

We look forward to continuing to engage stakeholders on the opportunities that sustainable finance provides to scale investments in women’s health, and in turn, improve all of society.





Biosimilars

Organon aims to improve healthcare economies and treatment access by providing safe and effective biosimilar medicines, because we believe biosimilars play an important role in making healthcare budgets more sustainable and treatment options more accessible to patients.

Biosimilars are biologic medicines that are highly similar, but not identical, to reference biologic medicines, which are therapies produced by living cells.¹

Biosimilars have no clinically meaningful differences from reference biologic medicines and must meet rigorous standards for market approval.^{2,3,4} They provide additional biologic treatment options and introduce market competition that can potentially reduce the costs of treating serious medical conditions.^{2,3}

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. 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.**

¹ U.S. Food & Drug Administration (FDA), [Biosimilar Basics for Patients](#), 2023.

² U.S. Food and Drug Administration (FDA), [Biosimilars Drop-In Articles](#), 2017.

³ U.S. Food and Drug Administration (FDA), [Overview of Biosimilar Products](#), 2021.

⁴ European Medicines Agency, [Biosimilar medicines: overview](#), 2023.

⁵ Total donations calculated using WAC cost, as of Jan 3, 2023.

Product donations to U.S. PAP in 2022⁵

\$18.9M

worth of biosimilars donated to eligible patients across the United States in 2022

In the United States, our Patient Assistance Program (PAP) provides certain biosimilar products free of charge to patients in critical economic situations. In 2022, we **donated \$18.9 million** of biosimilars to eligible patients across the United States.



Responsible pricing

We seek to advance responsible pricing to help improve health equity and access to medicines and healthcare. 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.

We regularly review our pricing strategies and prioritize patient access to therapies. We know that situations vary from market to market and from patient to patient. When considering pricing, we look at factors including value to patients and healthcare systems, unmet need, access, R&D sustainability, and competition.

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 family planning options 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 family planning options at cost-plus pricing.

For more information, please see [Improving access to contraceptive options](#).





Organon's position on intellectual property

Organon's development strategy seeks to achieve business continuity with its brands and unlock value from its existing products.

As part of its growth strategy, Organon seeks to continue to identify scientific collaborations and acquisitions to build an industry-leading pipeline across Women's Health with both early- and late-stage assets that enable scientific and commercial leadership and help solidify our position as a women's health partner of choice.

Each year, we invest in R&D to address the unmet health and medical needs of patients, especially women. Intellectual property (IP) protections provide a vital framework that enable us to develop innovative and life-changing treatments, cures, and other healthcare technologies for patients and consumers around the world. IP protections ensure companies like Organon can continue to invest in cutting-edge research, especially given the time and high cost it takes to develop new medicines and treatments, some of which

may never come to fruition. IP protections also encourage the disclosure of information and data that promote competition and facilitate the introduction of generic alternatives to the marketplace after a limited period of exclusivity.

IP protections that promote innovation, access, and affordability are critical to fulfilling our mission of improving the health of women around the world.

We advocate for predictable and effective patent systems that support, protect, and promote innovation. These systems encourage scientists, entrepreneurs, doctors, academics, and companies to develop new life-enhancing and lifesaving products. They also enable economic growth and promote the disclosure of information among competitors. We are transparent about our position relative to various aspects of IP treaties.



Patents

Predictable patent protection is important to the marketing of certain of Organon's products in the United States and in most major foreign markets. In addition to our products themselves, patents may cover pharmaceutical formulations, processes for, or intermediates useful in the manufacture of products, devices for delivering products, or the uses of products. Patent protection for individual products varies from country to country, depending on regulatory activity, the type of patent, and its scope of coverage. The effect of patent expiration also varies depending on other patents, the nature of the market and the position of the product in it, the growth of the market, the complexities and economics of the process for manufacture of the active ingredient of the product, and the requirements of new drug provisions of the U.S. Federal Food, Drug, and Cosmetic Act or similar laws and regulations in other countries. The protection provided by strong patent systems allows Organon the freedom to disclose information about its inventions openly, which speeds the development of competing technologies by other companies and organizations, creating an ongoing cycle of innovation and improvement.



Data exclusivity

Unlike other industries where companies can market products soon after getting a patent, new pharmaceutical products must first go through rigorous clinical trials to ensure they are safe and effective before being prescribed to patients. These clinical trials often cost hundreds of millions of dollars and take several years to complete, and the likelihood of success is uncertain. To encourage the development of generic products, regulatory agencies such as the U.S. Food and Drug Administration (U.S. FDA) allow the generic to rely upon the clinical work done by the innovator. In exchange, the regulatory agency provides the innovator an initial period of exclusivity before allowing generics to enter the market using the innovator's clinical data. This period of regulatory data exclusivity simultaneously encourages the development of safe and effective new medicines and facilitates the introduction of generic alternatives. Organon believes that data exclusivity periods should be provided for all new drugs, and the length of those periods should reflect the significant time and investment required to develop and test these treatments. We seek additions to market or data exclusivity in the United States and other countries through new legislation, as well as through legislative reform and implementation of international treaties.



Continuing pharmaceutical innovation

Developing new medicines is an iterative process, producing continued progress that further benefits patients. Ongoing scientific advances and data gathered from product usage can foster additional innovations that make products better, safer, or more useful, each of which has the potential to improve patient outcomes. These innovations include the discovery of new forms and uses of existing chemical compounds or substances better suited to patients' needs. For example, the development of a sustained-release dosage form of a known drug may make patients more likely to stick to their prescribed treatment. Patent and regulatory systems should offer incentives that support and encourage the development of follow-on pharmaceutical innovations, provided they reach established patent or regulatory thresholds.



Trademarks

Organon believes strong and effective trademark protection is in the best interests of consumers, patients, and governments, as well as the innovative healthcare industry. Consumers, patients, and healthcare professionals rely upon trademarks to indicate a certain level of quality and effectiveness and to avoid confusion with similar products. Accordingly, we believe a robust trademark registration and enforcement system is essential, not only to enable confident purchasing decisions and encourage fair competition, but also to protect the health and safety of consumers and patients worldwide. In all markets, Organon's important products are sold under trademarks that are considered in the aggregate to be of material importance. Trademark protection continues in some countries as long as used; in other countries, as long as registered. Registration is for fixed terms and can be renewed indefinitely.



Access and pricing

Organon works closely with governments and other organizations around the world to facilitate access through equity-based pricing, healthcare system capacity-building, patient assistance programs, and voluntary licensing arrangements. We believe that these mechanisms are effective for providing access while also promoting an IP framework that enables the development of new treatments for patients.



Access and affordability of healthcare in developing countries

We believe that IP protection is not a barrier to accessible and affordable healthcare. To the contrary, IP protections are the foundation of a system that has developed important new treatments for patients in need, including those for heart disease, migraine, asthma, and contraceptive methods, as well as other health issues that have a substantial impact on developing countries. To promote access to these medicines, we work closely with governments, non-governmental organizations, and other stakeholders around the world.



Compulsory licensing

At Organon, we are committed to addressing unmet medical needs in developing countries around the world. We recognize and support international agreements, including the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement and the Doha Declaration, that provide for the use of compulsory licenses in certain limited circumstances. However, we are concerned about the growing use of compulsory licenses, particularly for the purpose of favoring domestic industries. Doing so threatens the overall IP system, which has enabled the development of lifesaving medicines for millions of patients today and has the potential to create new therapies for millions more in the future.



In summary, Organon's portfolio-based approach to access

Given the unique business context of each of our three product portfolios, we do not have an enterprise-wide approach to access to medicines and healthcare. Instead, our approach to access is tailored to the products in each portfolio.

In Women's Health, we are working to expand access to our contraceptive options.

- We have made significant progress in advancing Organon's women's health vision and are committed to exploring product development partnerships and other opportunities to improve and sustain access to this product in LMICs.
- In Fertility, we are investing in programs that expand access to products and services, including partnerships with fertility employee benefits managers.
- We remain committed to enhancing access to Women's Health products and biosimilars in the markets where they are approved for launch and distribution.
- Our Established Brands portfolio comprises products that are that are generally beyond market exclusivity and face generic competition in the markets where they are available. We continue to invest in improving the quality of these products to preserve their value to patients and health systems.

- Our Biosimilars portfolio comprises products that deliver value and cost savings for health systems and patients. We have implemented patient assistance programs in the United States and Canada that enhance access to these products for those eligible, and we are exploring the launch of similar programs in other countries. Given the contractual arrangement with our development partners, our ability to expand into new markets is limited.
- We strive to make sure that our innovative and lifesaving products are available to those who need them on a global basis. However, there are times when it is impossible or impractical to register products or specific indications for approved products in a particular country due to commercial reasons. In those circumstances, we may endeavor to satisfy unmet critical medical needs for life threatening conditions, in rare and isolated cases, through alternative processes as described in our "Unregistered Product Supply – UPS" guidance. We must always be mindful that such supply is never for the purposes of generating a product sale or otherwise benefiting Organon's business and must meet the letter and spirit of this guidance and of the applicable laws and regulations.
- Moreover, we seek to support health equity efforts by enhancing diversity in clinical trials. We continue to prioritize health equity in our clinical programs in various ways, such as collecting more data from underserved and underrepresented populations to continue to build more culturally relevant and appropriate practices. To learn more about our efforts, please see [Diversity in clinical trials](#).





Human capital

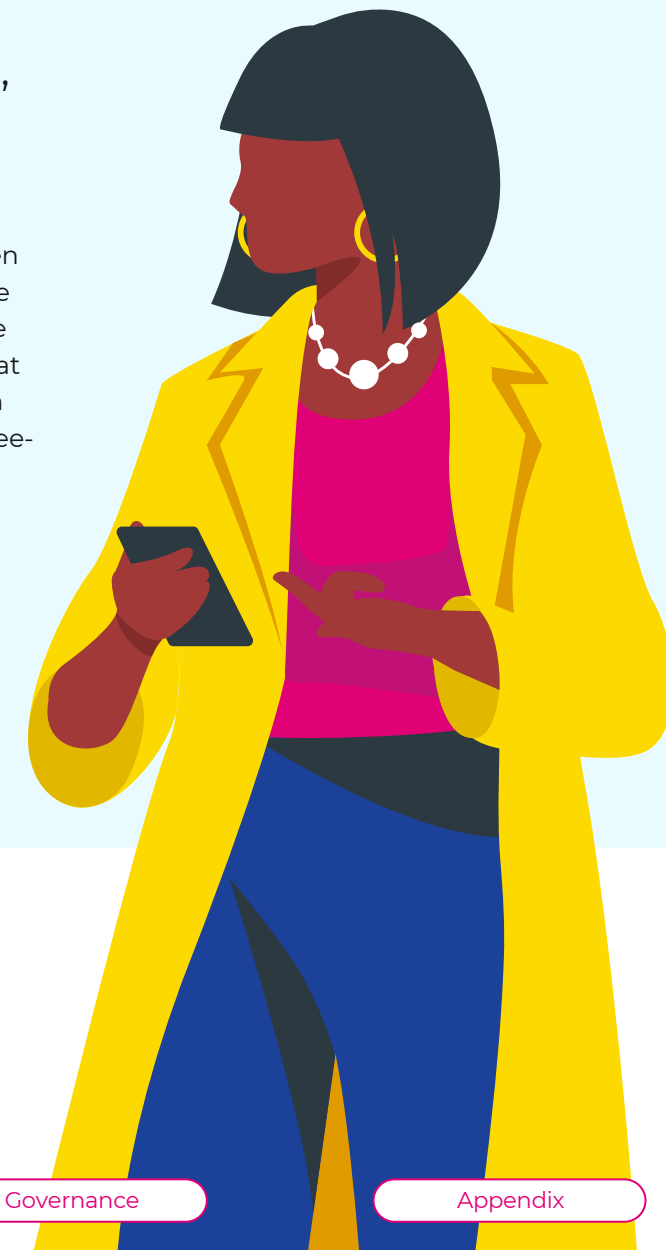
To create a better and healthier every day for every woman, we need a talented, dedicated workforce. As part of our efforts to foster that workforce, we have created a powerful culture, built around our purpose.

Over the past year, we have continued to build our culture including instituting a full lifecycle strategy of listening to our employees from the moment they join us as a new hire through their decision to leave.

We have made continued progress in strengthening our culture of belonging during 2022, our first full year as a standalone company. Our Founder Experience Survey, which we conduct annually to monitor employee satisfaction, saw an **89% response rate and an engagement score** at the 75th percentile for the second year in a row. In our Founder Experience Survey, **our employees ranked belonging and engagement at 85%, with well-being at 75%**. Well-being remains a focus for Organon, and overall employees describe the company as respectful, diverse, collaborative, and flexible, among other positive qualities.

Just as we listen to her about the needs for her health, we listen to our employees' ideas about how to enhance our culture. We aim for our employees to be engaged and committed. And we also want them to feel that they can be their authentic selves at work and that they have time to rest and recharge so they can be at their best. We assess the founder experience using a three-pronged approach that measures the balance of employee engagement, belonging, and well-being.

Our human capital strategies incorporate what we learn from listening to our employees. We have taken a wide range of actions in response to their feedback across these three areas.



From the company's launch in 2021, we have referred to our employees as "founders," referring to the outsized role and impact they have in establishing a new type of company built on our purpose of women's health. This mindset has helped us drive our culture and live our vision and values. We built a series of programs, such as our monthly Foundations for Founders series, dedicated to helping enhance founders' career-growth experiences.



Employee engagement

We believe the best way to increase engagement is to listen to our employees and act on what we hear.

All managers receive annual Founder Experience Survey reports for their teams, as well as training on best practices for action planning. We also asked all managers to share their team results and create local-level action plans to address feedback. Each department also developed action plans to address common themes.

To maintain a strong leadership focus, we have succession plans that cover the top two levels of our organization, with additional levels included in some functions. We discuss our talent at our Executive Leadership Team meetings. We also review executive succession planning with the Talent Committee of the Board in order to evaluate the strength and depth of our bench.

Career growth is an area of focus for our employees. We believe everyone has a fundamental right to learn and grow. We offer a wide variety of programs that allow any employee to diversify their skills through formal learning, social interactions, and/or on-the-job experiences. These opportunities begin early through our Future Talent Program, which consists of internships, co-ops, fellowships, apprenticeships, and student work opportunities across the globe. Program duration and hiring timelines vary by geography, but the overall goal of the program is to provide a well-rounded experience that includes mentoring, access to leadership, team-building, and on-the-job training for careers in the pharmaceuticals industry.

We have partnered with the Rutgers University Ernest Mario School of Pharmacy for our Global Medical Affairs and Outcomes Research Fellowship Program, aimed at helping PharmDs build foundations as future leaders in the pharmaceutical industry. Additionally, we have collaborated with Florida A&M University's College of Pharmacy and Pharmaceutical Sciences - Institute of Public Health on our Global Field Medical Center of Excellence Fellowship Program, which is designed to assist PharmDs in developing a strong foundation as future leaders in the pharmaceutical industry.

We ask all employees to adopt a growth mindset and to have growth conversations with their managers as they plan their careers. We have a partnership with LinkedIn® Learning to provide all employees with access to developmental training. We adopted new ways of learning with curated learning journeys aimed at developing a culture of feedback and encouraged employees around the world to have “Conversations that Count” about their priorities and their career growth on an ongoing basis.

These forward-looking conversations are focused on strengths and development and can happen at any time. Check-ins are initiated by employees to ensure their actions align with company priorities, reflect on feedback they have received, or talk about career development. These conversations establish a continuous cycle of feedback and check-ins. They also set the stage for our plans to implement additional development programs. In 2023, we will focus on raising our 20% internal mobility rate by implementing programs that allow our employees to diversify their roles within Organon more easily.

In 2022, we launched a pioneering approach to performance management that allows our employees to take an ownership role in the feedback process. Our employees can request feedback from a variety of stakeholders and check in with managers for coaching as often as they like, within the natural ebb and flow of their work. This ongoing cycle of feedback and check-ins replaces the traditional annual performance review and rating with a system that allows us to recognize and reward our employees' efforts continuously.

In addition to our ongoing feedback cycle, our Annual Compensation Process (ACP) supports our purpose-driven pay for performance approach. This process typically occurs in the first quarter of the year, and it includes base pay increases, annual incentive plan payments, and issuance of long-term incentives to eligible founders.

The Annual Incentive Plan (AIP) provides eligible founders with an opportunity to share in our company's success, as determined by our Company Scorecard which establishes our financial and organizational health priorities for the performance period. Our collective contributions to achieving our Scorecard priorities determine our organizational success and the funding for the plan.

We also introduced a new program, Thrive, that allows managers globally to recognize the exceptional performance or results via cash-based discretionary rewards. We define exceptional performance as consistent over-achievement of the responsibilities for a given role.



Attracting top talent

The success of our business depends on our ability to **recruit top talent around the globe**: Since becoming a standalone company, more than one million job seekers have visited our career website, and as of early 2023, 77% of our open positions are filled by external candidates.

The global nature of our operations means that we target talent with particular skill sets in different parts of the world. For example, in Europe our talent pipeline is focused on engineering, quality, and supply chain expertise, while in China we are focused on sales and marketing roles.

1M+

job seekers have visited our website

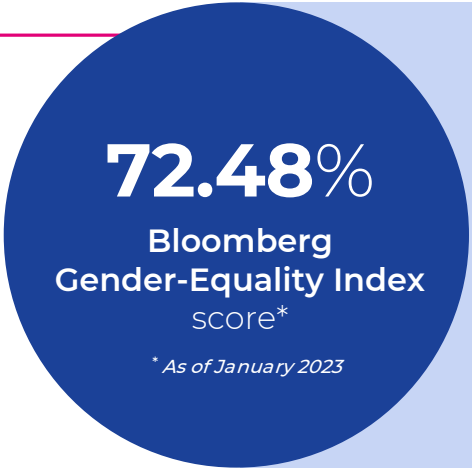




Diversity, equity, inclusion, and belonging

A culture in which every employee feels empowered to be his or her authentic self must nurture DEI&B. We recognize the intersectionality of gender, class, and race/ethnicity, and we work to advance equity among historically underrepresented groups as defined by their geographic and cultural contexts.

Our Founder Experience Survey indicated that 90% of our employees feel diversity is valued at Organon, and 86% feel they can be their authentic selves at work. We assess differences across groups in these results, and we see overall parity between men and women, as well as between underrepresented ethnic groups and white employees. These results are a testament to both our core value We All Belong and the intentional work we do to support DEI&B.



Among
Organon
employees



90%

Feel **diversity** is valued at Organon.

89%

Feel they are **proud** to work for Organon.

86%

Feel they can be their **authentic selves** at work.

85%

Feel their **work** gives them a sense of personal accomplishment.

Source: Founder Experience Survey, conducted September and October 2022.



How our founders described our culture in our 2022 Founder Experience Survey



We aim to recruit diverse talent and work toward that goal by partnering with diversity-focused organizations and associations. In 2022, we expanded our network to a total of 20 partners that help us build diverse talent pools.

We launched a Global Talent Sourcing team and established partnerships with universities in local communities around the world to help identify and engage with diverse talent in the marketplace and strengthen our entry-level pipeline. We also signed the Hispanic Promise, a pledge to prepare, hire, promote, retain, and celebrate Hispanics in the workplace, as well as the Disability:IN CEO commitment to expand disability inclusion efforts.



Organon's Canada operation earned the Women in Governance Parity Certification (WiG), demonstrating its commitment to gender parity in the workplace. The evaluation takes into account more than 75 quantitative and qualitative criteria that demonstrate Organon Canada's consideration of the multiple impacts of diversity and intersectionality on career advancement opportunities for women. In addition to evaluating gender parity at the decision-making level, the certification's process also assesses the implementation of mechanisms enabling women to achieve career advancement at all levels within the organization, creating a full pipeline of female talent. The certification pays particular attention to intersectionality to ensure that women of color, indigenous, and LGBTQ2S+ women, as well as women with disabilities, are not left behind.

Our efforts to engage and support the diverse talent already in our ranks included the creation of toolkits and workshops designed to better equip people to have courageous conversations with each other or address potential unconscious bias. We also have 10 Employee Resource Groups (ERGs) that promote community and belonging, as well as sponsor programs that are open to all employees on topics including suicide prevention and mental health, parenthood, reverse mentoring, psychological safety, and caregiving. Approximately 22% of our employees are members of at least one ERG.





Our Employee Resource Groups include:

Asian Pacific Association

Aims to represent a network of business leaders dedicated to accelerating business growth by focusing on the importance of culture, people, and community

Black Leaders Network

Aims to promote diversity, equality, inclusion, and belonging within Organon and the community at large while also providing our members with a safe, open outlet to connect with other colleagues to empower, motivate, and maximize the potential of Black employees

HER ERG

A community of employees committed to cultivating value from our diversity and empowered to freely voice concerns and propose resilient and equitable solutions for a better every day for every Organon woman

Intercultural Home

A community that aims to be inclusive and celebratory of all employees' diverse cultures, faith, traditions, and philosophies. The ERG is driven by our common humanity to act with kindness and compassion to serve as agents of good works in our communities and the world

Families@Organon

This group was created to connect parents and caregivers across the globe by providing support and advocacy for resources, programs, and policies that meet their professional and personal needs at every stage of parenting and caregiving

Next Generation Network

Created to attract, retain, and develop Organon talent through a global inter-generational workforce community that strives to promote innovation and influence enterprise strategy

Organon capABILITY Network

Aims to create a welcoming and inclusive environment for colleagues with disabilities, ensuring that Organon is a place where all founders belong and have opportunities to thrive

Organon PRIDE Network

A group comprised of our global network of LGBTQ+ individuals and allies dedicated to creating a safe, equitable, and inclusive environment every day so all founders can be their true, authentic selves

Organon Hispanics, Latinos, and Allies (OHLA)

Aims to create an inclusive and empowering environment for Hispanics, Latinos, and their allies to impact business insights, career development, and corporate responsibility

Veterans ERG Organon (VERGO)

Aims to promote Organon as an employer of choice for veterans, supporting employees who serve within the company and their communities, providing mentoring support, building partnerships with service-related organizations, and serving the local community



Our DEI&B efforts helped us garner a host of awards as an employer of choice in 2022.

