

## 2024 ESG HIGHLIGHTS

## **About Organon**

We are an independent global healthcare company that envisions a better and healthier every day for every woman. By addressing health conditions that are unique to women, affect her disproportionately or impact her differently, we are igniting our purpose: advancing the complete health of women at all stages of her life journey.

Our diverse portfolio offers solutions across a range of areas including reproductive health, cardiovascular disease, neurology, autoimmune and respiratory conditions. We bring these necessary therapies and devices to those who need them in more than 140 markets around the world.



# Our approach to ESG and stakeholder management

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

The <u>priority topics</u> we track reflect ESG issues that are important to Organon, based on the results of our <u>ESG materiality assessment</u> that was conducted in 2021.

#### INNOVATION FOR WOMEN'S HEALTH

#### **GOALS**

- Aim to redefine and harness innovation in women's health by dedicating a majority of our pre-clinical and clinical development activity toward areas of unmet health needs in conditions that are unique to women, affect her disproportionately or impact her differently.
- Seek potential solutions that can achieve a significant impact by improving care, diagnosis, quality of life and health outcomes for women.
- Seek collaborations to expand access to treatment options that improve her health and help secure Her Promise.

Strive to engage the women's health innovation ecosystem - NGOs, startups, venture capital and others - to think creatively about how to support the best science and accelerate access to new medicines, devices and solutions for girls and women around the world.

#### **PROGRESS**

13

### Transactions completed

since 2021, with four in 2024, which allows us to advance meaningfully toward our mission.



In 2024, we expanded our agreement in central nervous system disorders with Eli Lilly for the following markets: Canada, Colombia, Israel, South Korea, Kuwait, Mexico, Qatar, Saudi Arabia, Taiwan, Turkey and the United Arab Emirates. Certain central nervous system disorders are among the leading causes of disability in women, particularly during their most productive years. Through this expanded agreement, we are proud to raise awareness and broaden access, helping address a critical and often overlooked barrier to everyday health for approximately a billion people globally.



## **Her Equity**

#### HUMAN CAPITAL

#### **GOAL**

Aspire to have 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.<sup>1</sup>

<sup>1</sup>Where and to the extent permitted by law.

#### **PROGRESS**

We have 47% female representation in roles at director-level and above.

**47**%

#### **GOAL**

Aim to achieve pay equity.

#### **PROGRESS**

Completed pay equity studies conducted by external economic and legal experts in 20 largest markets (Australia, Belgium, Brazil, Canada, China, Egypt, France, Indonesia, Italy, Korea, Mexico, Netherlands, Portugal, Russia, Singapore, Spain, Switzerland, Thailand, the United Kingdom and the United States) and achieved 100% balance in pay equity for similarly situated female and male employees in equivalent positions.<sup>2</sup>

<sup>2</sup>Adjusted to account for legitimate labor economic factors.

#### **PROGRESS**

#### Achieved

100%

balance in pay equity for similarly situated non-White (including Black, Hispanic/Latino and Asian employees) and White employees in equivalent positions in the United States.<sup>3</sup>

<sup>3</sup>Adjusted to account for legitimate labor economic factors. Due to local legal and regulatory requirements, there was insufficient information available to conduct this second analysis outside the United States.



#### **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 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.

#### **GOAL**

Work together with partners to help prevent an estimated 120 million unintended pregnancies by 2030 by providing 100 million women and girls in low- and middle-income countries (LMICs) with affordable access to contraceptive options by 2030.

#### **PROGRESS**

**76M** 

Helped prevent ~76 million unintended pregnancies through the Her Promise Access Initiative, reaching over 63% of our 2030 goal.

**63M** 

**Provided over 63 million women and girls** in LMICs affordable access to contraceptive options.

#### GOAL

Aim to work with health authorities to expand access to postpartum hemorrhage (PPH) treatment options for women around the world.

#### **PROGRESS**

Achieved formal recognition in the U.S. by leading membership organizations, including ACOG and AWHONN, leading to enhanced access and education about available PPH treatment options.



We continued our programs and partnerships of Her Plan is Her Power with Direct Relief and Power to Decide, to address barriers and inequities that perpetuate unplanned pregnancies in the United States. Programming grants were awarded to community health clinics in high-need areas to support local education, program implementation and resourcing needs; and to support an ambassador program to promote a culture of reproductive well-being on campuses of historically black colleges and universities.





#### **CLIMATE**

Our virtual purchased power agreement with Schneider Electric, which will secure renewable energy for our manufacturing sites in Oss, Netherlands, and Heist, Belgium, for the next 10 years, commences in December 2025. We anticipate this will help contribute towards our longer-term goal and will continue to look for additional opportunities in this area.



#### CLIMATE CHANGE

Support the transition to a low-carbon economy, with a long-term ambition to achieve net zero greenhouse gas (GHG) emissions in our operations and through our supply chain.

#### **GOAL By 2025:**

Aim to reduce our Scope 1 and 2
GHG emissions by more than 25%
from 2020 levels.

#### **PROGESS**

Reduced our scope 1 and 2 GHG emissions by

against a 2020 % baseline.

