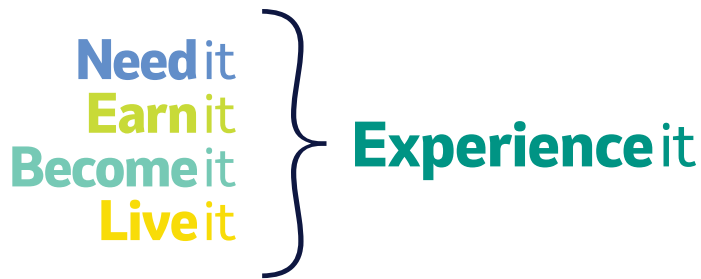




Experience it: Our commitment to employees

Released January 2021





What does it mean to be a Merck employee?

You will work each day toward fulfilling our mission of improving and saving lives around the world.

You will partner side-by-side with passionate, driven colleagues who are the best in our industry at what they do.

And you will experience the rewards of achieving your best for our patients, stockholders and coworkers.

At Merck, we provide a valuable suite of compensation, benefits and other programs and resources that support your professional achievement and personal wellbeing at every stage of life. Our rewards are among the best in the country; in fact, our benefits program ranks in the top 90th percentile of Fortune 100 companies.¹

We invite you to experience the rewards of Merck.

¹ Source: Aon Hewitt 2020 Benefits Index



Our commitment to you

We promise a Merck experience based on a foundation of...

Culture

We are committed to fostering an environment where all colleagues feel welcomed, respected and valued.

Responsibility

We are committed to tackling the world's biggest health challenges by discovering better ways to make a difference in everything we do.

Career development

We are committed to encouraging professional career development that aligns to our business strategy.

Rewards

We are committed to offering plans, programs and resources that provide you and your family what you need, when you need it.



Earn it

Compensation

Merck provides competitive pay programs designed to attract, retain and motivate our talent. We consistently monitor all elements of our total compensation to ensure they are competitive with those of other companies — and appropriate to the markets in which we compete for talent.



Annual base pay

Competitive pay, determined by an employee's position in the marketplace, experience, skills and abilities

Short-term incentives

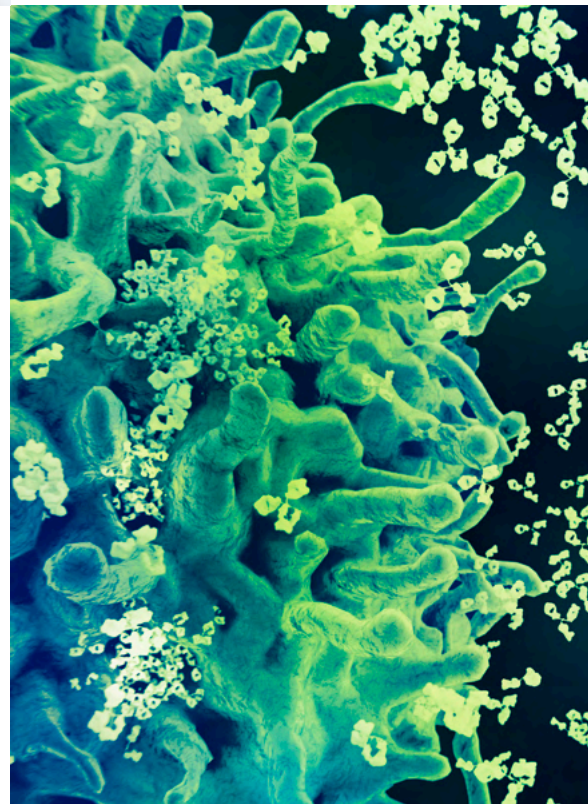
Cash award programs to reward employees based on company and/or individual performance versus objectives

Long-term incentives

Stock-based incentives that recognize an employee's sustained performance and future contribution potential

Recognition awards

Programs designed to recognize employee service milestones and reward outstanding contributions of individuals and teams



Need it

Benefits

Merck provides an array of high-quality benefits designed to support you and your family's health and wellbeing, help you prepare for a financially secure retirement, and empower you to be balanced, productive and successful in all aspects of your work and life.