2022 Comparably awards:

- Best CEO
- Best CEOs for Diversity
- Best CEOs for Women
- Best Company Compensation
- Best Company Culture

- Best Company for Diversity
- Best Company for Women
- Best Global Culture
- Best HR Team
- Best Operations Team

- Bloomberg Gender-Equality Index
- DE&I Best Practices Belonging Award
- Happiest Employees
- Newsweek Most Responsible Businesses
- Prime Employers for Women Gold Award

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 strive to maintain our current global gender balance while increasing the number of women in mid-to senior leadership roles.¹



Our female representation in roles at director-level and above increased from 43.45% in 2021 to 46.70% in 2022.

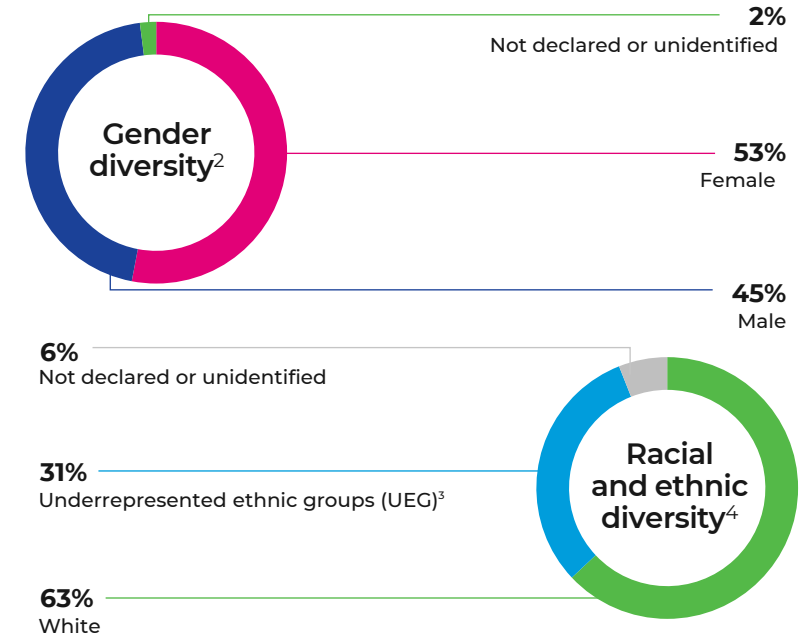
PROGRESS

In 2023, we intend to expand our women's leadership development curriculum and continue to evolve our learning programs to promote leadership among all employees. We recognize that diversity looks different around the world, so we also plan to launch a Global Diversity Council made up of business leaders from our locations worldwide who will help differentiate our DEI&B strategy at the local level. In addition, we are participating in the CEO Action for Diversity & Inclusion's Mentoring Initiative for Diverse Executives, in which C-suite leaders across organizations come together to accelerate the development of diverse senior leaders.

In support of our gender parity goal during 2022:

- We became a signatory for the UN Women's Empowerment Principles, which aim to advance gender equality.
- We participated in the Bloomberg Gender-Equality Index, garnering a high score for brand and equality.
- We participated in McKinsey & Company's Women in the Workplace report, the largest study of women in corporate America.
- We obtained the EquidadMX certification from the Human Rights Campaign, demonstrating our commitment to LGBTQ+ inclusion in Mexico.

What diversity looks like among Organon employees:



See data tables in the [Appendix](#) for a more detailed breakdown.

For more information on our [Supplier Diversity program](#), please see the [Procurement & supply chain practices](#) section of the report.

¹Where and to the extent permitted by law.

²Gender representation values are global and are as of end of period December 31, 2022. Totals may not add to 100% due to rounding.

³Underrepresented 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).

⁴Race and/or ethnicity representation values are for the United States and are as of end of period December 31, 2022. Totals may not add to 100% due to rounding.



Pay equity

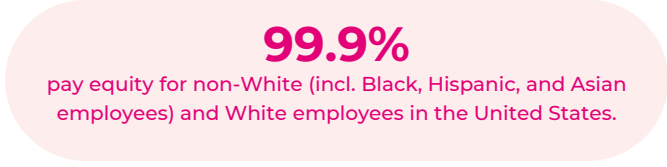
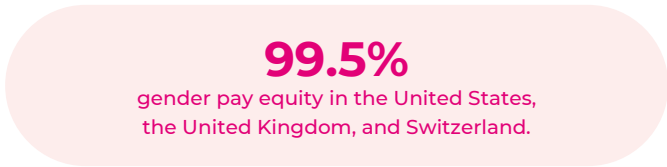
Our strategy aims to achieve pay equity across our global operations, and we are making notable progress toward this goal.

Our goal for pay equity

We aim to achieve pay equity.

We have completed pay equity studies conducted by external economic and legal experts in three of our largest markets (the United States, the United Kingdom and Switzerland) and, in 2023, plan to conduct studies on these and additional markets, which, in total, account for approximately 60% of our global employees.

PROGRESS



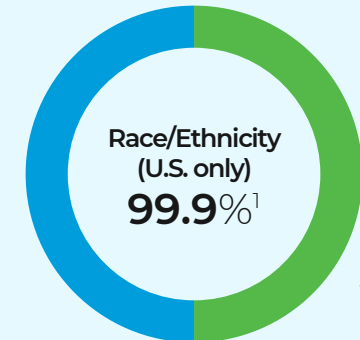
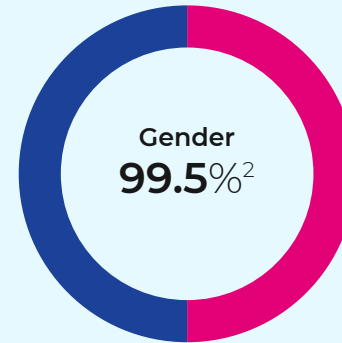
In 2022, we engaged external economic and legal experts to complete our first pay equity study in three of our largest markets (the United States, the United Kingdom, and Switzerland). The study showed that we have achieved greater than 99% pay equity for similarly situated female and male employees in equivalent positions. Additionally, the 2022 pay equity study for the United States showed that we have achieved greater than 99% pay equity for similarly situated non-White (including Black, Hispanic, and Asian employees) and White employees in equivalent positions.¹ Where appropriate, based on the determinations of our pay equity studies, we will make base salary adjustments to support our progress toward sustained pay equity.

Going forward, we intend to continue to use comprehensive evaluative approaches to support equitable decision-making regarding compensation allocation across our organization. These include regular pay equity studies in other regions over the next three years and the continuation of our new Performance and Rewards @Organon program, which is designed to help foster pay equity practices.

Among Organon employees:

Overall, our gender pay equity is balanced at **>99%**
Our U.S. diversity pay equity is also healthy at **>99%**

PROGRESS



¹ Due to local legal and regulatory requirements in the United Kingdom and Switzerland, there was insufficient information available to conduct this second analysis outside the United States.

² Adjusted to account for legitimate labor economic factors

³ 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).



Employee benefits and well-being

As Organon began its first full calendar year as a stand-alone company, we focused on creating a culture in which our employees have the time to leverage the benefit programs we offer.

Well-being is influenced by our experiences at home, in our community, and at work. We design our compensation and benefits to support our employees physically and mentally, as well as financially. We prioritize work/life balance, including offering flexible work options based upon employee needs.

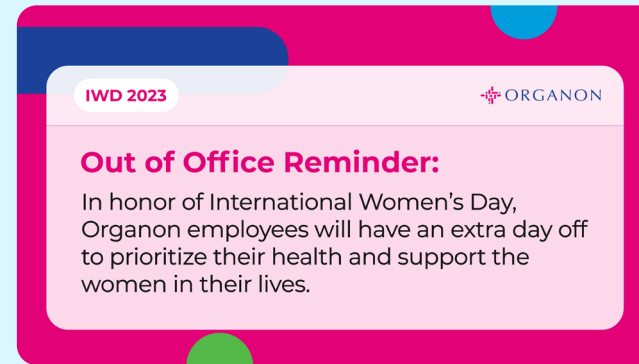
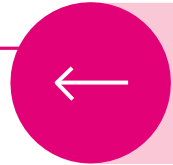
To support employees' mental health, a majority of markets offer access to online meditation services, free professional counseling, work/life services, and speaker-led workshops on topics like time management through our global Employee Assistance Program (EAP) provider, Resources for Living.

Our Founder Experience Survey identified two overarching themes among our employees: a desire to understand the resources available to them and opportunities to take the time they need to care for themselves and loved ones. We offer a wide range of programs that respond to these needs.

A comprehensive benefits package

We offer benefits that aim to enrich the health and well-being of the majority of our employees around the world, including:

- Retirement plans with competitive employer contributions
- Tuition reimbursement
- 12-week gender-neutral paid leave for birth, adoptive, and surrogate parents
- 20 days of bereavement leave for employees who have experienced pregnancy loss
- Comprehensive health benefits that typically include preventive care and screenings
- Specialized services for employees navigating complex diagnoses
- Coverage for a full range of transgender-related services and procedures
- Access to online meditation services
- Free professional counseling
- Work/life balance services and workshops
- Country-specific work/life programs in all markets



We gave employees around the world time off in honor of International Women's Day, encouraging individuals to use this time to make a commitment to their own health and the health of the women in their lives. Among other things, employees used this time to make overdue medical appointments, spend extra time with loved ones, and focus on their personal well-being.



When the Russo-Ukrainian War escalated in 2022, our global EAP partner hosted an array of support programs in local languages for employees in Ukraine and Russia, including on-demand and Organon-hosted sessions on topics, including **“Supporting Your Children in a Time of Conflict”** and **“Remaining Resilient During a Crisis.”** A new toll-free number was made available in Ukraine, with clinicians on call 24/7/365 to provide in-the-moment crisis support in Ukrainian to employees and their loved ones.

In conjunction with **World Menopause Day on October 18, 2022**, we raised awareness through our menopause series and the launch of our **Global Care Leave guidelines for employees**, which provide a framework for women to take time off to manage menopause symptoms where existing local and/or statutory policies do not cover such absences. More than 1,000 employees participated in the three-part menopause series, and another 400 viewed the replay. Our UK, Northern Europe, and Israel menopause policy provides education and resources for those experiencing menopausal symptoms, as well as managers of employees with menopausal symptoms.

We enacted Global Care Leave guidelines, which **provide a framework for employees to take a minimum of 10 days off to manage issues such as caregiving, family planning, self-care, and home emergencies**, where existing local and/or statutory policies do not cover such absences. We plan to assess opportunities to extend similar benefits to employees outside the United States where legally permissible.

In 2022, we supported our employees’ general well-being through 28 learning sessions around the globe, covering topics ranging from time management to conflict resolution, parenting, and more. We supported their financial well-being through educational assistance and generous retirement benefits that include both 401(k) matching contributions and retirement contributions based on years of service and age for U.S. employees. In March 2022, we funded the U.S. retirement contribution for the first time as a standalone company, contributing approximately \$10 million of financial support toward our employees’ retirement savings. And to support mental well-being, we offer employees and their family members around the globe access to the Calm app, which helps manage stress, build mindfulness, and become more resilient. We offer U.S.-based employees access to specialized caregiver support throughout our partner, Wellthy, an app that connects people with community and professional resources, removing some of the stress of caregiving by helping them manage their day-to-day caregiving tasks.

During World Infertility Awareness Month in June 2022, we shared simple tips for how our employees could support one another as they navigate their fertility journeys. Globally, we are working to review and update our benefit offerings and policies to ensure that we support our employees through a variety of circumstances, as part of our diverse and inclusive workplace. Our Global EAP, through our Resources for Living partnership, offers resources and a variety of emotional support for a broad range of issues that can create stress or disrupt life.

We provide up to 20 days of bereavement leave for employees who have experienced pregnancy loss in many countries across our operating regions.





Employee health and safety

Maintaining a safe and healthy working environment for employees, contractors, and guests is not just the law – it’s the right thing to do.

Our Environmental Health and Safety (EHS) Council, made up of senior leaders across all business functions, is responsible for ensuring that we maintain a safe workplace and a culture of EHS excellence. The Global SHE group is responsible for overseeing our EHS Management System, which is implemented throughout the organization through EHS policies, standards, and procedures. The EHS Management System applies to all workers in all of our workplaces. We perform periodic internal audits to assess compliance with internal policies and regulations, as well as to identify areas for potential improvement. We are committed to protecting our employees, contractors, and visitors by effectively identifying and managing risks.

We are continuing to implement our Employee Safety and Wellness Program, a behavioral safety program that aims to achieve an incident-free safety culture within our manufacturing operations. The program provides access to tools, training, and resources to our employees.

We have also implemented a new global Driver Safety Program focused on our employees who are traveling for business, aimed at increasing drivers’ risk awareness and decreasing driving-related incidents.

Programs like these exemplify our belief that every employee can establish positive safety behaviors. We support this belief further by providing both in-person and online EHS training for many job classifications and encouraging open communication about safety-related situations. Employees are required to immediately report accidents, injuries, unsafe conditions, and near misses to their supervisor. We set annual injury and illness performance targets and objectives and monitor progress monthly. When safety events occur, we work to identify the cause and put corrective actions in place.

In 2022, we reported 22 recordable work-related injuries among employees. Recordable injuries are non-fatal injuries that occur in the workplace and result in days away from work, restricted work, or medical treatment beyond first aid. There were no Organon work-related fatalities in 2022. For more information, please see our **performance data tables** in the [Appendix](#).

We also work with our external partners to support their efforts to operate in an ethical, safe, and environmentally and socially responsible manner. We monitor these efforts through periodic assessments and corrective actions. For example, we assess our supply network to identify EHS risks associated with external partners’ activities and operations and consider compliance with EHS regulations and integrity of EHS programs when selecting partners.





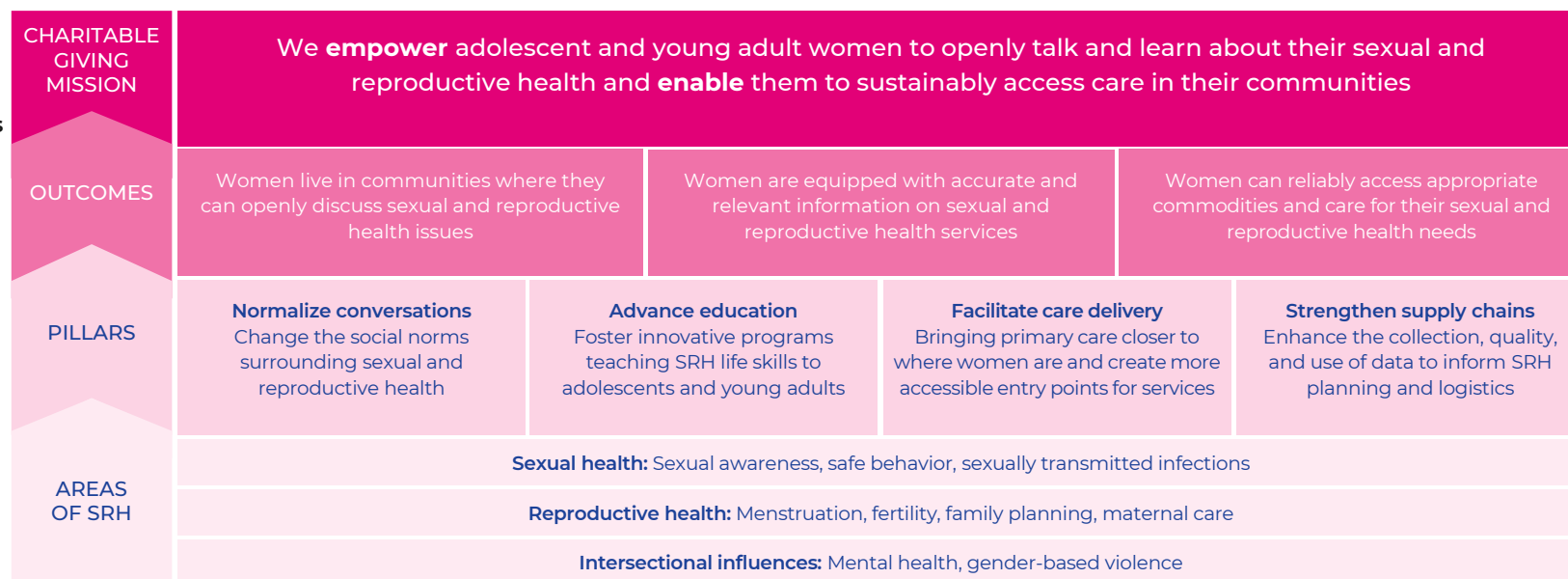
Community engagement

As part of our commitment to Her Promise, we endeavor to support communities in need by partnering with organizations that provide health services for historically underserved groups and those that provide a timely response to disasters and humanitarian crises.

In 2021, Organon approved its ESG commitment. This included a mandate to develop a charitable giving strategy centered on the “Her Promise” vision. Organon’s charitable giving includes a portfolio approach – this overview anchors on identifying where Organon can invest in the core component of that portfolio: strategic giving.

Focusing the strategy on the sexual and reproductive health (SRH) of adolescent and young adult women will maximize impact and align with Organon’s commercial objectives. Within this scope, we identified four pillars which can support this mission:

- Normalizing conversations to change the social norms surrounding sexual and reproductive health.
- Advancing education to foster innovative programs teaching SRH life skills to adolescents and young adults.
- Facilitating care delivery to bring primary care closer to where women are.
- Strengthening supply chains to enhance the collection, and quality of data used to inform SRH planning.



Our markets around the world tackle these pillars differently depending on the existing strength of their enabling environment and the severity of SRH outcomes in their region. The charitable giving strategy is implemented via a combination of globally-directed and market-led grants, beginning with Her Promise matching grants, with the possibility of a signature global initiative in the future.



Through our **Her Promise** grants program, we supported our partners' varied efforts in their communities to advance gender equity – a critical driver and outcome of SRH.

The launch of this global grants program provided resources to help women and girls reduce unplanned pregnancies and take control of their reproductive health. The first cohort of grantees includes organizations in 13 countries, including the Dominican Republic, South Korea, Germany, and Thailand.

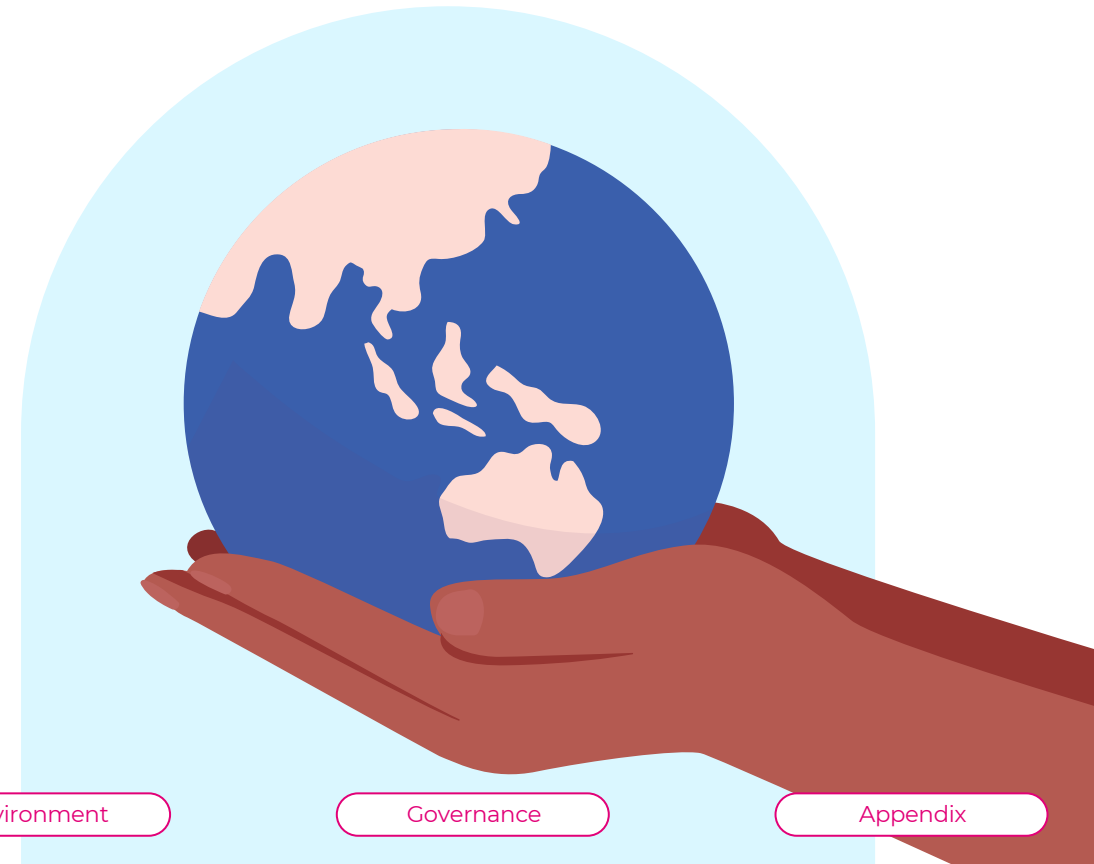
In addition, we seek opportunities to engage subgroups of women who have been historically left behind and support our partners' efforts to specifically target outreach and services for them. We recognize that policies often fail to support SRH, and we encourage our partners' efforts to advocate for needed policy change. Our grantees' advocacy activities range from indirect efforts to spread awareness and uptake of best practices into policy, to more direct efforts to engage partners on integrating SRH and gender equity into new and existing policies. We support our partners' engagement with adolescent women through the design and delivery of SRH efforts. This includes providing hands-on leadership development, providing opportunities for young women to lead initiatives in their own communities, and engaging them in high-level summits to explore and inform new policy directions.