Reduced our scope 1 and 2 GHG emissions from our owned manufacturing facilities by

against a 2020 baseline.

#### **GOAL By 2025:**

Aim to have at least 70% of our supplier spend devoted to suppliers that have GHG emissions reduction programs.

#### **PROGESS**

Over 70% of our supplier spend is currently devoted to suppliers that have greenhouse gas (GHG) emissions reduction programs in place. Procurement is also implementing EcoVadis to continuously monitor the environmental sustainability performance of our suppliers.

#### **GOAL By 2025:**

Characterize and regularly update our Scope 3 GHG emissions to reflect our supply chain.

#### **PROGESS**

We calculated Scope 3 GHG emissions for the years 2022, 2023, and 2024, and we are continuously improving the accuracy of our data, assumptions and estimates. This approach ensures our Scope 3 inventory more accurately reflects our value chain's emissions profile.



## Her Planet

#### **WATER MANAGEMENT**

#### **GOAL By 2050:**

Ambition to integrate water stewardship principles into our business models.

#### **GOAL By 2025:**

- Aim to reduce water usage in our operations by >5% from 2020 levels.
- Aim to have at least 70% of our supplier<sup>4</sup> spend devoted to suppliers that have water reduction programs.
- Characterize and regularly update the water usage in our value chain.

<sup>4</sup>This concerns water-relevant suppliers.

#### **PROGESS**

Reduced water usage by

against a 2020 maseline.

#### WASTE MANAGEMENT

#### **GOAL By 2050:**

 Ambition to integrate circular economy principles into our business models.

#### **GOAL By 2025:**

Reuse, recycle or otherwise used beneficially<sup>5</sup> more than 80% of our sites' operational waste.

<sup>5</sup>Otherwise used beneficially includes composting and incinerated with heat recovery.

#### **PROGESS**

Reused, recycled or otherwise beneficially used<sup>6</sup>

94%

of our operational waste from our six manufacturing sites.

<sup>6</sup>Otherwise beneficially used includes composting and incinerated with heat recovery.

#### **GOAL By 2025:**

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

#### **PROGESS**

#### We have identified the

**30**%

of our legacy packaging that will be reviewed against the Organon Sustainability Packaging Guidelines. Local teams are currently evaluating this packaging to uncover opportunities for reducing our environmental impact. Organon's Sustainability Packaging Guidelines, which focus on driving recycled content, recyclability, and responsible sourcing, are being used to review legacy packaging and assess all new future products to ensure they meet our sustainability objectives and reduce environmental impact.



#### **WATER & WASTE**

Targeted process improvements at the manufacturing site in Cramlington, including the optimization of rinse and flush cycles across the coating installations, led to an 11.15% reduction in annual water consumption, saving nearly 800 m<sup>3</sup>. These enhancements also contributed to a 74.3% decrease in coating solution waste, supporting more efficient and sustainable operations.

#### **BIODIVERSITY**

GOAL By 2050:

Ambition to preserve and increase biodiversity at our locations and in our communities.

**GOAL By 2025:** 

Seek to invest in projects that preserve and restore biodiversity at or near all Organon manufacturing sites and major<sup>7</sup> office locations.

 $^{7}$ Major office locations refers to our largest office locations based on square footage .

**PROGESS** 









We have engaged in biodiversity projects at or near all six of our manufacturing sites and have supported nature-based initiatives in collaboration with Climate Impact Partners that align with our goal for our major office locations.



#### **BIODIVERSITY**

At our manufacturing site in Xochimilco, we launched an awareness campaign focused on the conservation of the axolotl, an amphibian with incredible regenerative abilities, iconic to the region and critically endangered. Once widespread across the lakes and wetlands of the Mexican Central Valley, the axolotl's habitat is now restricted to a few canals of Lake Xochimilco, the only remaining ecosystem where wild axolotls can still be found. Through educational conferences in partnership with local universities, the initiative aimed to highlight the challenges the species faces due to environmental changes caused by urbanization, pollution, and invasive species. The goal was to inspire local stewardship of this fragile ecosystem and promote conservation efforts.

#### **BOARD COMPOSITION AND ESG STRATEGY**

#### **GOALS**

- Ommit to uphold the **highest levels of ethics and integrity** throughout our business.
- Aspire to maintain the expertise, gender and racial diversity that characterizes our Board composition today.

#### **PROGESS**

45%

Of our directors are from U.S. underrepresented racial and ethnic groups. Additionally, half of our directors have lived and worked outside the U.S. and bring their global perspective to our organization.

**65**%

Since our founding in 2021, nearly 65% of our Board of Directors have been women.

**50**%

In addition, 50% of our standing Board committees are chaired by women.

PROCUREMENT AND
SUPPLY CHAIN PRACTICES

Procurement has the power to do more than manage costs, it can strengthen the fabric of local communities.

By making thoughtful sourcing decisions, we contribute to long term economic stability, support local enterprises, and help build supply chains that are not only efficient but also resilient and reflective of the communities we serve.

This is sustainable procurement in action: delivering business value while leaving a positive footprint behind.





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