Programs for your health and wellbeing

Medical plan

- You and Merck share in the cost of medical coverage, which includes prescription drug coverage, with Merck contributing over 80% to the cost of health care premiums
- Access to your choice of doctors, specialists, hospitals and other health care providers under the Horizon BCBS PPO network, including telehealth services
- Fast access to a high-quality mental health provider network through Lyra Health
- Routine preventive services covered at 100% (certain age, frequency and other restrictions apply)
- Benefits for in-network services paid at 80% for all covered expenses after you meet the deductible, up to an annual out-of-pocket maximum (your out-of-pocket maximum is based on your base pay)
- Benefits for out-of-network services paid at 70% for all covered expenses after you meet the deductible, subject to reasonable and customary limits
- Additional plan features include family building benefits through WINFertility, expert second opinions through 2nd.MD and comprehensive transgender benefits

MSK Direct

Expedited appointments and cancer treatment at Memorial Sloan Kettering (MSK) for employees and their families. You do not need to be enrolled in the Merck medical plan.

Prescription drug coverage

- Available if you elect Merck medical coverage
- Administered by Express Scripts
- Merck-brand prescription drugs without generic equivalents provided at no cost to you

2021 monthly medical plan contributions

Coverage level	Merck PPO — Horizon BCBS
Employee only	\$98
Employee + spouse/domestic partner	\$245
Employee + child(ren)	\$196
Employee + spouse/domestic partner + child(ren)	\$343

Note: Health Plan Plus Hawaii HMO available to Hawaii residents only.

Horizon Health Guide

For medical plan members enrolled with Horizon BCBS, Horizon Health Guide is the one place to call, chat or email for help navigating the world of health care. Horizon Health Guides know the Merck benefits inside and out — medical plan and beyond.

Livongo diabetes management

Livongo provides personalized, relevant, timely support to help type 1 or type 2 diabetics lead a better life. The program includes free, unlimited supplies, real-time data analytics with educational support, and 24/7 personalized support through an advanced meter, mobile app and coaches.

Dental plan

- You and Merck share in the cost of dental coverage
- Coverage for a wide range of dental services, including preventive, basic, major restorative and orthodontia for both children and adults
- Access to MetLife's Preferred Dental Program (PDP) Plus network
- Greater benefits available if you visit in-network PDP Plus dentists who provide services at pre-negotiated, reduced rates

2021 monthly dental plan contributions

Coverage level	Merck PPO — Horizon BCBS
Employee only	\$20
Employee + spouse/domestic partner	\$50
Employee + child(ren)	\$40
Employee + spouse/domestic partner + child(ren)	\$70

Vision plan

- Offered through Vision Service Plan (VSP)
- Designed to help you pay the cost of certain necessary vision care expenses
- Choice to go to an in-network VSP provider or an out-of-network licensed ophthalmologist, optometrist or optician

2021 monthly vision plan contributions

Coverage level	Merck PPO — Horizon BCBS
Employee only	\$11.50
Employee + spouse/domestic partner	\$28.76
Employee + child(ren)	\$23.00
Employee + spouse/domestic partner + child(ren)	\$40.26

Flexible spending accounts

Deductions are made before federal and Social Security taxes are withheld from your paycheck (rules regarding state and local taxes vary).

Health care — pay for certain health care expenses not covered by your medical, dental and vision plans; contribute between \$120 and \$2,750 to your account annually

Dependent care — pay for certain day-care expenses for eligible dependents; contribute between \$120 and \$5,000 to your account annually



For additional information, go to [BenefitsatMerck.com](https://www.BenefitsatMerck.com).



Programs to protect your income and provide security

Life insurance program

Merck offers different types — and levels — of life insurance protection for you and your family, including basic life, optional life, accidental death and dismemberment (AD&D) and dependent life insurance.

- **Basic life** — company provides coverage of 1x base pay
- **Optional life** — options range from 1x to 8x base pay
- **Accidental death and dismemberment (AD&D)** — options range from 1x to 8x base pay (up to \$1 million)
- **Dependent life insurance** — choose coverage of \$10,000, \$25,000, \$50,000 or \$100,000 for spouse/domestic partner²; choose coverage of \$10,000 per dependent child
- **Business travel accident** — automatic company-provided coverage of 4x base pay



Disability programs

Merck provides short-term and long-term disability coverage.