Worldwide, we are deeply committed to supporting communities in need and providing a timely response to disasters and humanitarian crises, working in collaboration with our nonprofit partners.

We supported CARE's humanitarian response efforts in Ukraine 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 Ukraine, 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.

We contributed to the disaster relief efforts of the Red Cross as part of their Disaster Responder program. In collaboration with key partners and stakeholders in collective disaster response efforts, the Red Cross assists families and communities affected by the various crises to find shelter and access meals, relief items, and individual care.





Employee volunteering

We encourage and support our employees to volunteer their time in the service of communities and nonprofit organizations that align with 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:



Our employees by enriching the quality of their lives and by providing opportunities for service experiences.



Organon itself, by building trust with neighbors and the community, enhancing employee skills, talents, and experiences, and furthering our reputation as a community partner.



Our broader communities 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.

To put this commitment to communities into action, our employee volunteer policy enables all full-time employees to dedicate 40 regularly scheduled work hours per calendar year toward volunteer activities.

Environment: Her Planet

In this section

- > Climate change
- > Climate change risks and resilience
- > Water usage
- > Waste management
- > Biodiversity

Photo: Organon environmental compensation project | Campinas, Brazil | January 2022



The health of women depends on the health of our planet. While the ongoing climate crisis affects the entire world, pervasive gender inequality magnifies its impact on women and girls.

At Organon, we are working to implement environmentally friendly practices and long-term sustainability across our operations and across our industry's value chain. These efforts help us contribute to positive change for women everywhere.

Our cross-functional EHS Council and ESG Council are responsible for overseeing our environmental sustainability strategy and goals. The EHS Council focuses on the implementation of our programs and our progress toward our environmental sustainability goals, while the ESG Council focuses on external communications and reporting associated with environmental sustainability. Both bodies include senior management representatives from various parts of the organization.

The environmental sustainability Center of Excellence (CoE) is part of our Global Safety, Health, and Environment (SHE) organization. The CoE, which reports to the EHS and ESG Councils, monitors the company's environmental performance, reports regularly on environmental issues, and supports our facilities as they work to meet our goals and maintain regulatory compliance.

Our SHE management system, which has been implemented throughout the organization, is generally aligned with the requirements of the International Organization for Standardization (ISO). The system's programs cover areas including greenhouse gas (GHG) emissions, air quality management, energy management, climate change risks and resilience, water management, waste prevention and management, biodiversity, and pharmaceuticals in the environment. These programs are intended to ensure that we follow all applicable environmental legislation, minimize our environmental impact, and continuously improve our environmental efforts.



Manufacturing

The Organon Manufacturing and Supply (OMS) organization has translated our environmental sustainability strategy into a set of environmental sustainability key performance indicators (KPIs) including energy usage, water usage, and waste.

All six of our owned facilities have a five-year environmental sustainability plan in place, with goals and objectives related to energy, GHG emissions, water, materials, and waste. The OMS SHE Council includes senior leadership representatives from all manufacturing facilities and support functions. It meets quarterly to measure and discuss progress against the environmental sustainability KPIs.

All our manufacturing facilities have an environmental sustainability lead who is responsible for overseeing the collection and review of environmental data, monitoring the progress of environmental sustainability plans, and implementing our global environmental programs.

Two of our six owned facilities and one of our commercial organizations are ISO 140001 certified. One of our six owned facilities is ISO 45001 certified.

Supplier Environmental Assessment

We strive to conduct business with individuals and organizations who share our environmental commitment.

To that end, our [Business Partner Code of Conduct includes requirements related to ESG, including environmental sustainability](#). We expect our suppliers to conserve natural resources and engage in activities aimed at reducing water usage, energy consumption, and GHG emissions. A team within our global SHE organization periodically screens our external manufacturers of active pharmaceutical ingredients and finished products for environmental health and safety compliance as part of our External Partner Evaluation Program. The screening includes topics such as regulatory compliance, fatalities and major incidents, and environmental impact.

Organon is an associate member of the Pharmaceutical Supply Chain Initiative (PSCI), a group of pharmaceutical and healthcare companies that share a vision of better social, health, safety, and environmental outcomes in the communities touched by our supply chain. We belong to working groups within PSCI with the goal of gaining and sharing knowledge and expertise across the industry.



Climate change

Climate change represents one of the greatest challenges humankind faces. Our long-term ambition is to support the transition to a low-carbon economy and achieve net zero GHG emissions in our operations and throughout our supply chain.

Emissions reductions, energy management, and the transition to renewable and alternative power sources are key components of our environmental management strategy. In addition to reducing our environmental impact, our approach is focused on reducing operating costs and mitigating potential business impacts associated with future regulatory requirements related to climate change.

¹ For our baseline, we assumed that fleet emissions for 2020 are the same as in 2022.
² Biogenic emissions are included in our Scope 1 and 2 GHG emissions goal.

Our goals for environmental stewardship

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 2020 levels.^{1,2}
 - our goal is to have **at least 70%** of our supplier spend devoted to suppliers that have GHG emissions reduction programs.
 - we plan to **characterize our Scope 3 GHG emissions** and regularly update them to reflect our supply chain.

ACHIEVED 2022
We have made progress on our goal of characterizing Scope 3 GHG emissions by developing an initial estimate of Scope 3 GHG emissions in 2022.

PROGRESS

- **3.4% reduction** in Scope 1 and 2 GHG emissions against the 2020 baseline.
- We began **reviewing our suppliers' GHG emission reduction plans**. We are evaluating supply chain risk management tools that will track, trend, and help develop our suppliers' environmental sustainability.





Greenhouse gas emissions

We have implemented our corporate energy management standard at our six owned manufacturing sites. This standard requires responsible and efficient energy management, as well as associated GHG emission reductions.

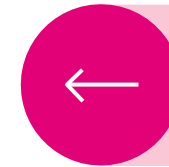
We track our manufacturing facilities' energy usage quarterly and consolidate the results as part of our global energy usage reporting. The environmental sustainability CoE is responsible for calculating GHG emissions associated with our site energy usage per the standards laid out in the Greenhouse Gas Protocol.¹ Energy efficiency and demand reduction are also part of our manufacturing facilities' five-year environmental sustainability plans.

Our Scope 1 emissions include gases and fuels consumed at our six owned manufacturing facilities, mainly for combustion installations and to produce heat for manufacturing processes, as well as the emissions associated with our commercial fleet. Our Scope 2 emissions include the emissions associated with the electricity and steam we purchase for use at our owned manufacturing facilities.²

Our Biogenic Emissions includes primary supply of steam generated at a local biomass plant that burns wood chips.

Our vehicle fleet represents approximately 15% of our total Scope 1 and 2 GHG emissions. We calculated our fleet's emissions based on the actual number of drivers and estimates of miles driven and fuel consumed. We are planning to develop and implement a fleet GHG emission reduction plan.

Encouraging sustainability



In 2022, our manufacturing facility in Heist, Belgium organized two car-free days, during which all employees were encouraged to commute to work using a mode of transport other than their own car. Every employee who came to work in a sustainable way, such as by bike, on foot, by public transport, or by carpooling, received a free lunch voucher.

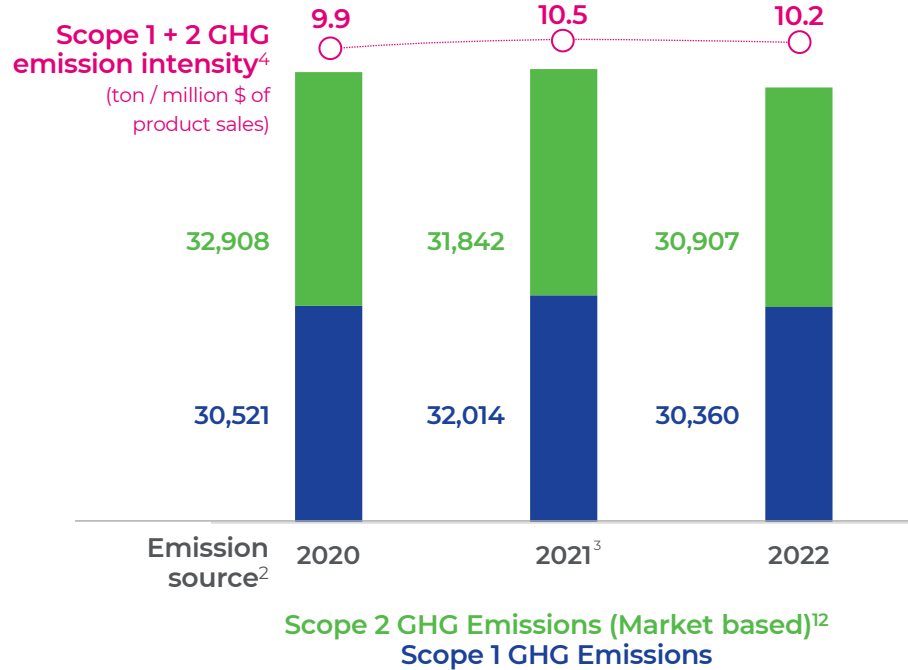
We updated our car policy in the Netherlands during 2022. Only electric vehicles will now be available for new leases. Within the next five years, all leased cars in the Netherlands will be electric vehicles.

¹The inventory of Scope 1 and 2 GHG emissions includes carbon dioxide (CO₂), Methane (CH₄), Nitrous oxide (N₂O) and hydrofluorocarbon (HFC's) from refrigerant use.

²We use two methods to calculate Scope 2 electricity emissions based on standard guidance: a location-based method and a market-based method. The location-based method considers average emission factors based on the electricity grid that provides our electricity. The market-based method considers contractual agreements under which we procure power from specific suppliers or sources, such as renewable energy.



Scope 1 + 2 GHG emissions (MT CO₂e¹)



¹ MT CO₂e = metric ton of carbon dioxide equivalent

² Emission factors are from the U.S. Environmental Protection Agency's (EPA) Emissions Factor Hub, Emissions & Generation Resource Integrated Database (eGRID) database and International Energy Agency (IEA).

³ Data presented represents information available as of 1 April 2023, including certain estimates and assumptions. Historical estimates may periodically be subject to revision due to data source restatements and updates to methodology.

⁴ Scope 1 and 2 GHG emission intensity is calculated based on ton of CO₂e per million \$ of product revenue.

⁵ Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but GHG emissions associated with the value chain.

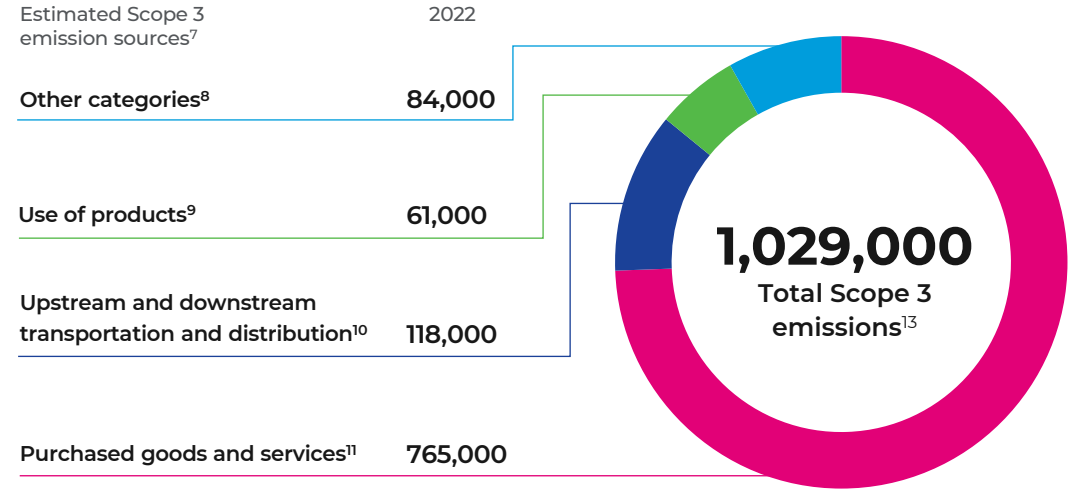
⁶ This is an initial estimate of Scope 3 GHG emissions in 2022 based on modelling aligned with The Greenhouse Gas Protocol (GHG Protocol) Corporate Value Chain (Scope 3) Accounting and Reporting Standard (also referred to as the Scope 3 Standard). The GHG emissions model may be subject to further revision which may result in adjustments to the estimated emissions for 2022 in the future. Scope 1 and 2 GHG emissions are based on reported emissions, not modeled emissions, and therefore are not directly comparable to Scope 3 emissions.

⁷ All sources that are contributing more than 5% to the total are included individually.

⁸ Other Categories include: Category 2. Capital goods, 3. Fuel and energy related activities, 5. Waste generated in operations, 6. Business Travel, 7. Employee Commuting, 8. Upstream leased assets, 12. End of life treatment of products and 13 downstream leased assets. Several estimates and assumptions are used to calculate these remaining categories. Category 10. Processing of sold products, 14. Franchises and 15. Investments are not relevant for Organon and excluded from our calculations. The GHG emissions for capital goods, waste generated in operations and end of life treatment are calculated based on spend data and the U.S. EPA Office

Scope 3⁵ GHG emissions⁶ (MT CO₂e)

We have **made progress** on our goal of characterizing Scope 3 GHG emissions by developing an initial estimate of Scope 3 GHG emissions in 2022.



For more information, please see our performance data tables in the [Appendix](#).

of Research and Development Environmentally Extended Input-Output (EEIO) Factors, Supply Chain GHG Emission Factors for U.S. Industries and Commodities-- Summary Industry Categories. Fuel and energy related activities are calculated based on Organon's energy usages and different sets of GHG emission factors according to GHG-emission protocol. Business Travel GHG emissions are based on our travel data and GHG emission factors for air, rail and car travel. Employee commuting GHG emissions are based on total headcount, assumptions on distance traveled, transportation mode and GHG emission factors for these transportation modes. Upstream leased assets is based on area, headcount and GHG emission factors for offices. Downstream leased assets are the actual reported energy usages of these assets, if not available an estimate has been done based on surface.

⁹ This source category currently includes the emissions associated with inhaler products.

¹⁰ The GHG emissions for upstream and downstream transportation and distribution were calculated using financial data and emissions factors from the U.S. EPA Office of Research and Development Environmentally Extended Input-Output (EEIO) Factors, Supply Chain GHG Emission Factors for U.S. Industries and Commodities-- Summary Industry Categories

¹¹ The GHG emissions for purchase goods and services were calculated using financial data and emissions factors from the U.S. EPA Office of Research and Development Environmentally Extended Input-Output (EEIO) Factors, Supply Chain GHG Emission Factors for U.S. Industries and Commodities-- Summary Industry Categories.

¹² Biogenic emissions are included in scope 2 GHG emissions. In the GHG-emissions table in the [Appendix](#) the biogenic emissions are reported separately.

¹³ May not add up to total due to rounding.



Other air emissions

We produce nitrogen oxide (NO_x) and sulfur oxide (SO_x) emissions by burning fuel and gas in our combustion installations, such as boilers and co-generation turbines, as well as other equipment at our six owned manufacturing sites.

Our fleet also generates nitrogen oxide and sulfur oxide emissions. We also generate emissions of volatile organic compounds (VOCs) due to the evaporation of solvents used at our sites, for example, for cleaning and disinfecting surfaces during our manufacturing processes. To clean our manufacturing equipment, we use water-based methods wherever they are as effective as solvents.

We have an air management program in place to manage air quality while complying with applicable legal and regulatory requirements and driving toward our overall environmental sustainability goals and ambitions. All six of our owned manufacturing facilities report quarterly on emissions of NO_x, SO_x, and VOCs. For more information, please see our **performance data tables** in the [Appendix](#).





Energy usage

Reducing our energy consumption is a key component of our efforts to reduce our Scope 1 and 2 GHG emissions. Our approach seeks to reduce our environmental impact, reduce operating costs, and mitigate potential business impacts associated with future climate change requirements.

The Energy Management Standard that has been implemented at our six owned manufacturing sites requires responsible and efficient energy management and associated GHG emission reductions. See [Climate change](#) on for details on our tracking and reporting activities.

The total amount of energy used by our operations in 2022 was 2.4% lower than our 2020 baseline. We reduced our purchased electricity and steam consumption by 5.6% compared to our 2020 baseline. While our site gas and fuel usages were up 0.6% from our 2020 baseline, they were down 6.2% from 2021 levels. The amount of renewable energy generated at our sites increased because we installed more solar panels at our site in Oss, Netherlands.

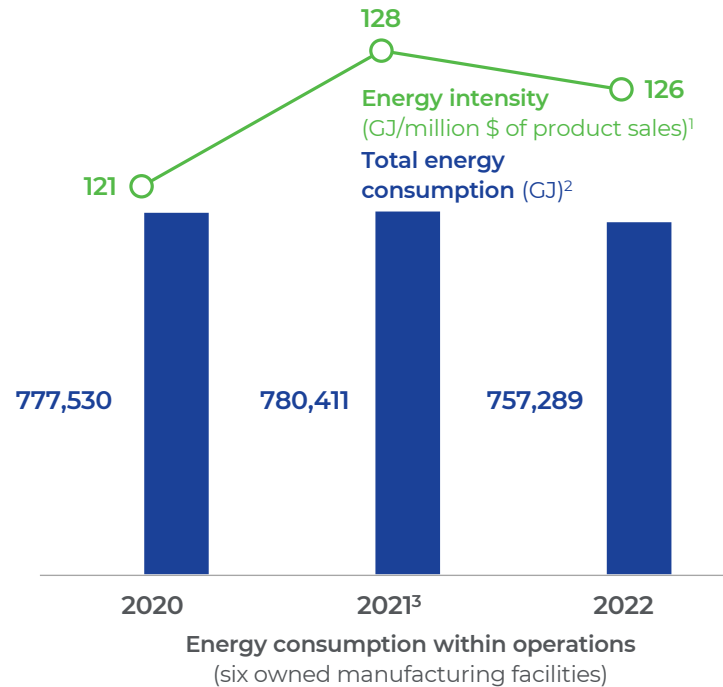
We are also integrating energy management into our process for designing and building new facilities. Our new lab in Spring House, Pennsylvania, is designed to Leadership in Energy and Environmental Design (LEED) principles and achieved LEED Gold certification in 2022.

In 2022, our facility in the Netherlands redefined setpoints for humidification and working hours on air handling equipment, reducing energy consumption by 0.75%. An additional reassessment and resolution of issues with ventilation units reduced total site energy use by 1.41%.

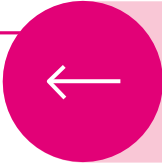
Our energy consumption primarily goes toward running our production equipment and ventilation systems, heating and cooling our buildings, lighting, and our on-site vehicle fleet. In the chart below, we present the total energy consumption and energy intensity of our six owned manufacturing facilities.

For more information, please see our [performance data tables](#) in the [Appendix](#).

Energy consumption and energy intensity



Harnessing renewable resources



Increasing our use of energy produced from renewable sources is part of our ESG strategy. In addition to seeking ways to increase the amount of renewable energy generated at our sites through new installations, we are looking for opportunities to purchase electricity from renewable sources.

- To increase our use of energy produced from renewable sources, we are currently joining Schneider Electric's Energize project to increase access to renewable energy for pharmaceutical supply chains. If accomplished, this venture will result in a transition of a significant fraction of our electricity consumption to renewable sources.
- We are currently at work on several capital projects to increase our use of renewable energy. For example, we plan to install a solar panel park at our site in Campinas, Brazil. When complete, the approximately 3,120 solar panels at the site would generate 3,076 megawatt-hours of energy per year.

¹ Energy intensity is calculated based on GJ per million \$ of product sales.
² The energy usage of our commercial fleet (which is also Scope 1) is not included in this overview. For the GHG emissions associated with our fleet, see our Scope 1 and 2 GHG emission data.
³ Data presented represents information available as of 1 April 2023, including certain estimates and assumptions. Historical estimates may periodically be subject to revision due to data source restatements and updates to methodology.



Climate change risks and resilience

We support the goals of the TCFD. To learn more about how we are managing climate-related risks and opportunities, please see our TCFD Index in the [Appendix](#).

Going forward, we will continue to assess potential impacts of climate change on our business.

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Water usage



Access to clean water is essential and vital component of our industrial processes.

Our water management standard requires responsible and efficient water usage, ensures wastewater discharges adhere to external and internal standards, and manages water risk at our facilities. Each of our six owned manufacturing facilities is responsible for the management of water resources and for implementing the requirements of our water quality standard.

We manage and treat wastewater from our manufacturing facilities prior to discharge in line with regulatory standards and internal Company requirements to minimize environmental impacts. We track and report water data quarterly at our owned sites through a centralized system. Our environmental sustainability CoE uses this information to gain insight into the global impact of our water usage. Water management is also part of our manufacturing facilities' five-year environmental sustainability plans.

¹ Data presented represents information available as of 1 April 2023, including certain estimates and assumptions. Historical estimates may periodically be subject to revision due to data source restatements and updates to methodology.

² This graphic provides a breakdown of operational water usage at our six sites: Campinas, Brazil; Cramlington, United Kingdom; Heist, Belgium; Oss, Netherlands; Pandaan, Indonesia; Xochimilco, Mexico.

³ Note: Ground water used for non-operational activities is excluded from total water use data.

- By 2025**
 - We aim to **reduce water usage in our operations by >5%** from 2020 levels.
 - Our goal is to have at least 70% of our supplier spend devoted to suppliers that have water reduction programs.
 - We plan to **characterize the water usage** in our value chain and regularly update it to reflect our value chain.
- By 2050**
 - We aim to **integrate water stewardship principles** into our business models.

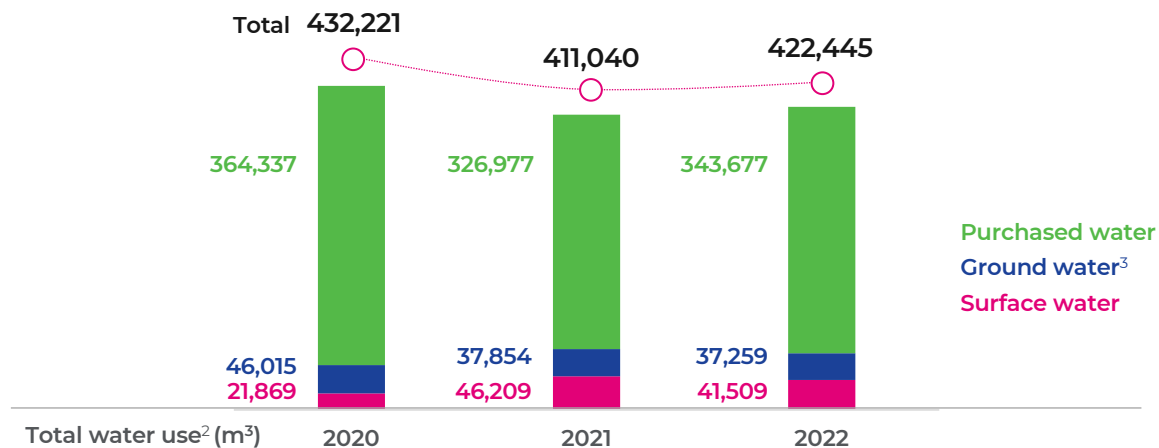
PROGRESS ▼ **2.3% reduction** in water usage compared to 2020 levels.

Our operational water use was as follows

Total water withdrawn by source

Total water use (m³)

(six owned manufacturing facilities)¹



For more information, please see our **performance data tables** in the [Appendix](#).



In late 2021, we endorsed the [UN Global Compact CEO Water Mandate](#), an initiative that mobilizes business leaders on water, sanitation, and the United Nations Sustainable Development Goals.

In 2022, our Cramlington facility in England changed a tablet manufacturing process, which has resulted in a reduction in the volume of water consumed from approximately 270 liters per batch to 120 liters per batch. This represents a water reduction of 173 cubic meters (m³) per year. Since the water used for this process is treated in an offsite facility, the project also reduced waste by approximately 173 metric tons per year, approximately 14% of the total waste generated on site.



To reduce our water usage at our facility in Pandaan, we have introduced several initiatives to conserve groundwater and reuse water where possible. 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. We also installed a new automated sprinkler system which reuses condensate water from air handling systems supplemented by water from the infiltration well. Collectively, these initiatives are expected to conserve up to four cubic meters of water per day.



To conserve water and increase biodiversity, our manufacturing site in Oss, Netherlands installed a WADI. This floodable water infiltration area includes native vegetation and was designed to support employee well-being as well as biodiversity. The buffering infiltration area of 8,500 m² will prevent approximately 5,000 m³ of rainwater from being discharged into the sewer every year.





Waste management



Effective waste management at our facilities is vital to the communities in which we operate.

By 2022

We aimed to have developed Organon's Sustainability Packaging Guidelines, which will drive recycled content, recyclability, and responsible sourcing.

By 2025

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

Our goal is that more than 80% of our sites' operational waste will be reused, recycled, or otherwise used beneficially.¹

By 2050

We aim to integrate circular economy principles into our business models to reduce waste and pollution, reuse products and materials as much as possible, and regenerate nature.

PROGRESS

89% of our operational waste was reused, recycled, or otherwise used beneficially in 2022.

We will be assessing all new products against the Sustainability Packaging Guidelines, which will drive recycled content, recyclability, and responsible sourcing.

We generate operational waste primarily through three activities: manufacturing, packaging, and on-site wastewater treatment. We continuously strive to reduce the amount of operational waste we generate and to maximize the use of environmentally beneficial disposal methods, such as recycling, composting, and waste-to-energy. Our waste prevention and management standard requires our facilities to comply with applicable generation, management, and disposal regulations. We also look for opportunities to avoid the use of hazardous materials, to reuse or recycle materials, and to prevent the generation of waste.

Organon participates in drug takeback and sharps disposal programs through the Pharmaceutical Product Stewardship Work Group. This program allows us to participate in the MED-Project Product Stewardship Program, which operates community-level pharmaceutical stewardship take-back programs in the United States.

All our six owned manufacturing facilities report on the different waste streams they generate and how these waste streams are processed (reused, recycled, composted, combusted with energy recovery, incinerated, and landfilled). **Waste types are defined differently in various parts of the world. For this report, we have divided our operational waste into two categories:**

- **Hazardous waste:** Highly regulated or high-risk waste streams that need to be neutralized, treated, or destroyed to address a particular hazard, such as flammability, toxicity, radioactivity, corrosivity, pharmaceutically active, or infectious.
- **Non-hazardous waste:** All other operational waste.

¹Otherwise used beneficially includes composting and incinerated with heat recovery.



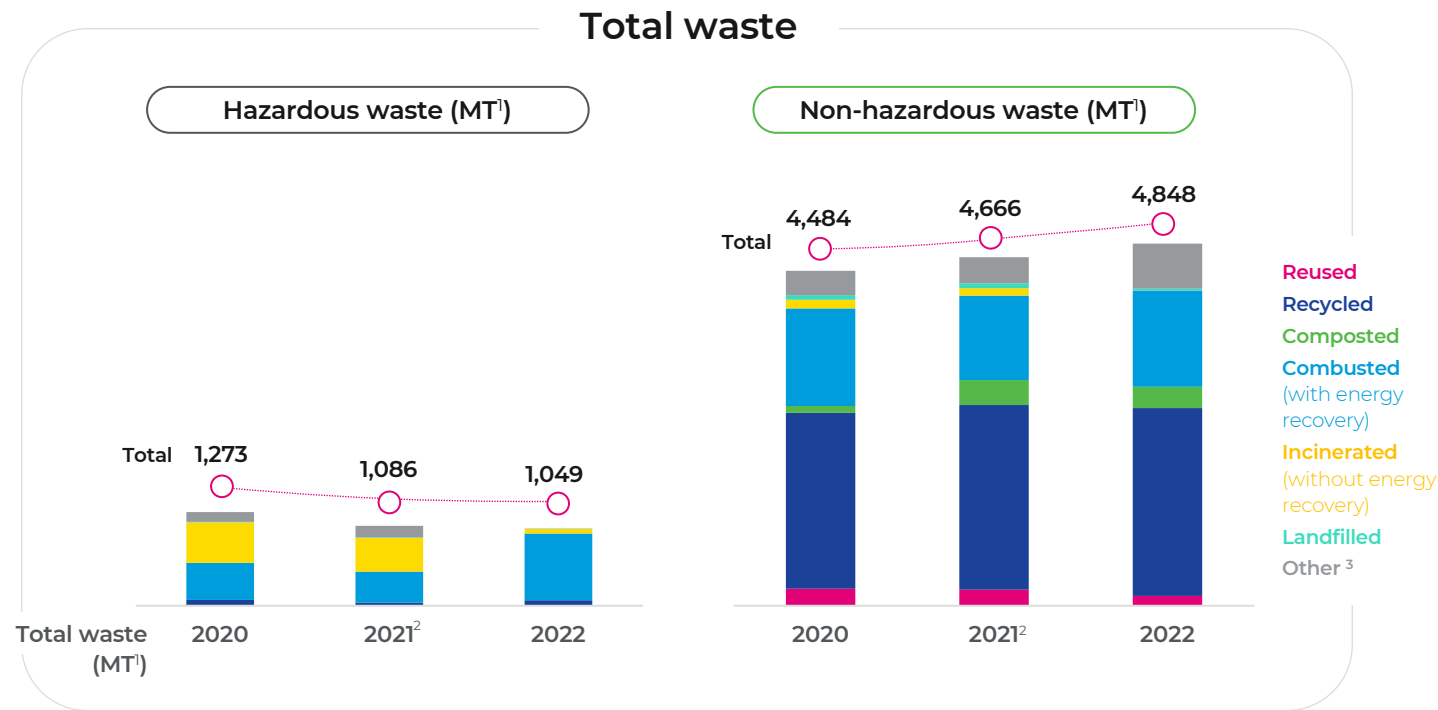
Each of our six owned manufacturing facilities is responsible for the management of its waste. We track and report waste data quarterly through a centralized system.

The environmental sustainability CoE consolidates this information to gain insight into the global impact of our waste management activities. Waste management is also part of our manufacturing facilities' five-year environmental sustainability plans.



We collaborate with third-party integrated facility management partners to manage site waste and work toward realizing our waste management goals. To ensure we manage our waste in an environmentally responsible manner, we use only approved waste disposal facilities. We audit the facilities that treat our hazardous waste every three years to ensure they have the systems, technologies, and processes in place to manage our waste streams responsibly and in compliance with all applicable requirements.

We continue to evaluate and refine the programs in place at our sites to further reduce our waste generation and increase reuse and recycling. In 2022, we recycled or otherwise made beneficial use of approximately 89% of the operational waste we generated.



For more information, please see our **performance data tables** in the [Appendix](#).

¹ MT = metric ton

² Data presented represents information available as of 1 April 2023, including certain estimates and assumptions. Historical estimates may periodically be subject to revision due to data source restatements and updates to methodology.

³ Other is waste that is processed in another way than the reused, recycled, combusted, incinerated and landfilled, like wastewater which is treated in an off-site facility and defined as waste according to local legislation.

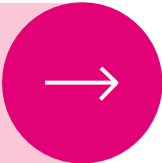


Packaging

The materials we employ to package our finished goods are intended to maintain the physical integrity, efficacy, and purity of the final product. In some cases, packaging also provides additional safety features, such as child resistance and tampering protection.

We take the environmental impact of materials into account alongside these features, because our packaging eventually becomes our customers' trash.

We continue to use a set of environmental Sustainability Packaging Guidelines to help our engineers assess and design sustainable packaging consistently. These guidelines focus on the prevention of waste, reduction of packaging materials, recyclability of packaging materials, and selection of sustainable materials.



Making our packaging more sustainable

In 2022, our Global Packaging Technology Team implemented a project to remove product packaging inserts for all products for the Japanese market. This change resulted in annual paper savings of approximately 27,000 kilograms.

Our Campinas, Brazil, site implemented an alternative to plastic film to stabilize material pallets, reducing plastic waste by approximately 500 kilograms per year.

Our Heist, Belgium facility increased use of post-consumer recycled (PCR) plastics for waste packaging. This change will reduce use of virgin plastics by approximately two metric tons per year.



Biodiversity

Climate change threatens the health of ecosystems on which we and all other species depend. Preserving and restoring these ecosystems will help ensure the continued availability of the many industrial resources, foods, and medicines that originate in biological resources.

Organon wants to play a vital role in protecting and promoting biodiversity at our sites. Our ambition is to preserve and increase biodiversity at our manufacturing sites and major office locations.

In 2022, our Cramlington, UK manufacturing site partnered with Groundwork NE to invest in a program to restore river estuaries in the northeast of England, supporting nature restoration and the health of local communities while also fighting climate change.

Supporting biodiversity



A project has been contracted in partnership with Natuurpunt, an organization that works closely with the Flemish government and has a goal of expanding native forests by 4,000 hectares before the end of 2024. Employees at our manufacturing facility in Heist, Belgium will plan to plant approximately 2,000 native trees in an existing forest near the site in support of this project.

Our Pandaan facility in Indonesia has participated in a tree planting event on the side of Mount Arjuno since 2020. Employees will also take part in a tree planting ceremony on Mount Ringgit in 2023, in collaboration with environmental activists and involved local farmers.

Our goal for biodiversity

By 2025	By 2050
We will plan to invest in projects that preserve and restore biodiversity at or near all Organon manufacturing facilities and major office locations.	Our ambition is to preserve and increase biodiversity at our locations and in our communities.

PROGRESS

- Four out of six of our manufacturing sites **have already invested in biodiversity projects** either on or off site.
- By the **end of 2023**, all six sites will have **reached** this goal.
- In 2023, we will also plan to **investigate biodiversity projects** for our major office locations.



Employee engagement on environmental sustainability

We encourage all our employees to consider how they can unlock the endless possibilities to contribute to a healthier planet. We continuously work to engage more employees and make sustainability accessible and understandable for everyone.

For example:

- Our dedicated internal site, SHE SharePoint, includes information about our environmental sustainability goals and programs.
- Our Environmental Sustainability Yammer site allows us to exchange information about environmental sustainability and best practices with our employees.
- We supply informational materials on environmental sustainability during the regular daily or weekly operational meetings. These materials cover a range of topics to drive discussions in all parts of the organization.

We encourage employees to speak up about their goals, expectations, and achievements when it comes to environmental sustainability.



Earth Day

During our annual commemoration of Earth Day, we underscored the importance of environmental sustainability through events at our six owned facilities, as well as sustainability quizzes, tree planting events, community cleanup events, and presentations from sustainability experts.

Governance: Her Trust



In this section

- > Board composition and practices
- > Ethics and compliance
- > Ethical marketing practices
- > Product labeling
- > Privacy and data security
- > Procurement and supply chain practices
- > Human rights
- > Public Policy
- > Political contributions
- > Anti-bribery and corruption
- > Tax

Photo: New York Stock Exchange Opening Bell | International Women's Day 2022



At Organon, we aim to be a credible voice for women’s rights and gender equity.

Doing so and operating our business effectively require that we uphold the highest levels of ethics and integrity across our operations. This effort begins with our Board of Directors, which oversees our rigorous approach to ethics and compliance.

Our vision of a better and healthier every day for every woman includes a dedication to ethical marketing practices, as well as accurate and clear product labeling and a commitment to a sustainable, diverse supply chain that respects human rights. Our extensive information security and data privacy programs safeguard the privacy of our stakeholders, and we are transparent about our public policy activities and political contributions.

Our goals for delivering on trust

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.



PROGRESS

- Board recognized as the **most gender-diverse** Board in the S&P 500.¹
- Nearly **70%** of our directors are **women**.
- 46%** of our directors are from U.S. **underrepresented racial and ethnic groups**.
- In addition, **66%** of our standing Board committees are chaired by **women**.

¹ Bloomberg, *Women Reach 32% of S&P 500 Board Seats for the First Time*, 2022.



Board composition and practices

We have developed practices and policies designed to ensure strong Board oversight over our ESG strategy. The full Board has oversight of Organon's ESG strategy and performance and receives regular updates from management on these topics.

The Board's standing committees have robust, independent oversight of various ESG topics.

Our **ESG Committee advises** on policies and practices that pertain to our responsibilities as a global corporate citizen and our special obligations as a healthcare company whose products and services affect health and quality of life around the world. The ESG Committee also reviews feedback from shareholder engagements on ESG, market, and peer ESG reporting and disclosure practices, and the company's performance on priority ESG issues, including environmental and product quality matters. As needed, the ESG Committee receives information from third-party consultants and other experts on relevant ESG topics to inform the Committee's thought process and to ensure continuous knowledge building in support of its ESG oversight role.

Our **Audit Committee engages** on specific ESG topics, such as cybersecurity, ethics, and compliance.

Our **Talent Committee oversees** human capital management, including executive compensation, employee engagement and workplace culture, and Organon's diversity and inclusion programs. In addition, the Talent Committee plays a critical role in the selection and oversight of the specific metrics from the ESG strategy that are included in the [Company Scorecard](#).


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72.48%

Bloomberg Gender-Equality Index score*

* As of January 2023

5

ISS Governance QualityScore**

** As of June 2023

In early 2023, MSCI upgraded Organon's ESG rating to an **A**, driven largely by its assessment of our governance processes.



Our Board, which is the most gender-diverse Board in the S&P 500¹, reflects the patients we serve. Nearly 70% of our directors are women, and 46% are from U.S. underrepresented racial and ethnic groups. In addition, about half have lived and worked outside the United States and bring their global perspectives to our organization.

In addition to their personal backgrounds, our Board members have a wide variety of skills, experiences, and areas of expertise. Our 12 independent directors have significant leadership and industry accomplishments, as well as financial acumen, medical degrees, and substantial experience in healthcare delivery, pharmacy, public health policy, scientific research, operations, and marketing.

The Principles of Corporate Governance require a substantial majority of our directors to be independent. In making independence determinations, the Board observes all relevant criteria established by the U.S. Securities and Exchange Commission (SEC) and the New York Stock Exchange (NYSE).

To be considered independent, an outside director must meet the bright-line independence tests established by the NYSE, and the Board must affirmatively determine that the director has no direct or indirect material relationship with Organon.

Our leadership structure separates the Chairman and CEO roles. Our independent Chairman leads the Board in the performance of its duties by establishing agendas, presiding at all meetings of

the Board and executive sessions of non-management directors, engaging with the CEO and Executive Leadership Team between Board meetings on business developments, and providing overall guidance to our CEO as to the Board's views and perspectives, particularly on the strategic direction of Organon. Meanwhile, our CEO sets Organon's strategic direction, oversees daily operations, engages with external constituents, develops our leaders, and promotes employee engagement at all levels of the organization.

We use a combination of cash and stock-based incentive compensation to attract and retain independent, qualified candidates to serve on the Board. The Board makes all director compensation determinations after considering the recommendations of the Talent Committee. For more detailed information about our board composition and practices, please see our [2023 Proxy Statement](#).

¹ Bloomberg, [Women Reach 32% of S&P 500 Board Seats for the First Time](#), 2022.





Ethics and compliance

It takes all of us at Organon working together to create an ethical culture and ensure that we act with integrity in everything we do.

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, and partners, as well as the communities where we operate around the world. It represents the very core of our character as a company.

The Office of Ethics & Compliance actively supports our commitment to the highest standards of ethics and compliance by facilitating behavior consistent with the Code of Conduct, and by fostering a culture that promotes the prevention, detection, and resolution of potential misconduct. Our Compliance professionals support our sales and marketing efforts worldwide.

Our values are defined by robust global policies, and employees undergo regular training and education on the laws and policies that govern their conduct. Our Board is also trained on the Code of Conduct on a bi-annual basis. 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. Our commitment to ethical practices and

compliance is demonstrated through our strict adherence to federal and state transparency laws when reporting payments and transfers of value to U.S. healthcare professionals and U.S. healthcare organizations. We maintain full transparency via the accurate and timely reporting of all relevant information, which can be accessed by the public through the U.S. government's open payments [site](#).

Our policies also require that our employees are honest and accurate in what they say about our company and our products and services, as well as fair and transparent in their business dealings. Our managers and employees are empowered with the tools they need to identify and report potential issues without fear of retaliation.





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 to improperly influence decisions or actions with respect to our business. All employees complete anti-corruption training on an annual basis; Board members complete anti-corruption training on a bi-annual basis.

We expect these standards from our third-party partners as well. We have a mature program led by the Office of Ethics & Compliance to conduct an assessment of suppliers' practices with regard to anti-bribery and corruption. The assessments are done on a recurring basis and the program includes training for third parties on best practices that emphasize our commitment to acting with integrity and ethics. 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. Our [Business Partner Code of Conduct](#) reinforces these standards.





Ethics reporting

We encourage 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 in which 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 Speak Up ethics hotline at organon.com/integrity, which is operated by a third-party service provider. Speak Up lets employees address work-related concerns online, via a mobile site, or over the telephone 24 hours a day, seven 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.

Our Chief Ethics & Compliance Officer has responsibility for corporatewide 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.

We 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.

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 distinguishes us from our peers.





Ethical marketing practices

We adhere to strict ethical sales and marketing practices. Our interactions with providers, customers, and consumers are governed by laws, regulations, industry codes of conduct, and by our global [Code of Conduct](#), which outlines our ethical expectations and commitment to integrity. We enforce these external and internal standards through our ethics and compliance program. Pursuant to our U.S. quality assurance plan, we systematically and regularly audit our marketing materials.

Both our reputation for integrity and the trust that our stakeholders place in us are dependent on our ethical practices. Consequently, we work to ensure 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 prescribers can make the best decisions for their patients.

We deliver balanced, educational medical and scientific information to healthcare professionals within the United States through our company’s promotional Organon Medical Forums, which are conducted by contracted external speakers. Speakers are selected based on defined, objective criteria that are directly related to the identified educational purpose of the Medical Forum and are aligned with applicable rules and regulations. Through contractual and compliance guardrails, the criteria for external speakers ensure that healthcare professionals provide substantive contributions while not interfering in their independent clinical decision-making. By attending one of our Organon Medical Forums, healthcare professionals participate in medical education on therapeutic and healthcare industry topics. The goal of this education is to provide substantive medical education to healthcare professionals with a bona fide educational need for the information.

With our strict standards for conducting Organon Medical Forums, we comply with the [AdvaMed Code of Ethics on Interactions with Healthcare Professionals](#), [PhRMA Code on Interactions with Healthcare Professionals](#), and U.S. FDA regulations, which ensure that product information is

appropriately balanced to include the product’s potential benefits and risks and is consistent with approved product labeling. We believe that our marketing, sales, and advertising activities make an important contribution to medicine by informing our customers of treatment options based on the most recent scientific information and findings from rigorous clinical studies, and by supporting clinical skills that help ensure the safe and effective use of products. Our sales and marketing practices are governed by applicable laws and regulations and industry codes of conduct, and by our own global Code of Conduct, our corporate policies and procedures, and our ethics and compliance program.

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.

We receive an increasing number of requests for on-demand product information. In response, we offer resources and product information to healthcare providers on company websites and other digital platforms in certain countries.

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 who are appropriately diagnosed and treated.



Direct-to-consumer (DTC) advertising

We believe that DTC advertising can be an important, 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 try to help consumers achieve better health outcomes by delivering accurate, relevant, and understandable information on disease prevention, identification, and potential treatment. We seek to adhere to the letter and spirit of U.S. FDA regulations and guidelines governing DTC promotion and follow a comprehensive set of internal policies and practices when engaging in DTC advertising within the United States.

Under our DTC policies and practices, the information provided in our DTC advertising must:

- Contain appropriate product benefit and risk information.
- Be appropriately balanced and consistent with U.S. FDA regulations and use appropriate taste and tone.
- Be approved by our Promotion Review Team, a governing body consisting of a team of reviewers (generally including an attorney, a medical affairs representative, a regulatory representative from our 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 seek to adhere to updated 2019 PhRMA guidelines that require all DTC television advertising that identifies a medicine by name should include direction about sources such as a company-developed website where patients can find information about the cost of the medicine, 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 U.S. Patient Assistance Program in all new U.S.-based DTC print and television advertisements for eligible products.

We inform and educate healthcare professionals about our products. 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 generally reflect the [PhRMA Guiding Principles on Direct-to-Consumer Advertisements about Prescription Medicines](#).



Fostering ethical practices

We believe 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 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.

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.
- 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 U.S. 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 all our sales representatives must complete general sales and product training, even if they have advanced science or medical degrees. 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 U.S. Foreign Corrupt Practices Act and the UK Bribery Act. Sales representatives in the United States are also required to understand, among other things, their responsibilities under the Anti-Kickback Statute, the U.S. Prescription Drug Marketing Act, and all applicable U.S. FDA promotional regulations.

Organon provides many avenues to help employees determine whether conduct is appropriate. 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 annual training on our Code of Conduct, all employees globally receive training on 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.

Our U.S. sales force is assigned annual sales and marketing training. In 2022, 1,133 total employees from within the Commercial organization as well as other Organon functions, participated in this training. Awareness training provides key information regarding the laws and regulations governing our industry and Organon’s compliance program. Knowledge training provides a broad overview of how our policy principles apply to specific activities. The training describes the activities, associated risks, and high-level roles and expectations. Current employees and non-employees in scope for these courses must complete the training within 30 days of it being assigned. New hires or new-to-position individuals in scope for these training courses must complete training and acknowledge completion within 20 days and annually thereafter.



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 U.S. Healthcare Professionals](#), and the [Compliance Program Guidance for Pharmaceutical Manufacturers](#), published by the U.S. Department of Health and Human Services' Office of Inspector General.

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.

We have incorporated requirements of PhRMA's [Code on the Interactions with Healthcare Professionals](#) 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 are periodically assessed to make sure they comply with relevant company policies and standards of conduct.





Product labeling

Clinical safety and risk management

Our product packaging labels contain information on possible side effects and, if appropriate, how to avoid some potential health problems.

Our product packaging and our corporate website contain contact information 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.

Our Global Pharmacovigilance and Safety Science (GPSS) group leads the Risk Management & Safety Teams (RMST) 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. These efforts are overseen by our Commercial Ethics and Compliance team.

When urgent changes to our labeling 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.

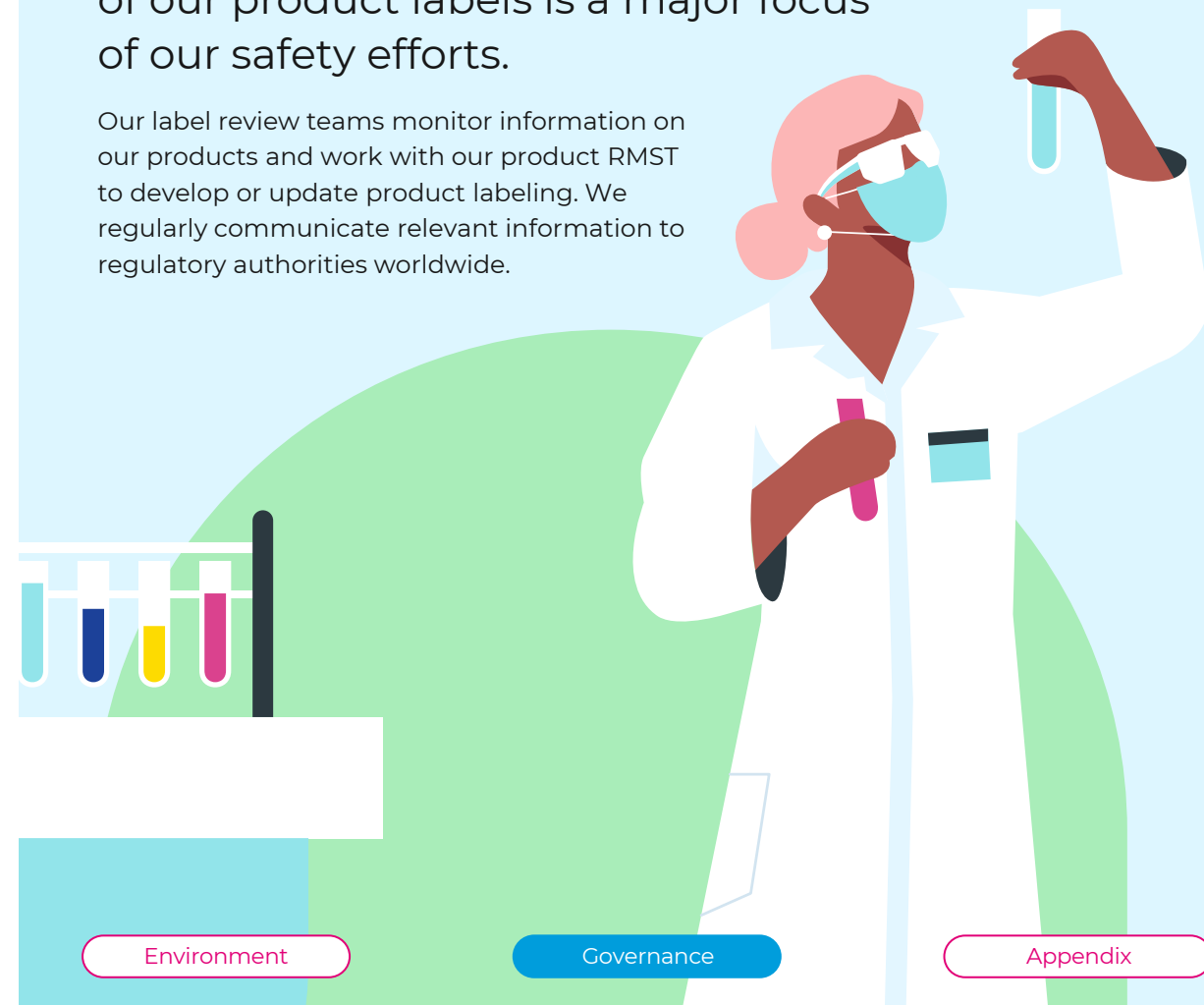
Our labeling personnel receive training on appropriate policies and procedures at onboarding and every time our labeling systems are updated (typically, every quarter).

[Letters](#)[About](#)[Social](#)[Environment](#)[Governance](#)[Appendix](#)

Product label reviews

The ongoing oversight and monitoring of our product labels is a major focus of our safety efforts.

Our label review teams monitor information on our products and work with our product RMST to develop or update product labeling. We regularly communicate relevant information to regulatory authorities worldwide.





Privacy and data security

We aim to build trust with stakeholders, including patients and healthcare providers, to support Organon's business. We respect individuals' privacy and implement measures to help protect their personal information.

Our multi-layered information security and data privacy programs and practices are designed to foster the safe, secure, and responsible use of the information and data our stakeholders entrust to us. We have created programs designed to comply with global privacy and data protection laws and regulations and that align with the stringent EU General Data Protection Regulation (GDPR) standard for personal privacy.

Global Privacy Program oversight

Chief Ethics & Compliance Officer



Chief Privacy Officer implements and oversees all aspects of our privacy program



Global Privacy Office reviews the scope and implementation of data processing activities as new products, programs, and solutions are developed or updated



Local Privacy Stewards

The Global Privacy Data Protection Board (GPDPB), composed of cross-functional leadership members named by their executive leaders, provides high-level guidance and direction to the Privacy Program and receives regular updates. The General Counsel and the Audit Committee of our Board of Directors receive regular updates on data privacy via the Chief Ethics & Compliance Officer.

To prevent unforeseen data breach incidents, we use a third-party to conduct data impact assessments and assess privacy risk. When gaps are found, we implement remediation activities to address them. We commit to reporting privacy incidents or breaches within the timelines outlined by local regulations.

Our Chief Information Security Officer (CISO) is responsible for cybersecurity across Organon, including implementation of our policies, risk management, overseeing the technologies that support data protection, and incident management. Our cybersecurity program is aligned with industry standards, including the National Institute of Standards and Technology (NIST) cybersecurity framework.

The CISO and the Chief Ethics & Compliance Officer provide an annual report to the Board on managing information security risks, including cyber readiness, security controls, and cybersecurity investments. The CISO also regularly briefs the Audit Committee on information security. Our directors are informed of incident simulations and response plans, including those for cyber and data breaches.

Independent third parties test our cyber capabilities and audit our cloud security, and we continually test our systems to discover and address any potential vulnerabilities. In addition, employees receive annual cybersecurity training.



Procurement and supply chain practices

We seek to build a sustainable, diverse supply chain as part of our efforts to create positive economic impact.

We work toward this goal by partnering with diverse suppliers who share our goals for women's health and economic prosperity.

Our procurement and supply chain activities are overseen by the Senior Vice President, Global Procurement & Supplier Management, who reports to the head of Global Business Services. Our business partners commit to our [Business Partner Code of Conduct](#), which aligns with the Pharmaceutical Supply Chain Initiative's Pharmaceutical Industry Principles, the 10 Principles of the U.N. Global Compact, and our Code of Conduct.

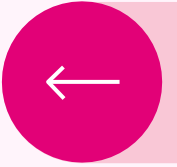
We believe our relationships with suppliers should always be ethical. We seek to obtain the goods and services we need to further our mission in ways that are lawful, efficient, and fair. Our supplier relationships include risk assessment, a Business Partner Code of Conduct, well-constructed contracts, and a monitoring and audit program. Our internal procedures govern our expectations and requirements for material suppliers, service providers, or contractors that have a direct impact on product quality. We verify these expectations and requirements both when a supplier is initially engaged and periodically thereafter. We require suppliers to complete a self-assessment questionnaire (SAQ) that covers privacy, anti-bribery, and corruption due diligence; financial risk; conflict minerals evaluation; cybersecurity; and other issues related to their work with us.

¹ Where and to the extent permitted by law.

Supplier diversity

Our goals for supplier diversity and engagement

We aim to engage at least five new or existing suppliers in a development and mentorship program and increase addressable spend with diverse suppliers by 25%, from a 2021 baseline, by 2025.¹



PROGRESS

Organon **increased diverse spend by 48%** over 2021 actuals, achieving this goal in 2022.

Organon's Chief Procurement Officer was recognized as one of the **TOP 25 Diversity Change Leaders** by Diversity Plus Magazine.

In 2021, we set an initial goal of engaging five diverse suppliers by 2025. In 2022, we added six new suppliers, reaching that initial goal three years early. We have already begun engaging a second cohort of diverse suppliers. With the data from our first full year of independent operation in 2022, we have established a new set of supplier diversity and engagement objectives from a stronger baseline. In 2023, we plan to roll out a Tier 2 supplier diversity program to help support further progress.

We have also continued to develop our supplier mentorship program. We identified our first mentorship partner in 2022 and are seeking to identify one or two additional suppliers in 2023. These mentorships will help diverse suppliers better support Organon and companies like ours, contributing to increased diversity in our broader ecosystem.

As part of our efforts to broaden the diversity of our suppliers, we partnered with our diversity, equity, inclusion, and belonging team and tapped into our employee resource groups to create broader awareness and collaborate on strategies for expanding our relationships. In 2022, we joined several supplier groups to support efforts to improve diversity across multiple dimensions. Our newest council membership groups, including, MSDUK and MSDC, along with our current memberships, which include WEConnect, WBENC, Supply Nation, the National Gay and Lesbian Chamber of Commerce, and the National Minority Development Council, expand our global reach to diverse suppliers..



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, and other human rights violations are prohibited. Our [Human Rights Statement](#) clearly details our position, as well as our expectations within our own operations and our supply chain.

We use a third-party risk assessment process to help ensure our suppliers respect human rights. New suppliers that we determine are at significant risk for child labor or compulsory labor due to their geographic location or type of operation are required to complete an SAQ. This assessment 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, and safety management systems; business integrity; improper advantage; identification of concerns; protecting information; intellectual property; responsible sourcing of minerals; animal welfare; and compliance history. In addition, we have a mature supplier due diligence program that assesses supplier privacy compliance, antibribery and corruption risk, financial risk, conflict minerals evaluation, and other issues related to suppliers' work with us.

We have policies, processes, training, and monitoring systems in place to address key human rights issues. (See table.) In addition, our top suppliers pay above living wage in key growth markets.

Human Rights Issue	Policies / standards									Governance
	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	Lead Function
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



Public policy

In our first full year as a public company, we have continued to work to build a community –not just a company–that reflects our commitment to women’s health and gender equity.

As part of this effort, we support policies that elevate the interests of women and patients, improve public health, and promote access to medicine and healthcare solutions.

We have also continued to develop policy positions on topics that are connected to our vision and mission, and we aim to collaborate with those who share our passion for improving the lives of women and their families. When we share our views on legal and regulatory issues related to our industry, we do so transparently, as part of our commitment to ethics and integrity.

Our public policy activities focus on four areas:

The Executive Vice President, ESG and External Affairs, oversees our public policy and government relations efforts, in collaboration with key members of the executive leadership team, including the heads of R&D and Manufacturing & Supply, the General Counsel, and the Corporate Secretary. We engage with policymakers, legislators, multilateral organizations, and governments in an effort to ensure that policy and regulatory environments foster patient access to medicines and ethical business practices, science, and innovation.

Women’s well-being.

We seek to improve women’s health and advance gender equity.

Access to healthcare.

Our goal is to enable people around the world to live their best lives by delivering innovative health solutions—and we are committed to helping ensure that they are accessible to the patients who need them.

Innovation in healthcare.

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

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 creating innovative partnerships globally as we advocate for continued investments in women’s health.

In 2022, we made a commitment to Family Planning 2030 (FP2030), the only global partnership centered solely on family planning. (See the [Social](#) section for more on our Her Promise Access Initiative.)

Advocacy is another pillar of our public policy efforts. Since June 2022, we have carried on efforts to expand access to contraceptives including:

- Partnering with the European Parliamentary Forum for Sexual and Reproductive Rights to expand the Contraception Policy Atlas to additional regions of the world. This effort demonstrates our belief that access to contraception should be a key concern of governments as they empower citizens to plan their families and lives.
- Initiating the Coalition for Women’s Health Africa (COWHA), in partnership with African Health Business, a collective private health sector action platform for the advancement of women’s health on the African continent.
- Serving as the private sector partner to the Asia-Pacific Economic Cooperation (APEC) Smart Families Initiative under the banner of the Government of Thailand, and in partnership with Jhpiego. This initiative brings member economies together to develop cross-sector policies that will aid women’s economic participation, increase overall economic growth through effective family planning policies, and promote gender equality.

Our public policy partners

We are members of associations including:

Biotechnology Innovation Organization (BIO)

Organisation for Economic Co-operation and Development Emerging Markets Network (OECD EmNET)

Council of the Americas

Biosimilars Forum

U.S.-Association of Southeast Asian Nations (ASEAN) Business Council

Federación Latinoamericana de La Industria Farmacéutica (FIFARMA)

U.S. Chamber of Commerce



Political contributions

As part of our advocacy for gender equity and women’s health in the United States, we 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. Organon and the Organon PAC provide financial support to a select bipartisan group of candidates for federal and state offices.

The [Organon Political Contributions Governance Committee](#), composed of leaders from Organon’s operating units, meets regularly to evaluate budgets and candidates, according to criteria consistent with the following:



Alignment with views and actions on issues of importance to Organon.



The candidate's current or likely position in leadership.



The presence of Organon facilities, businesses, or employees in the candidate's district.



All contributions are carefully considered on a case-by-case basis. The candidate shall not have engaged in unethical conduct or behavior.

Organon and the Organon PAC may consider ceasing contributions or requesting a refund from a candidate or committee if credible, specific, and serious allegations about the candidate’s conduct arise.

We publicly disclose direct PAC and corporate political contributions to individual candidates, political parties, and political organizations at least semi-annually. In addition, candidates are required by law to disclose contributions.

By making political contributions, 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 2022, we contributed a total of \$38,500 to support the campaigns of 17 candidates.

Organon Australia

In 2022, Organon Australia made AUD \$53,800 in corporate contributions to registered political parties. Organon Australia’s corporate contributions allowed us to engage with key political stakeholders about important priorities including:

- Raising the profile of women’s health policy
- Discussing patient access to medicines
- Highlighting the importance of biosimilars to a sustainable medicines budget

Organon Australia’s 2022 corporate contributions were reviewed and approved in accordance with Organon Australia’s political contributions policy and comply with all relevant Australian electoral funding and disclosure laws.



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, 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.

Day-to-day tax management is performed by our global corporate tax department, which supplements its own subject matter expertise with advice from 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 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



In this section

- > Performance data tables
- > Global Reporting Initiative (GRI) Index
- > SASB Index
- > TCFD Index

Photo: White Ribbon Run | Tokyo, Japan | International Women's Day 2023



Performance data tables

Human Capital

Board Diversity		
Metric	2021 Disclosure	2022 Disclosure
Total Board Members	13	13
Independent Board Members	12	12
Total Female Directors	9	9
UEGs ¹ Directors	6	6

Representation by job category and gender ² (global)						
	2021			2022		
	Female	Male	Not Declared	Female	Male	Not Declared
Board	69%	31%	0%	75%	25%	0%
Executive Leadership Team ³	50%	50%	0%	44%	56%	0%
VP and above ⁴	34%	65%	1%	36%	64%	0%
Directors ⁵	44%	55%	1%	48%	52%	1%
Managers ⁶	46%	52%	1%	48%	51%	1%
Individual contributors ⁷	52%	45%	3%	55%	43%	2%
Total⁸	50%	47%	2%	53%	45%	2%

¹UEGs 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).

²Due to rounding, percentages may not always precisely add up to 100%.

³"Executive Leadership Team" is defined as the Chief Executive Officer and his executive team of direct reports.

⁴"VP and above" is defined as associate vice presidents and above, not on executive team.

⁵"Directors" is defined as 'directors' and 'executive directors'.

⁶"Managers" is defined as all other managers with at least one direct report.

⁷"Individual contributors" is defined as all other individual contributors.

⁸"Total" is defined as the total workforce, excluding the Board. Restricted to Active, Regular employees.



Human Capital

Representation by job category and ethnicity (United States) ^{1,2}	2021							2022						
	Job Category	White	UEGs ³	Asian	Black / African American	Latino / Hispanic	Other U.S. Ethnic Groups	Not Declared	White	UEGs	Asian	Black / African American	Latino / Hispanic	Other U.S. Ethnic Groups
Board	54%	46%	15%	23%	8%	0%	0%	50%	50%	17%	23%	8%	0%	0%
Executive Leadership Team ⁴	89%	11%	0%	11%	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%
VP and above ⁵	77%	19%	8%	3%	8%	0%	4%	74%	20%	9%	3%	9%	0%	6%
Directors ⁶	62%	36%	19%	7%	8%	2%	2%	60%	35%	19%	7%	8%	2%	4%
Managers ⁷	65%	32%	18%	9%	6%	0%	3%	62%	31%	17%	9%	4%	1%	7%
Individual contributors ⁸	62%	29%	13%	7%	7%	2%	9%	63%	31%	13%	7%	9%	2%	6%
Total⁹	63%	31%	15%	7%	7%	2%	6%	63%	31%	15%	7%	8%	2%	6%

¹ Due to rounding, percentages may not always precisely add up to 100%.

² 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 U.S. 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.

³ 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).

⁴ "Executive Leadership Team" is defined as the Chief Executive Officer and his executive team of direct reports.

⁵ "VP and above" is defined as associate vice presidents and above, not on executive team.

⁶ "Directors" is defined as 'directors' and 'executive directors'.

⁷ "Managers" is defined as all other managers with at least one direct report.

⁸ "Individual contributors" is defined as all other individual contributors.

⁹ "Total" is defined as the total workforce, excluding the Board. Restricted to Active, Regular employees.



Human Capital

Hiring Rates ¹ by job category and gender ² (global)	2021			2022		
	Female	Male	Not Declared	Female	Male	Not Declared
Executive Leadership Team ³	0%	0%	0%	0%	0%	0%
VP and above ⁴	60%	20%	20%	50%	50%	0%
Directors ⁵	45%	55%	0%	63%	36%	2%
Managers ⁶	44%	51%	5%	41%	48%	11%
Individual contributors ⁷	54%	38%	8%	57%	37%	6%
Total⁸	53%	40%	7%	58%	37%	5%

¹ Hire Rate presented as representation of total hires at the listed job level.

² Due to rounding, percentages may not always precisely add up to 100%.

³ "Executive Leadership Team" is defined as the Chief Executive Officer and his executive team of direct reports.

⁴ "VP and above" is defined as associate vice presidents and above, not on executive team.

⁵ "Directors" is defined as 'directors' and 'executive directors'.

⁶ "Managers" is defined as all other managers with at least one direct report.

⁷ "Individual contributors" is defined as all other individual contributors.

⁸ "Total" is defined as the total workforce, excluding the Board. Restricted to Active, Regular employees.



Human Capital

Turnover Rates ¹ by job category and gender (global)	2021			2022		
	Female	Male	Not Declared	Female	Male	Not Declared
Executive Leadership Team ²	0% (0%)	0% (0%)	0% (0%)	25% (25%)	0% (0%)	0% (0%)
VP and above ³	2% (5%)	0% (1%)	0% (0%)	12% (16%)	5% (11%)	0% (0%)
Directors ⁴	1% (2%)	2% (3%)	0% (0%)	5% (7%)	3% (4%)	17% (33%)
Managers ⁵	3% (4%)	2% (4%)	13% (13%)	6% (8%)	6% (8%)	9% (9%)
Individual contributors ⁶	5% (6%)	4% (5%)	7% (9%)	10% (12%)	10% (13%)	9% (13%)
Total⁷	4% (5%)	3% (5%)	8% (9%)	9% (11%)	8% (11%)	9% (13%)

¹ 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.

² "Executive Leadership Team" is defined as the Chief Executive Officer and his executive team of direct reports.

³ "VP and above" is defined as associate vice presidents and above, not on executive team.

⁴ "Directors" is defined as 'directors' and 'executive directors'.

⁵ "Managers" is defined as all other managers with at least one direct report.

⁶ "Individual contributors" is defined as all other individual contributors.

⁷ "Total" is defined as the total workforce, excluding the Board. Restricted to Active, Regular employees.



Human Capital

Gender representation by region ¹				2021			2022		
Region	Female	Male	Not Declared	Female	Male	Not Declared			
Asia Pacific	53%	46%	1%	54%	45%	1%			
Canada	71%	29%	0%	69%	30%	1%			
China	57%	43%	0%	60%	40%	0%			
Eastern Europe, Middle East, and Africa	48%	51%	2%	59%	38%	3%			
Europe	46%	50%	3%	47%	49%	4%			
Japan	35%	65%	0%	36%	61%	3%			
Latin America	48%	52%	0%	49%	51%	0%			
United States	56%	44%	0%	59%	41%	1%			
Total²	50%	47%	2%	53%	45%	2%			

¹ Due to rounding, percentages may not always precisely add up to 100%.

² "Total" is defined as the total workforce, excluding the Board. Restricted to Active, Regular employees.



Human Capital

Hiring and turnover rates by region ¹				2021			2022		
Region	Hire Rate ¹	Total Turnover Rate ²	Voluntary Turnover Rate	Hire Rate ³	Total Turnover Rate ²	Voluntary Turnover Rate			
Asia Pacific	8%	3%	3%	7%	8%	7%			
Canada	1%	6%	6%	2%	10%	10%			
China	31%	16%	13%	19%	34%	24%			
Eastern Europe, Middle East, and Africa	3%	3%	3%	4%	15%	11%			
Europe	28%	3%	2%	32%	6%	5%			
Japan	1%	3%	3%	1%	4%	3%			
Latin America	8%	3%	2%	12%	8%	4%			
United States	21%	4%	3%	24%	11%	9%			
Total⁴	100%	5%	4%	100%	11%	8%			

¹ Due to rounding, percentages may not always precisely add up to 100%.

² Includes all types of turnover, including restructuring and retirement.

³ Hire Rate presented as representation of total hires at the listed job level.

⁴ "Total" is defined as the total workforce, excluding the Board. Restricted to Active, Regular employees.



Patient Assistance Programs (U.S. only)

Disclosure	2021	2022
Quantities Donated to PAP	\$9.5M worth of biosimilars donated to eligible patients across the United States in 2021.	\$18.9M worth of biosimilars donated to eligible patients across the United States in 2022.
	*Total donations calculated using WAC cost as of Jan 14, 2022.	*Total donations calculated using WAC cost as of Jan 3, 2023.



Employee health and safety

Work-related injuries ²	2021 ¹		2022	
	Employees	For workers who are not employees but whose work and/or workplace is controlled by the organization:	Employees	For workers who are not employees but whose work and/or workplace is controlled by the organization:
Number and rate ³ of fatalities as a result of work-related injury	0,0.00	0	0, 0.00	0
Number and rate ⁴ of high-consequence work-related injuries (excluding fatalities)	0, 0.00	0	0, 0.00	1
Number and rate ⁵ of recordable work-related injuries	19, 0.18	4	22,0.22	5
Main types of work-related injury	Slips, Trips, Fall, Struck/Caught by	Slip, Trip, Fall, Struck/Caught by	Struck/Caught by; Slip, Trip, Fall	Struck/Caught by; Slip, Trip, Fall
Number of hours worked	21,688,500	This data is presently not collected for all categories of workers who are not employees	19, 737, 163	This data is presently not collected for all categories of workers who are not employees, therefore a rate cannot be determined
Number of fatalities as a result of work-related ill health	0	0	0	0
Number of cases of recordable work-related ill health	2	0	0	0
Main types of work-related ill health	Sprain, strain	None	None	None

¹ All 2021 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.

² 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.

³ 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]

⁴ Rate of high-consequence work-related injuries (excluding fatalities): (Number of high-consequence work-related fatalities) / (Number of hours worked) * [200,000]

⁵ Rate of recordable work-injuries: (Number of recordable work-related injuries) / (Number of hours worked) * [200,000]



Greenhouse gas emissions

Scope 1, 2 and biogenic emissions (owned facilities, six sites) ¹			
Source ²	2020	2021 ⁴	2022
Direct (Scope 1) GHG emissions (owned facilities, six sites)			
Natural gas (MT ³ CO ₂ e)	18,780	20,348	19,117
Fuel (MT CO ₂ e)	902	734	658
LPG-Propane (MT CO ₂ e)	246	233	186
Refrigerants (MT CO ₂ e)	910	1,017	717
Total Direct (Scope 1) MT GHG emissions (owned facilities, six sites)⁴	20,839	22,332	20,678
Energy Indirect (Scope 2) GHG emissions (owned facilities, six sites)			
Location based (MT CO ₂ e)	30,258	27,123	24,479
Market based (MT CO ₂ e)	32,701	31,653	30,784
Biogenic Emissions GHG emissions (owned facilities, six sites)			
Biogenic emissions (MT CO ₂ e) steam	208	188	122
Fleet Fuel (Scope 1)⁵			
(Commercial) Fleet emissions ⁶	9,682	9,682	9,682
Scope 1 and 2 GHG emission intensity⁷			
Ton of CO ₂ e /million \$ of product sales	9.9	10.5	10.2

¹ Data presented represents information available as of 1 April 2023, including certain estimates and assumptions. Historical estimates may periodically be subject to revision due to data source restatements and updates to methodology.

² Emission factors are from the U.S. Environmental Protection Agency's (EPA) Emissions Factor Hub⁴, Emissions & Generation Resource Integrated Database (eGRID) database and International Energy Agency (IEA)

³ MT CO₂e = metric ton of carbon dioxide equivalent

⁴ May not add to 100 percent due to rounding.

⁵ We calculated our fleet's GHG emissions based on the actual number of drivers and estimates on miles driven (information from the U.S. Federal Highways Administration (FHWA)) and vehicle emission factors for cars (U.S. EPA Emission Factors Hub)

⁶ Since we do not have Fleet emission calculations for 2020 and 2021, our assumption is that the Fleet GHG emissions for 2020 and 2021 are the same as in 2022.

⁷ Scope 1 and 2 GHG emission intensity is calculated based on ton of CO₂e per million \$ of product sales. Biogenic Emissions are included in the intensity figures.



Greenhouse gas emissions

Scope 3 ¹ Greenhouse gas emissions ²	
Estimated Scope 3 emission sources ³	2022 MT CO ₂ e ⁴
Purchased goods and services ⁵	765,000
Upstream and downstream transportation and distribution ⁶	118,000
Use of products ⁷	61,000
Other categories ⁸	84,000
Total Scope 3 emissions	1,029,000⁹

Other air emissions

Air emissions of our operations organization (6 owned manufacturing facilities)			
Air pollutant emissions	2020	2021	2022
Nitrogen oxides (NOx) (MT ¹⁰)	37.58	31.17	32.73
Sulfur oxides (SOx) (MT ¹⁰)	1.38	1.11	1.14
Volatile organic compounds (VOC's) (MT ¹⁰)	22.60	19.89	18.06
Ozone-depleting substances (ODS) (kg)	8.23	0.82	1.64

¹ Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but GHG emissions associated with the value chain.

² This is an initial estimate of Scope 3 GHG emissions in 2022 based on modelling aligned with The Greenhouse Gas Protocol (GHG Protocol) Corporate Value Chain (Scope 3) Accounting and Reporting Standard (also referred to as the Scope 3 Standard). The GHG emissions model may be subject to further revision which may result in adjustments to the estimated emissions for 2022 in the future. Scope 1 and 2 GHG emissions are based on reported emissions, not modeled emissions, and therefore are not directly comparable to Scope 3 emissions.

³ All sources that are contributing more than 5% to the total are included individually.

⁴ MT CO₂e = metric ton of carbon dioxide equivalent

⁵ The GHG emissions for purchase goods and services were calculated using financial data and emissions factors from the U.S. EPA Office of Research and Development Environmentally Extended Input-Output (EEIO) Factors, Supply Chain GHG Emission Factors for U.S. Industries and Commodities-- Summary Industry Categories.

⁶ The GHG emissions for upstream and downstream transportation and distribution were calculated using financial data and emissions factors from and the U.S. EPA Office of Research and Development Environmentally Extended Input-Output (EEIO) Factors, Supply Chain GHG mission Factors for U.S. Industries and Commodities-- Summary Industry Categories

⁷ This source category currently includes the emissions associated with inhaler products.

⁸ Other Categories include: Category 2. Capital goods, 3. Fuel and energy related activities, 5. Waste generated in operations, 6. Business Travel, 7. Employee Commuting, 8. Upstream leased assets, 12. End of life treatment of products and 13 downstream leased assets. Several estimates and assumptions are used to calculate these remaining categories. Category 10. Processing of sold products, 14. Franchises and 15. Investments are not relevant for Organon and excluded from our calculations. The GHG emissions for capital goods, waste generated in operations and end of life treatment are calculated based on spend data and the U.S. EPA Office of Research and Development Environmentally Extended Input-Output (EEIO) Factors, Supply Chain GHG Emission Factors for U.S. Industries and Commodities-- Summary Industry Categories. Fuel and energy related activities are calculated based on Organon's energy usages and different sets of GHG emission factors according to GHG-emission protocol. Business Travel GHG emissions are based on our travel data and GHG emission factors for air, rail and car travel. Employee commuting GHG emissions are based on total headcount, assumptions on distance traveled, transportation mode and GHG emission factors for these transportation modes. Upstream leased assets is based on area, headcount and GHG emission factors for offices. Downstream leased assets are the actual reported energy usages of these assets, if not available an estimate has been done based on surface.

⁹ May not add up to total due to rounding.

¹⁰ MT = metric ton



Energy usage

Total energy consumption within the operations organization (6 owned manufacturing facilities)

Source (GJ)	2020	2021 ¹	2022
Natural gas (Scope 1)	373,065	404,202	380,061
Renewable energy generated and used on site (Scope 1) ²	107	379	1,354
Fuel oil usages at our sites (Scope 1)	12,683	10,129	9,029
LPG-Propane (Scope 1)	4,354	4,110	3,282
Steam Purchased (Scope 2)	48,970	44,445	42,296
Purchased electricity (Scope 2)	336,396	317,146	321,377
Energy produced at site that is sold	-	-	111
Total³	775,530	780,411	757,289
Energy intensity⁴			
GJ/million \$ of product sales	121	128 ⁵	126

¹ May not add to 100 percent due to rounding.

² Includes solar energy generated at our sites, where renewable energy credits or guarantees of origin have been retained or retired.

³ The energy usage of our (commercial) Fleet (which is also scope 1) is not included in this overview. For the GHG emissions associated with our Fleet see our Scope 1 and 2 GHG emission data.

⁴ Energy intensity is calculated based on GJ per million \$ of product sales.

⁵ Data presented represents information available as of 1 April 2023, including certain estimates and assumptions. Historical estimates may periodically be subject to revision due to data source restatements and updates to methodology.



Water management

Total Water Use ¹ (m ³)/Total Water Withdrawal within the operations organization (six owned manufacturing facilities)			
Total water use (m ³)	2020	2021 ²	2022
Surface water	21,869	46,209	41,509
Ground water ³	46,015	37,854	37,259
Purchased water	364,337	326,977	343,677
Total	432,221	411,040	422,445
Groundwater use for remediation (m³)⁴			
Groundwater for remediation	188,350	170,059	162,077
Total water discharge (m ³) within the operations organization (six owned manufacturing facilities) ⁵			
Total water discharge (m ³)	2020	2021 ²	2022
Discharged to surface water	16,266	14,098	14,421
Discharged to external treatment facilities	521,323	505,615	447,577
Total	537,589	519,713	461,998

¹ This graphic provides a breakdown of operational water usage at our six sites: Campinas, Brazil; Cramlington, United Kingdom; Heist, Belgium; Oss, Netherlands; Pandaan, Indonesia; Xochimilco, Mexico.

² Data presented represents information available as of 1 April 2023, including certain estimates and assumptions. Historical estimates may periodically be subject to revision due to data source restatements and updates to methodology.

³ Note: Ground water used for non-operational activities is excluded from total water use data.

⁴ *Note: This graphic provides data for *groundwater* used exclusively for remediation purposes at our Oss Netherlands facility.

⁵ *Note: This graphic provides the total *water discharge data* including stormwater that is routed to onsite wastewater treatment from our six manufacturing sites prior to discharged to external treatment facilities.



Waste management

Waste types - Hazardous waste (MT) ¹			
Hazardous waste (MT)	2020	2021 ²	2022
Reused	0	0	0
Recycled	81	44	75
Composted	0	0	0
Combusted (with energy recovery)	503	421	906
Incinerated (without energy recovery)	548	457	61
Landfilled	8	6	1
Other ³	133	158	6
Total	1,273	1,086	1,049

Waste types - Non-hazardous waste (MT)			
Non-hazardous waste (MT)	2020	2021 ²	2022
Reused	228	217	133
Recycled	2,353	2,470	2,514
Composted	94	335	283
Combusted (with energy recovery)	1,306	1,129	1,288
Incinerated (without energy recovery)	115	99	0
Landfilled	63	67	25
Other ³	325	349	605
Total	4,484	4,666	4,848

¹ MT = metric ton

² Data presented represents information available as of 1 April 2023, including certain estimates and assumptions. Historical estimates may periodically be subject to revision due to data source restatements and updates to methodology.

³ Other is waste that is processed in another way the reused, recycled, combusted, incinerated and landfilled, like wastewater which is treated in an off-site facility and defined as waste according to local legislation.



Waste management

Total waste (MT ¹)			
Total waste (MT)	2020	2021 ²	2022
Hazardous	1,273	1,086	1,049
Non-Hazardous	4,484	4,666	4,848
Total	5,757	5,752	5,897
Total waste (MT)	2020	2021 ²	2022
Reused	228	217	133
Recycled	2,434	2,514	2,589
Composted	94	335	283
Combusted (with energy recovery)	2,195	1,947	2,194
Incinerated (without energy recovery)	277	159	61
Landfilled	72	73	26
Other ³	458	506	611
Total	5,757	5,752	5,897

¹ MT = metric ton

² Data presented represents information available as of 1 April 2023, including certain estimates and assumptions. Historical estimates may periodically be subject to revision due to data source restatements and updates to methodology.

³ Other is waste that is processed in another way the reused, recycled, combusted, incinerated and landfilled, like wastewater which is treated in an off-site facility and defined as waste according to local legislation.



Global Reporting Initiative (GRI) Index

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 Sections(s)/Disclosure	Additional References / Links
The organization and its reporting practices			
GRI 2-1	Organizational details	See About Organon , Pages 5-16.	See our Annual Report / 10-K
GRI 2-2	Entities included in the organization's sustainability reporting	See Our approach to ESG and stakeholder engagement , Pages 9-15.	
GRI 2-3	Reporting period, frequency, and contact point	<p>This report covers the full enterprise of Organon and all of our legal entities for the 2022 calendar year (January 1, 2022, through December 31, 2022) unless otherwise stated.</p> <p>For any questions, please reach out to Geralyn Ritter at geralyn.ritter@organon.com.</p>	
GRI 2-4	Restatements of information	Data presented represents information available as of 1 April 2023, including certain estimates and assumptions. Historical estimates may periodically be subject to revision due to data source restatements and updates to methodology.	
GRI 2-5	External Assurance	This report is not externally assured. We are considering external assurance for certain data in future reports.	
Activities and workers			
GRI 2-6	Activities, value chain and other business relationships	See About Organon , Pages 5-16.	
GRI 2-7	Employees	See Human capital/Diversity, equity, inclusion, and belonging , Pages 46-49.	See EEO-1 Filing on the ESG Disclosures webpage of Organon.com.
GRI 2-8	Workers who are not employees	See Human capital/Diversity, equity, inclusion, and belonging , Pages 46-49.	



General disclosures

Disclosure	Disclosure Title	ESG Report Sections(s)/Disclosure	Additional References / Links
Governance			
GRI 2-9	Governance structure and composition	See ESG governance , Page 16. See Board composition and practices , Pages 75-76.	See our 2023 Proxy Statement .
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 2023 Proxy Statement , ESG Charter , and Governance Principles .
GRI 2-11	Chair of the highest governance body	See Board composition and practices , Pages 75-76.	See our 2023 Proxy Statement .
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	See Board composition and practices , Pages 75-76.	See our 2023 Proxy Statement, ESG Charter , and Governance Principles .
GRI 2-13	Delegation of responsibility for managing impacts	See Board composition and practices , Pages 75-76.	See our 2023 Proxy Statement .
GRI 2-14	Role of the highest governance body in sustainability reporting	See Board composition and practices , Pages 75-76.	See our 2023 Proxy Statement .
GRI 2-15	Conflicts of interest	See Board composition and practices , Pages 75-76.	See our Conflicts of Interest Policy [referenced in our Code of Conduct].
GRI 2-16	Communication of critical concerns	See Board composition and practices , Pages 75-76.	See our Conflicts of Interest Policy [referenced in our Code of Conduct].
GRI 2-17	Collective knowledge of the highest governance body	See Board composition and practices , Pages 75-76.	
GRI 2-18	Evaluation of the performance of the highest governance body	See Board composition and practices , Pages 75-76.	
GRI 2-19	Remuneration policies	See Board composition and practices , Pages 75-76.	See our 2023 Proxy Statement .
GRI 2-20	Process to determine remuneration	See Board composition and practices , Pages 75-76.	See our 2023 Proxy Statement .
GRI 2-21	Annual total compensation ratio		See our 2023 Proxy Statement .



General disclosures

Disclosure	Disclosure Title	ESG Report Sections(s)/Disclosure	Additional References / Links
Strategy, policies and practices			
GRI 2-22	Statement on sustainable development strategy	See Our approach to ESG and stakeholder engagement , Pages 9-15.	See Environmental, Social, & Governance .
GRI 2-23	Policy commitments	See Ethics and compliance , Pages 77-79.	See our Code of Conduct and Our Policies & Positions .
GRI 2-24	Embedding policy commitments	See Ethics and compliance , Pages 77-79.	See our Code of Conduct .
GRI 2-25	Process to remediate negative impacts	See Ethics and compliance , Pages 77-79.	See our Code of Conduct .
GRI 2-26	Mechanisms for seeking advice and raising concerns	See Ethics and compliance , Pages 77-79.	See our Code of Conduct .
GRI 2-27	Compliance with laws and regulations	See Ethics and compliance , Pages 77-79.	See our Code of Conduct .
GRI 2-28	Membership associations	See Public Policy , Pages 89-90. Organon is a member of multiple associations, including but not limited to: <i>Biotechnology Innovation Organization (BIO)</i> <i>U.S. Chamber of Commerce</i> <i>OECD EmNET</i> <i>U.S. ASEAN Business Council</i> <i>Advamed</i> <i>EUCOPE</i> <i>Biosimilars Forum</i>	
Stakeholder engagement			
GRI 2-29	Approach to stakeholder engagement	See Our approach to ESG and stakeholder engagement , Pages 9-15.	
GRI 2-30	Collective bargaining agreements	See Human rights , Page 88.	



Material topic specific disclosures

Disclosure	Disclosure Title	ESG Report Sections(s)/Disclosure	Additional References / Links
GRI 3: Material Topics			
GRI 3-1	Process to determine material topics	See Our approach to ESG and stakeholder engagement , Pages 9-15.	
GRI 3-2	List of material topics	See Our approach to ESG and stakeholder engagement , Pages 9-15.	
GRI 201: Economic Performance Performance			
GRI 3-3	Management of material topics	See About Organon , Pages 5-16.	
GRI 201-1	Direct economic value generated and distributed	See About Organon , Pages 5-16.	See our Annual Report / 10-K .
GRI 201-2	Financial implications and other risks and opportunities due to climate change	See Climate change risks and resilience , Page 65.	
GRI 201-3	Defined benefit plan obligations and other retirement plans	See Human capital , Pages 43-52.	
GRI 202: Market Presence			
GRI 3-3	Management of material topics	See Human capital , Pages 43-52.	
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Not discussed.	
GRI 202-2	Proportion of senior management hired from the local community	Not discussed.	
GRI 203: Indirect Economic Impacts			
GRI 3-3	Management of material topics	See Community engagement , Pages 54-56. See Access to medicines and healthcare , Pages 29-42.	
GRI 203-1	Infrastructure investments and services supported	See Community engagement , Pages 54-56. See Access to medicines and healthcare , Pages 29-42.	
GRI 203-2	Significant indirect economic impacts	Not discussed.	



Material topic specific disclosures

Disclosure	Disclosure Title	ESG Report Sections(s)/Disclosure	Additional References / Links
GRI 204: Procurement Practices			
GRI 3-3	Management of material topics	See Procurement and supply chain practices , Page 87.	
GRI 204-1	Proportion of spending on local suppliers	Organon is continuing to develop a method to measure this metric.	
GRI 205: Anti-corruption			
GRI 3-3	Management of material topics	See Ethics and compliance/Anti-bribery and corruption , Page 78.	See our Prevention of Bribery and Anti-corruption Policy [referenced in our Code of Conduct].
GRI 205-1	Operations assessed for risks related to corruption	See Ethics and compliance/Anti-bribery and corruption , Page 78.	
GRI 205-2	Communication and training about anti-corruption policies and procedures	See Ethics and compliance/Anti-bribery and corruption , Page 78.	
GRI 205-3	Confirmed incidents of corruption and actions taken	Not discussed.	
GRI 206: Anti-competitive Behavior			
GRI 3-3	Management of material topics	See Ethics and compliance/Fair competition and open markets , Page 79.	
GRI 206-1	Confirmed incidents of corruption and actions taken	Not discussed.	
GRI 207: Tax			
GRI 3-3	Management of material topics	See Tax , Page 92.	See our Annual Report / 10-K .
GRI 207-1	Approach to tax	See Tax , Page 92.	
GRI 207-2	Tax governance, control, and risk management	See Tax , Page 92.	
GRI 207-3	Stakeholder engagement and management of concerns related to tax	See Tax , Page 92.	



Material topic specific disclosures

Disclosure	Disclosure Title	ESG Report Sections(s)/Disclosure	Additional References / Links
GRI 301: Materials			
GRI 3-3	Management of material topics	See Waste management , Pages 68-70.	
GRI 302: Energy			
GRI 3-3	Management of material topics	See Climate change/Energy usage , Page 64.	
GRI 302-1	Energy consumption within the organization	See Climate change/Energy usage , Page 64. See Performance data tables , Page 104.	
GRI 302-2	Energy consumption outside of the organization	See Climate change/Energy usage , Page 64. See Performance data tables , Page 104.	
GRI 302-3	Energy intensity	See Climate change/Energy usage , Page 64. See Performance data tables , Page 104.	
GRI 302-4	Reduction of energy consumption	See Climate change/Energy usage , Page 64. See Performance data tables , Page 104.	
GRI 303: Water and Effluents			
GRI 3-3	Management of material topics	See Water usage , Pages 66-67.	
GRI 303-3	Water withdrawal	See Water usage , Pages 66-67. See Performance data tables , Page 105.	
GRI 303-4	Water discharge	See Water usage , Pages 66-67. See Performance data tables , Page 105.	
GRI 303-5	Water consumption	See Water usage , Pages 66-67. See Performance data tables , Page 105.	
GRI 304: Biodiversity			
GRI 3-3	Management of material topics	See Biodiversity , Pages 71-72.	



Material topic specific disclosures

Disclosure	Disclosure Title	ESG Report Sections(s)/Disclosure	Additional References / Links
GRI 305: Emissions			
GRI 3-3	Management of material topics	See Climate change/Greenhouse gas emissions , Pages 60-62.	
GRI 305-1	Direct (Scope 1) GHG emissions	See Climate change/Greenhouse gas emissions , Pages 60-62. See Performance data tables , Pages 102-103.	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	See Climate change/Greenhouse gas emissions , Pages 60-62. See Performance data tables , Pages 102-103.	
GRI 305-3	Other indirect (Scope 3) GHG emissions	See Climate change/Greenhouse gas emissions , Pages 60-62. See Performance data tables , Pages 102-103.	
GRI 305-4	GHG emissions intensity	See Climate change/Greenhouse gas emissions , Pages 60-62. See Performance data tables , Pages 102-103.	
GRI 305-5	Reduction of GHG emissions	See Climate change/Greenhouse gas emissions , Pages 60-62. See Performance data tables , Pages 102-103.	
GRI 305-6	Emissions of ozone-depleting substances (ODS)	See Performance data tables , Page 103.	
GRI 305-7	305-7: Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	See Climate change/Other air emissions , Page 63. See Performance data tables , Page 103.	
GRI 306: Waste			
GRI 3-3	Management of material topics	See Waste management , Pages 68-70.	
GRI 306-1	Waste generation and significant waste-related impacts	See Performance data tables , Pages 106-107.	
GRI 306-2	Management of significant waste-related impacts	See Performance data tables , Pages 106-107.	
GRI 306-3	Waste generated	See Performance data tables , Pages 106-107.	
GRI 306-4	Waste diverted from disposal	See Performance data tables , Pages 106-107.	
GRI 306-5	Waste directed to disposal	See Performance data tables , Pages 106-107.	



Material topic specific disclosures

Disclosure	Disclosure Title	ESG Report Sections(s)/Disclosure	Additional References / Links
GRI 308: Supplier Environmental Assessment			
GRI 3-3	Management of material topics	See Procurement and supply chain practices , Page 87.	See or Business Partner Code of Conduct and Supplier Performance Expectations
GRI 308-1	New suppliers that were screened using environmental criteria	No new suppliers were screened using environmental criteria.	
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	There were no reported incidents.	
GRI 401: Employment			
GRI 3-3	Management of material topics	See Human capital , Pages 43-52.	
GRI 401-1	New employee hires and employee turnover	See Human capital/Diversity, equity, inclusion, and belonging , Pages 46-49.	
GRI 401-3	Parental leave	See Human capital/Employee benefits and well-being , Pages 51-52.	
GRI 403: Occupational Health and Safety			
GRI 3-3	Management of material topics	See Employee health and safety , Page 53.	
GRI 403-1	Occupational health and safety management system	See Employee health and safety , Page 53.	
GRI 403-2	Hazard identification, risk assessment, and incident investigation	See Employee health and safety , Page 53.	
GRI 403-3	Occupational health services	See Employee health and safety , Page 53.	
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	See Employee health and safety , Page 53.	
GRI 403-5	Worker training on occupational health and safety	See Employee health and safety , Page 53.	
GRI 403-6	Promotion of worker health	See Employee health and safety , Page 53.	



Material topic specific disclosures

Disclosure	Disclosure Title	ESG Report Sections(s)/Disclosure	Additional References / Links
GRI 403: Occupational Health and Safety (cont.)			
GRI 403-6	Promotion of worker health	See Employee health and safety , Page 53.	
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	See Employee health and safety , Page 53.	
GRI 403-8	Workers covered by an occupational health and safety management system	See Employee health and safety , Page 53.	
GRI 403-9	Work-related injuries	See Performance data tables , Page 101.	
GRI 403-10	Work-related ill health	See Performance data tables , Page 101.	
GRI 404: Training and Education			
GRI 3-3	Management of material topics	See Human capital , Pages 43-52.	
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	See Human capital , Pages 43-52.	
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	See Human capital , Pages 43-52.	
GRI 405: Diversity and Equal Opportunity			
GRI 3-3	Management of material topics	See Human capital , Pages 43-52.	
GRI 405-1	Diversity of governance bodies and employees	See Human capital , Pages 43-52. See Performance data tables , Pages 94-99.	
GRI 405-2	Ratio of basic salary and remuneration of women to men	See Human capital/Pay equity , Page 50.	
GRI 406: Non-discrimination			
GRI 3-3	Management of material topics	See Ethics and compliance , Pages 77-79.	
GRI 406-1	Incidents of discrimination and corrective actions taken	Not discussed.	



Material topic specific disclosures

Disclosure	Disclosure Title	ESG Report Sections(s)/Disclosure	Additional References / Links
GRI 408: Child Labor			
GRI 3-3	Management of material topics	See Human rights , Page 88.	See Human Rights Statement .
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	There were no reported incidents.	
GRI 409: Forced or Compulsory Labor			
GRI 3-3	Management of material topics	See Human rights , Page 88.	
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	There were no reported incidents.	
GRI 410: Security Practices			
GRI 3-3	Management of material topics	See Human rights , Page 88.	
GRI 410-1	Security personnel trained in human rights policies or procedures	Not discussed.	
GRI 411: Rights of Indigenous peoples			
GRI 3-3	Management of material topics	See Human rights , Page 88.	
GRI 411-1	Incidents of violations involving rights of indigenous peoples	There were no reported incidents.	
GRI 413: Local Communities			
GRI 3-3	Management of material topics	See Community engagement , Pages 54-56.	
GRI 414: Supplier Social Assessment			
GRI 3-3	Management of material topics	See Procurement and supply chain practices , Page 87.	



Material topic specific disclosures

Disclosure	Disclosure Title	ESG Report Sections(s)/Disclosure	Additional References / Links
GRI 414: Supplier Social Assessment (cont.)			
GRI 414-1	New suppliers that were screened using social criteria	See Procurement and supply chain practices , Page 87.	
GRI 414-2	Negative social impacts in the supply chain and actions taken	There were no reported incidents.	
GRI 415: Public Policy			
GRI 3-3	Management of material topics	See Public Policy , Pages 89-90.	
GRI 415-1	Political contributions	See Political contributions , Page 91.	
GRI 416: Customer Health and Safety			
GRI 3-3	Management of material topics	See Product safety and quality , Pages 23-28.	
GRI 417: Marketing and Labeling			
GRI 3-3	Management of material topics	See Ethical marketing practices , Pages 80-84.	
GRI 417-1	Requirements for product and service information and labeling	See Product labeling , Page 85.	
GRI 417-3	Incidents of non-compliance concerning marketing communications	Not discussed.	
GRI 418: Customer Privacy			
GRI 3-3	Management of material topics	See Privacy and data security , Page 86.	
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	See Privacy and data security , Page 86.	



SASB Index

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

Industry: Biotechnology & Pharmaceuticals

SASB Code	Metric	ESG Report Sections(s)/Disclosure	Additional References / Links
Safety of Clinical Trial Participants			
HC-BP-210a.1	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	See Product safety and quality , Pages 23-28.	
HC-BP-210a.2	Number of U.S. 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 Product safety and quality , Pages 23-28. There were no U.S. FDA sponsor inspections in 2022 as Organon did not actively conduct clinical investigations as a sponsor.	
Access to Medicines			
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 Access to medicines and healthcare , Pages 29-42.	
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 Access to medicines and healthcare , Pages 29-42. We have three contraceptive options listed on the WHO PQP.	
Affordability & Pricing			
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.	
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	Not discussed.	



Industry: Biotechnology & Pharmaceuticals

SASB Code	Metric	ESG Report Sections(s)/Disclosure	Additional References / Links
Affordability & Pricing (cont.)			
HC-BP-240b.3	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	Not discussed.	
Drug Safety			
HC-BP-250a.1	List of products listed in the U.S. Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database		FAERS MedWatch
HC-BP-250a.2	Number of fatalities associated with products as reported in the U.S. FDA Adverse Event Reporting System		FAERS MedWatch
HC-BP-250a.3	Number of recalls issued, total units recalled	See Product safety and quality , Pages 23-28.	FAERS MedWatch
HC-BP-250a.4	Total amount of product accepted for takeback, reuse, or disposal	Not discussed.	
HC-BP-250a.5	Number of U.S. FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	There were no U.S. FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP) within 2022.	
Counterfeit Drugs			
HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	See Product safety and quality , Pages 23-28.	
HC-BP-260a.2	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	See Product safety and quality , Pages 23-28.	
HC-BP-260a.3	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	See Product safety and quality , Pages 23-28.	
Ethical Marketing			
HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	Not Reported.	
HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products	See Product labeling , Page 85.	



Industry: Biotechnology & Pharmaceuticals

SASB Code	Metric	ESG Report Sections(s)/Disclosure	Additional References / Links
Employee Recruitment, Development & Retention			
HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	See Human capital , Pages 43-52.	
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 Human capital/Diversity, equity, inclusion, and belonging , Pages 46-49.	
Supply Chain Management			
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	Not discussed.	
Business Ethics			
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 Ethics and compliance , Pages 77-79.	See our Reporting & Responding to Misconduct Policy, Prevention of Bribery and Corruption Policy; Insider Trading Policy; Conflicts of Interest Policy [referenced in our Code of Conduct].
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 About Organon , Pages 5-16.	See Products List .



Task Force on Climate-Related Financial Disclosures (TCFD) Index

Introduction

We believe that an effective response to climate change is a key element of our commitment to women's health and our goal of creating a better, healthier every day for every woman.

As the climate changes, extreme weather events will become more severe and more frequent, and chronic changes to temperature and precipitation patterns will affect global systems for providing water, food, energy, and our natural resources. The world's response to climate change may involve changes in regulations and policies related to carbon and energy use and the transition to a low-carbon economy may affect our customers, suppliers, investors, and other stakeholders. Climate change may pose risks to the healthcare sector and the pharmaceutical industry in many ways, such as higher cost of raw materials, greater potential for weather-related supply chain disruption, and increased compliance and reporting costs. We believe that by understanding how climate change may impact our operations and value chains, we can better prepare for a future in which women are foundational to a healthier world.

We are committed to understanding the potential impacts of climate change and to taking action to reduce our greenhouse gas (GHG) emissions and our water and energy use. We are also committed to identifying and considering climate-related

opportunities that support the transition to a low-carbon economy. To that end, we are working to make our manufacturing facilities and operations more energy-efficient and we are increasing our use of renewable energy. In 2022, we reduced our Scope 1 and 2 GHG emissions by 3.4% against our 2020 baseline. In 2023, we completed an initial characterization our Scope 3 GHG emissions, implementing a spend-based model that aligns with the Greenhouse Gas Protocol. For more information about our Environmental goals and ambitions, please see the [Environment: Her Planet](#) section of this ESG report.

We recognize that transparency around our climate-related risks and opportunities is important to our internal and external stakeholders and therefore, we have prepared our first report in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD index below is organized around the TCFD's four disclosure pillars of Governance, Strategy, Risk Management, and Metrics and Targets. We view this TCFD report as the first step in our journey to provide our stakeholders with information on how we evaluate and manage our climate-related risks and capitalize on our opportunities to move toward a low-carbon and climate-resilient world.

Governance

Organon has embedded Environmental, Social & Governance (ESG) principles into the company's strategy and has identified environmental stewardship as one of five priorities in

Organon's ESG strategy. Our environmental stewardship strategy is championed by the Head of Manufacturing and Supply and by the Executive Vice President, External Affairs and ESG Sustainability, who both report to the CEO. Development and implementation of the strategy is led and managed by the Global Safety, Health, and Environment (SHE) team in partnership with Legal with active engagement of a cross-disciplinary team of leaders representing Organon Manufacturing & Supply (OMS) and Global Procurement, and it is integrated into Organon's operational and risk management processes as described below.

Risk and Operational Governance

Board-level oversight of climate-related matters rests with the ESG Committee of Organon's Board of Directors. The ESG Committee, composed solely of independent directors, oversees and makes recommendations to the Board regarding ESG and other sustainability matters relevant to the company's business, including climate change.

The Board's oversight of the company's overall risk, including climate-related risks, is an important component of the Board's engagement in strategic planning, and the Board has two primary methods of overseeing risk. The first method is our Enterprise Risk Management (ERM) process, which allows for Board oversight of the most significant risks facing Organon. Organon's ERM program provides a framework for risk identification and management of significant risks,



including risks related to climate change and the long-term sustainability of the business. Climate-related risks are considered under both ESG and HSE (Health, Safety and Environment) risk categories within the ERM framework. Each risk is assigned to a member or members, as appropriate, of the Executive Leadership Team. The Audit Committee of the Board of Directors, composed solely of independent directors, has primary responsibility for overseeing Organon's ERM program.

The second method is through the functioning of the three standing Committees of the Board – the Talent Committee, the Audit Committee, and the ESG Committee. The ESG Committee oversees our corporate governance, including the practices, policies, and procedures of the Board and its committees. Further, the ESG Committee plays a role in ESG-related risk and compliance oversight, including in the areas of climate change, environmental health and safety, manufacturing quality systems, and political and policies engagement, among other areas. Together, the ESG and Audit Committees play active roles in oversight of climate-related risks and opportunities. On a bi-annual basis, the full board is briefed on progress against our ESG strategy, including our climate-related targets and programs. The board is kept informed of its committees' risk oversight and other activities through reports by the committee chairs to the full board.

Organon's integration of climate change into divisional and ERM processes include reviewing risks that could be material to the company to support U.S. Securities and Exchange Commission (SEC) 10-K reporting. As stated in our most recent 10-K, Organon does not believe these potential climate-related risks are material to our business at this time. More information on the risk assessment process for climate change is provided in the risk assessment section below.

Manufacturing at our internal network of six sites, managed by OMS, and our fleet account for approximately 6% of the company's

energy consumption and GHG emissions; whereas GHG emissions in the value chain, including manufacturing at our external network, account for approximately 94% of total GHG emissions, according to our initial characterization of Scope 3 GHG emissions. The Head of Manufacturing & Supply leads Organon's manufacturing and supply chain, serves as one of the executive sponsors of climate change risk management and has operational control over OMS operations and strategy, including operating expenses (OpEx) and capital expense (CapEx) investment in GHG emission reduction projects.

We have begun to engage with our supply network and our contract manufacturing organizations (CMOs) to identify GHG emissions-reduction programs associated with their business activities and operations. In selecting our partners, we plan to consider their compliance with climate-related regulations and the nature of their climate mitigation programs. By 2025, our goal is to have at least 70% of our supplier spend devoted to suppliers that have GHG emissions-reduction and water reduction programs.

Environmental sustainability has been integrated into Organon's business strategy and GHG emissions reduction is monitored as a key performance indicator.

ESG Governance

The Executive Leadership Team is responsible for reviewing our ESG strategy and is accountable for making progress against the climate-related 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 with 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.

Our Public Policy & ESG Council ("ESG Council") consists of executives with functional responsibilities across the business who report to members of the Executive Leadership Team, who is ultimately accountable for taking action against our ESG strategy, which includes our environmental sustainability strategy. The cross-functional ESG Council, which is chaired by the Executive Leadership Team member who leads External Affairs, advises on key issues and guides the integration and implementation of Organon's non-financial reporting related to ESG.

Our cross-functional EHS (Environment, Health, and Safety) Council and ESG Council are responsible for oversight of developing and implementing our environmental sustainability strategy. Furthermore, these two councils, on which there are certain Executive Leadership Team members, have oversight in assessing and managing climate-related risks. They will also be responsible for developing climate resiliency planning. Our SHE (Safety, Health, and Environment) organization works with our internal and external business partners to help ensure compliance with environmental laws as well as to develop and implement our environmental sustainability strategy. Our environmental sustainability strategy addresses climate change issues including GHG emissions, water, materials (including waste), climate resilience, and biodiversity.

Our SHE group is responsible for overseeing our Environment, Health and Safety (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.



Strategy

Our Scenario Analysis Process

As part of our ESG strategic planning process, we recently conducted a TCFD-aligned qualitative assessment of physical and transition climate-related risks and opportunities for our business. Analyzing potential climate change risks and opportunities is challenging because of the uncertainty in the pace and scale of future GHG emissions and in the regulatory and policy response to climate change. The TCFD recommends the use of scenario analysis to assess future climate-related risks and opportunities. A scenario is a narrative describing how the future may develop based on a coherent and internally consistent set of assumptions about key drivers. It is important to note that scenarios are not forecasts or predictions and no probability or likelihood is associated with the scenarios. We conducted the analysis using three time horizons: the present day (short-term planning horizon of 1-2 years), 2035 (medium-term planning horizon) and 2050 (long-term planning horizon).

Scenario Analysis of Transition Climate-related Risks and Opportunities

We worked with external consultants to perform a qualitative scenario analysis to identify potential climate-related risks and business opportunities arising from the transition towards a low-carbon economy. Consistent with TCFD recommendations, we evaluated actual and future potential risks from policy and legal, technology, market, and reputational risks as well as opportunities from resource efficiency, energy sourcing, new markets, products and services, and resilience.

Scope and Method

While the company-wide transition assessment considered Organon as a whole, inclusive of the value chain, the assessment emphasized evaluation of transition risks and opportunities in Brazil, Mexico, Belgium, the Netherlands, Indonesia, and the United Kingdom. These countries were selected for enhanced review based on the locations of our owned manufacturing facilities and key internal stakeholder input on the importance of each country to Organon's business. The locations of the CMOs in the value chain were not in scope of this assessment and may be considered in future analyses.

We prepared a list of relevant, present-day transition risks and opportunities for evaluation based on interviews with key internal stakeholders as well as transition risks and opportunities reported by industry peers. We then evaluated the potential impact of each risk and opportunity for each time horizon and emissions scenario based on our exposure and sensitivity to that risk or opportunity. Industry- and company-specific exposure and sensitivity scoring was developed through a review of market research on transition risks, as well as public, climate-related disclosures from Organon's pharmaceutical industry peers.

Our potential exposure to each climate-related transition risk and opportunity varies by time horizon and scenario as external factors change. The company's sensitivity score for each risk and opportunity is assumed to be the same for all scenarios and time horizons. Exposure and sensitivity scores for each risk and opportunity were combined to generate a qualitative potential impact score of "low", "medium", or "high".

Scenario Analysis of Physical Climate-related Risks and Opportunities

We worked with external consultants to perform a TCFD-aligned, qualitative scenario analysis to identify physical climate change risks to our six manufacturing facilities. For each facility, we evaluated present and future exposure and vulnerability to physical climate risks. This includes chronic risks from temperature and precipitation pattern changes and sea level rise as well as acute (event-driven) risks from inland flooding, coastal flooding, drought, water stress, severe storms, and wildfire.

Scope and Method

The assessment focused on our six owned manufacturing facilities in Brazil, Mexico, Belgium, the Netherlands, Indonesia, and the United Kingdom. Organon evaluated the potential vulnerability of each facility to climate change hazards for each time horizon and emissions scenarios listed below. The vulnerability assessment considered each facility's exposure, sensitivity, and adaptive capacity. Exposure measures the likelihood and magnitude of climate hazard impacts to the facility and sensitivity describes how the functions of the facility are affected by climate change. We considered the potential for climate hazards to damage the facility structure, systems, or critical equipment, to increase operating costs or disrupt facility operations (including facility access, utility outages, and unsafe working conditions), and to affect employee health. The vulnerability assessment also considered facility adaptive capacity, which is the ability of the facility to change, adapt, and continue to function despite its exposure to a climate hazard.



Table 1

Scenario Summary				
Type	Scenario	Global Warming by 2100 (median value) ¹	Description	Key Parameters and Assumptions
Transition	IEA Net Zero by 2050 Scenario (NZE)	Less than 1.5°C	<ul style="list-style-type: none"> NZE is a Paris-aligned “1.5°C” pathway that models a complete transformation of the world’s production, transport, and consumption of energy. Rapid transition scenario in which GHG emissions decline quickly due to large-scale near-term deployment of a wide portfolio of clean energy technologies, regulation of carbon, and changes in consumer behavior. 	<ul style="list-style-type: none"> NZE reaches global net zero CO₂ emissions by 2050 Carbon prices reach \$250/ton by 2050 in all advanced economies Immediate global deployment of all available clean and efficient energy technologies All governments significantly strengthen and then successfully implement their energy and climate policies
	IEA Stated Policies Scenario (STEPS)	2.5°C	<ul style="list-style-type: none"> The STEPS provides a conservative benchmark for limited future climate action and explores where the energy system might go without a major additional steer from policy makers. Unlike NZE, STEPS is not designed to hold the global temperature increase below a particular threshold. 	<ul style="list-style-type: none"> CO₂ emissions reach a plateau in the mid-2020s and thereafter fall slowly through 2050. EU carbon price reaches \$90/ton by 2050 STEPS reflects current policy settings based on IEA’s sector-by-sector assessment of the specific policies that governments have in place and specific policy initiatives under development.
Physical	IPCC Shared Socioeconomic Pathway (SSP) Scenario SSP2-4.5 ²	2.7°C	SSP2-4.5 social, economic, and technological trends do not shift markedly from historical patterns and the scenario represents a future with decreasing GHG emissions after mid-century and lesser physical impacts.	<ul style="list-style-type: none"> CO₂ emissions remain around current levels until the middle of the 21st century >50% probability of limiting global warming to 3°C
	IPCC SSP5-8.5	4.4°C	SSP5-8.5 is a very high GHG emissions future with increasing GHG emissions through 2100 and greater physical impacts from climate change.	<ul style="list-style-type: none"> CO₂ emissions roughly double from current levels by 2050 >50% probability of global warming exceeding 4°C

¹ Scientists track the status of climate change by noting the expected rise in global average ground-level air temperature from pre-industrial times (1850-1900) to 2100. To avoid catastrophic climate change outcomes, the world must keep global warming below 1.5°C, which requires that we achieve net zero carbon dioxide (CO₂) emissions by mid-century.

² The physical risk scenarios are labelled using the terminology SSPx-y, where ‘SSP’ refers to the Shared Socio-economic Pathway or ‘SSP’ describing the socio-economic trends underlying the scenario, and ‘y’ refers to the approximate level of radiative forcing (in watts per square meter, or W m⁻²) resulting from the scenario in the year 2100.



Table 2

Transition Risk and Opportunity Summary

Risk / Opportunity	TCFD Category	Description	Ranking	Potential Financial Impacts
Key Risks and Opportunities				
Changing Customer Behavior	Market Risk	Customers, e.g., national healthcare systems and countries, incorporate increasingly stringent climate and ESG considerations as part of their procurement requirements. Unless Organon continues to strengthen climate and ESG practices to stay consistent with tender requirements, its customers may select alternate suppliers.	Short term: Low 2035 NZE: Low 2050 NZE: Medium 2035 STEPS: Low 2050 STEPS: Low	Decreased revenues due to reduced demand for products and services if no mitigating action is taken
Enhanced Emissions and Climate Reporting Obligations	Policy and Legal Risk	Future climate-related regulations become more stringent world-wide, leading to enhanced climate reporting and disclosure obligations. Increased staffing and costs to monitor and comply with new obligations.	Short term: Medium 2035 NZE: Medium 2050 NZE: Medium 2035 STEPS: Low 2050 STEPS: Low	Increased compliance and reporting costs
Energy Cost and Reliability	Market Risk	Market uncertainty around energy security and pricing during the transition to a low-carbon energy system and economy may increase energy prices and negatively impact energy reliability. Fluctuations in energy price may lead to increased energy expenditures during price spikes, increasing OpEx; additional allocation of CapEx may be required to increase energy reliability (e.g., installation of backup generation capacity).	Short term: Medium 2035 NZE: Medium 2050 NZE: Low 2035 STEPS: Medium 2050 STEPS: High	Increased allocation of OpEx and CapEx toward energy stability
Climate-ready, Sustainable Business	Market Opportunity	As customers', e.g., national healthcare systems and countries, concern on climate change and sustainability grows, they may increasingly desire sustainable, climate-ready products/companies. If Organon can maintain robust climate and ESG practices, it may be able to increase its share of the market that desires products/companies to be sustainable and taking climate action.	Short term: Low 2035 NZE: Medium 2050 NZE: High 2035 STEPS: Low 2050 STEPS: Medium	Increased revenue through tenders
Use of Renewable Energy	Energy Sourcing Opportunity	As renewable energy becomes increasingly available, switching to renewable energy sources may lower operating costs and increase the reliability of the energy supply. There may also be supportive policies that incentivize the switch to renewables. Increasing availability and incentives for use of renewable energy is projected to drive down costs and reduce exposure to carbon price risks under the NZE scenario.	Short term: Low 2035 NZE: Medium 2050 NZE: Medium 2035 STEPS: Low 2050 STEPS: Medium	Decreased costs due to cheaper, more reliable energy
Other Risks and Opportunities				
Carbon pricing risk	Policy and Legal Risk	Increase in operating costs due to current and pending carbon-related regulation such as carbon tax, carbon cap and trade and carbon border adjustment mechanisms.	Short term: Low 2035 NZE: Low 2050 NZE: Low 2035 STEPS: Low 2050 STEPS: Low	<ul style="list-style-type: none"> Increased OpEx due to indirect effects of higher carbon prices Increased allocation of CapEx to reduce emissions to mitigate high carbon prices



Table 2 (cont.)

Transition Risk and Opportunity Summary				
Risk / Opportunity	TCFD Category	Description	Ranking	Potential Financial Impacts
Other Risks and Opportunities				
Changing Stakeholder Expectations	Reputational Risk	As stakeholders (particularly institutional investors) increase focus on the effects of climate change and respond to changing consumer preferences, stakeholders may change their investment patterns to pivot away from companies that are not taking climate action.	Short term: Low 2035 NZE: Low 2050 NZE: Medium 2035 STEPS: Low 2050 STEPS: Low	<ul style="list-style-type: none"> • Lost revenue and investment • Increased cost of capital
Renewable Energy Cost and Availability	Market Risk	Organon's ability to procure renewable energy may be affected by different social, economic, and geopolitical factors such as supply chain disruptions.	Short term: Low 2035 NZE: Low 2050 NZE: Low 2035 STEPS: Low 2050 STEPS: Low	<ul style="list-style-type: none"> • Higher OpEx to procure energy • Higher CapEx to install renewables
Government mandates on GHG emissions	Policy and Legal Risk	As governments ramp up policies to address GHG emissions, mandates may be implemented that restrict the use of materials or processes that result in the emissions of GHGs with a high global warming potential.	Short term: Low 2035 NZE: Low 2050 NZE: Medium 2035 STEPS: Low 2050 STEPS: Low	<ul style="list-style-type: none"> • Cost to implement process changes and/or technologies that meet regulatory expectations
Efficient manufacturing, processing and logistics	Resource Efficiency Opportunity	Increased operational efficiency measures and deployment of improvements in manufacturing and logistics.	Short term: Low 2035 NZE: Low 2050 NZE: Medium 2035 STEPS: Low 2050 STEPS: Low	<ul style="list-style-type: none"> • Cost savings due to energy and other efficiencies • Reduced financial exposure to future carbon pricing schemes
Resilience	Resilience Opportunity	Increasing resilience to climate change impacts in Organon's assets and operations, thereby creating co-benefits to Organon's operations and reputational benefits.	Short term: Low 2035 NZE: Low 2050 NZE: Low 2035 STEPS: Low 2050 STEPS: Low	<ul style="list-style-type: none"> • Potential revenue from enhanced reputation • Decreased long-term allocation of OpEx and CapEx toward physical damages associated with climate change



Table 3

Climate-related Physical Risk Summary				
Risk	TCFD Category	Description	Ranking	Potential Financial Impacts
Key Risks				
Water stress	Chronic and acute	Water is important to Organon's manufacturing processes. Most of Organon's manufacturing facilities are exposed to present-day water stress ¹ and climate change is projected to increase water stress for some facilities as temperatures rise and precipitation becomes more variable. For some facilities, the incidence of acute drought episodes is projected to increase by mid-century, and this may exacerbate water stress. It is worth noting, however, that compared to other pharma manufacturers, Organon's six owned sites are relatively low water-users.	Short term: Medium 2035 SSP2-4.5: Medium 2050 SSP2-4.5: High 2035 SSP5-8.5: High 2050 SSP5-8.5: High	<ul style="list-style-type: none"> Increased OpEx from higher water costs Increased CapEx for water efficiency and reuse/recycling projects
Inland flooding	Acute	Vulnerability to inland (rainfall and river) flooding depends on future changes in precipitation, as well as site configuration and flood defenses. For certain facilities, climate change is projected to increase the frequency and/or intensity of heavy rainfall events, which can increase the potential for flooding. Flooding can cause damage or business interruption at the facility and/or affect facility access or operations through impacts on the surrounding community.	Present: Low 2035 SSP2-4.5: Medium 2050 SSP2-4.5: High 2035 SSP5-8.5: Medium 2050 SSP5-8.5: High	<ul style="list-style-type: none"> Increased OpEx from higher insurance premiums Reduction in revenue due to business interruption Increased CapEx to repair flood damages and to fund flood prevention measures
Extreme temperatures	Acute	All Organon facilities are projected to see future increases in the frequency of hot days. Heat waves increase electricity usage and costs, accelerate deterioration of equipment (especially HVAC) and buildings, increase the likelihood of power grid outages, and cause heat stress for employees.	Present: Medium 2035 SSP2-4.5: Medium 2050 SSP2-4.5: High 2035 SSP5-8.5: Medium 2050 SSP5-8.5: High	<ul style="list-style-type: none"> Potential for increased costs from interruption and lost production during power outages at certain facilities If outages extend beyond the facility's backup capacity, increased cooling costs and increased costs associated with reduced employee productivity Potential limitation on the effectiveness of cooling towers and our permitted ability to shed heat to local rivers
Other Risks				
Severe storms (e.g., tropical cyclones)	Acute	Although none of Organon's manufacturing facilities are located in regions with frequent impacts from major tropical cyclones, several have potential exposure to heavy rainfall and winds from tropical cyclones and extratropical cyclones and severe thunderstorms. Climate change may intensify the amount of rainfall in these storms, increasing flood risk. Several facilities have present-day exposure to winter storms, but the effect of climate change on winter storms is uncertain.	Present: Low 2035 SSP2-4.5: Medium 2050 SSP2-4.5: Medium 2035 SSP5-8.5: Medium 2050 SSP5-8.5: Medium	<ul style="list-style-type: none"> Increased OpEx from higher insurance premiums Reduction in revenue due to business interruption Increased CapEx to repair storm damages and take preventive measures

¹ Water stress is an indicator of competition for water resources and is defined by the World Resource Institute (WRI) [Aqueduct Tool](#) as the ratio of demand for water by human society divided by available water.



Table 3 (cont.)

Climate-related Physical Risk Summary				
Risk	TCFD Category	Description	Ranking	Potential Financial Impacts
Other Risks				
Wildfire	Acute	Direct impacts include losses from damages and business interruption and indirect impacts include lost production during power outages or air quality or impeded access caused by nearby wildfires. None of the six facilities is projected to have direct exposure to wildfire hazards through 2050.	Present: Low 2035 SSP2-4.5: Low 2050 SSP2-4.5: Low 2035 SSP5-8.5: Low 2050 SSP5-8.5: Low	<ul style="list-style-type: none"> Projected to be minimal through 2050
Coastal flooding	Chronic and acute	None of the six facilities is projected to have direct exposure to coastal flooding hazards through 2050.	Present: N/A 2035 SSP2-4.5: N/A 2050 SSP2-4.5: N/A 2035 SSP5-8.5: N/A 2050 SSP5-8.5: N/A	<ul style="list-style-type: none"> Projected to be minimal through 2050
Rising temperatures	Chronic	Rising temperatures are projected to increase cooling needs and costs for all facilities, hasten deterioration of equipment (including HVAC), and stress employee health and wellbeing.	Present: Medium 2035 SSP2-4.5: Medium 2050 SSP2-4.5: Medium 2035 SSP5-8.5: Medium 2050 SSP5-8.5: High	<ul style="list-style-type: none"> Rising cooling costs Rising equipment maintenance and replacement costs (even if negligible compared to general OpEx)

¹ Water stress is an indicator of competition for water resources and is defined by the World Resource Institute (WRI) [Aqueduct Tool](#) as the ratio of demand for water by human society divided by available water.



Strategy (cont.)

Strategic Resilience Under Climate Scenarios

Findings from the analysis of current and projected climate-related risks and opportunities suggest the company's business model is resilient under a broad range of future physical and transition scenarios (including the 1.5°C NZE climate scenario) if risks continue to be actively managed.

Under both scenarios, Organon is projected to see increases in allocation of CapEx and OpEx toward reducing our GHG emissions and improving energy efficiency. However, these increases in potential financial impact may be in line with the ongoing active management of climate-related risks.

Our contract manufacturing model limits our Scope 1¹ and 2² GHG emissions and operational footprint and reduces our direct exposure to carbon pricing risks. However, Organon's reliance on CMOs increases the need for supplier engagement on climate and other sustainability issues to manage potential climate-related risks, including increasing physical risks to the continuity of the supply chain and the magnitude of our Scope 3³ emissions. Enhanced supplier engagement is contemplated in current OpEx allocation.

It should be noted that there are key uncertainties associated with using global climate models to project the effects of physical risks on our business strategy. These include uncertainties in how:

- Future emissions could lead to changes in the global climate system;

- Changes in this larger system may evolve for us locally; and
- Climate hazards could manifest due to natural variability which is not fully captured by the models.

Trends in some physical climate hazards are also more difficult to project than others. For example, hazards driven by rainfall variables (e.g., flooding, water stress and drought) are more uncertain than those related to temperature variables (e.g., extreme heat) as they depend on the response of regional atmospheric circulations to global warming.⁴ Key uncertainties that could influence our resilience to transition risks and opportunities include:

- How quickly our suppliers can reduce their GHG emissions, given that approximately 94% of our emissions are in the value chain rather than in our direct operations;
- How governments and regulatory frameworks evolve to incorporate climate-related requirements for corporate operations and reporting; and
- How healthcare systems and services will implement GHG reduction requirements in the supply chain.

Impact of Climate-related Risks and Opportunities on our Businesses, Strategy, and Financial Planning

With the company's potential exposure to climate-related transition risks, we are developing strategies to manage these risks and reduce their financial, operational, and strategic impacts. Our increasing focus on energy efficiency, GHG emissions reduction, and renewable energy procurement

may reduce our carbon footprint and exposure to future regulations of GHG emissions.

- Organon responds to requests for environmental performance information from current customers and as part of tenders. While the level of influence that our environmental performance has on customer purchasing decisions has not been fully quantified, the number of customer and tender inquiries has been observed to increase each year.
- Annual targets are established for energy conservation project savings. Our six manufacturing sites maintain master plans that identify opportunities for emission reductions. Not all energy conservation projects require capital for implementation; however, if they do, these projects are reviewed through our capital project appropriation process. When projects are selected, the costs to implement these projects as well as the expected cost savings are included in the site's operating budgets and / or capital plans as appropriate.
- Organon monitors climate-related regulatory and policy developments, and we are directly engaging with our suppliers, CMOs, customers, and other key stakeholders on sustainability and climate-related issues. We recognize that climate change is of increasing importance to some of our customers, e.g., national healthcare systems and governments, and investors and that leadership in this space represents a business opportunity for Organon, especially under a rapid transition to a low-carbon economy (NZE). We are currently working to enhance and expand our sustainability and climate disclosures to better communicate our progress on climate action and environmental performance to all of our stakeholders.

¹ Scope 1 emissions are direct GHG emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles).

² Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling.

³ Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but but GHG emissions associated with the value chain.

⁴ Multiple sources are used to consider these uncertainties and variables. IPCC AR6 is one of the primary sources, but also includes sources for specific hazards such as flooding and water stress and drought, including WRI Aqueduct and Fathom-Global 2.0.



Risk Management

We have performed 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. Our ESG prioritization assessment evaluated potential climate-related risks and noted that these risks are integrated into our business planning, including investment in reducing energy, water use, and GHG emissions. Our most recent ESG prioritization assessment (see [Our ESG priorities](#) of this ESG report) found these potential risks to be Tier 2 and 3 priorities at the time the assessment was conducted. Moreover, and as stated in our most recent 10-K, Organon does not believe these potential risks are material to its business at this time.

Across our manufacturing facilities and operations, we have taken steps to manage the impacts of climate-related physical risks. We have a business continuity and emergency response plan for each facility. As part of our allocation of CapEx to sustain and maintain our asset base, we have financed projects to reduce current and future flooding and water stress impacts at key facilities, and upgrade facility cooling systems to handle more frequent and intense future heat waves and will continue to integrate climate considerations in capital planning. We have also made operational improvements, such as coordination with local government agencies on flood monitoring and defenses and integration of reporting of climate-related matters through our environmental reporting process.

Some examples of our action to reduce physical and transition climate-related risks include:

- Our Campinas, Brazil manufacturing facility obtains water directly from the Atibaia River and treats water onsite for both

- production and employee use. The Campinas facility has made numerous improvements in water use reduction and is planning for increases in future water stress. The facility treats process water and reuses it in the cooling towers, and it is exploring additional backup water supplies (e.g., investigating, collecting, and treating stormwater or wastewater water to a level adequate for production). In addition, Campinas plans to install 3,200 ground solar panels on-site, which will generate more than approximately 18% of the power needed to operate the facility. Additional drivers to this project include the fact that it has a favorable payback period and that it provides some level of mitigation to the high variability of energy costs operating a facility in Brazil.
- Our Xochimilco, Mexico manufacturing facility has a wastewater treatment plant on site that provides reusable water for landscape irrigation, and soon, the cooling towers. The reuse of water decreases reliance on potable water for these processes.
- The risk of flooding at our Oss, Netherlands facility will be mitigated through a new stormwater project.
- The Cramlington, UK facility operates two 2MW wind turbines, and it also operates a biomass cogeneration plant from which it derives both electricity and steam.

Metrics & Targets

We use a series of metrics to assess our progress in managing our climate-related risks and opportunities, including GHG emissions, energy consumption and efficiency, water consumption and waste.

As described in this ESG Report, Organon has made the following climate-related commitments for the year 2025:

- We aim to reduce Scope 1 and 2 GHG emissions by >25% from 2020 levels.
- Our goal is that at least 70% of our supplier spend devoted to suppliers that have GHG emission reduction programs.
- We plan to characterize our Scope 3 emissions and regularly update them to reflect our supply chain.

Our long-term ambition is 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.

Organon calculates Scope 1 and 2 GHG emissions in accordance with the GHG Protocol (revised edition). Organon's estimations of Scope 3 emissions are also based on the GHG Protocol (revised edition) methodology.

We have also set targets around water usage. Organon has made the following water-related commitments for the year 2025:

- We aim to reduce water usage in our operations by >5% from 2020 levels.
- Our goal is to have at least 70% of our supplier spend devoted to suppliers that have water reduction programs.
- We plan to characterize the water usage of the value chain and regularly update it to reflect the value chain.
- Our long-term ambition is to integrate water stewardship principles into our business models by 2050.

For a summary of recent trends in these metrics, please see the [Environment: Her Planet](#) section of this ESG report.



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