Short-term disability (STD) — provides income if you are unable to work for up to six months due to a non-work-related disability, and are approved by the STD administrator:

- 100% of your base pay for the first 10 weeks
- 70% of your base pay for weeks 11 through 26

Merck provides this STD benefit at no cost to you.

Long-term disability (LTD) — coverage replaces a percentage of your base pay if you become disabled and are unable to work for an extended period of time and are approved by the LTD administrator:

- Company-paid coverage equal to 60% of base pay (before-tax)
- Option to elect additional employee-paid LTD coverage:
 - 60% of base pay (after-tax)
 - 70% of base pay (after-tax)

This coverage may pay benefits after your STD benefits end.



Programs to plan for retirement

Merck provides valuable benefits to help you plan for a healthy and financially secure retirement.

Pension plan

The pension plan is a defined benefit pension plan that calculates benefits under a cash balance formula. Your pension is determined as an account-based benefit that grows with:

- Annual company-provided pay credits based on the sum of your age and your cash balance service as of December 31, and
- Annual interest credits based on the percent change in the Consumer Price Index-Urban (CPI) each year plus 3% (minimum 3.3%).

Both pay credits and interest credits will be applied to your pension account effective December 31 each year. You are 100% vested in your pension benefit after three years of service.

Cash balance formula

Age + cash balance service at December 31		Percent of total pay credited to your pension account
At least	Less than	
-	40	4.5%
40	50	5.5%
50	60	6.5%
60	70	8.0%
70	-	10.0%
PLUS annual interest credits set at CPI + 3% (minimum 3.3%)		

When your benefit is paid, you can choose to receive it as a lump sum or as an annuity. Generally, you can elect to receive your pension benefit at any time after you terminate employment.

401(k) plan

To supplement your retirement income from the Pension Plan, Merck offers a qualified retirement savings plan, otherwise known as a 401(k) plan. Through this plan, you can save on a before-tax, Roth or after-tax basis, depending on your needs.

About the plan

- You may begin participating in the Merck Savings Plan upon your date of hire — there is no waiting period.
- Full, immediate vesting — which means you always own your and company-matching contributions
- Before-tax, Roth and after-tax contributions up to IRS limits
- Company-matching contributions of 75 cents for each dollar saved (of the first 6% of total pay, up to IRS contribution limits)

Financial planning

The financial planning benefit, provided by Ernst & Young (EY), can assist you with planning for debt and cash flow issues, retirement savings and investments, life insurance coverage, income taxes and withholding, and estate planning.

- Support through the EY Financial Planner Line® and EY Financial Planning Center website
- Available at no cost to all benefit-eligible employees
- Access to experienced EY counselors, many of whom have advanced degrees or professional designations

Non-qualified pension and savings plans

Merck offers non-qualified pension and savings plans that provide benefits to eligible participants that otherwise would be payable under the pension plan and/or savings plan in the absence of IRS limits.

- Under the non-qualified pension plan, eligible participants continue to earn benefits under the same formula as the qualified pension plan based on eligible pay above the IRS pay limit.
- Under the non-qualified savings plan, Merck provides employer contributions of 4.5% of your eligible pay above the IRS pay limit.



Retiree medical plan

Planning for your family's health care is an important step in preparing for retirement. Merck provides access to retiree medical and prescription drug coverage for those who meet the plan's eligibility requirements.

About retiree health care

- Group retiree medical coverage (including prescription drug coverage) when your employment ends, until you reach age 65 and become eligible for Medicare.
- Merck retirees and eligible dependents who are age 65 or over and Medicare-eligible can purchase individual health insurance (including prescription drug coverage) through a private health exchange and may receive Merck's financial support through a health reimbursement account.



Additional benefits and services

At Merck, we believe in building and sustaining a work force and culture in which all people are engaged and motivated to succeed. Merck offers additional benefits and services to help you be productive and successful in all aspects of your life. These benefits and services include paid and unpaid time off, caregiving and educational support.

Time away from work

- **Vacation, holidays and year-end shutdown** — three to six weeks of paid vacation time annually, based on length of service, 10 fixed holidays and four year-end shutdown days — the four business days between Christmas and New Year's Day (excluding weekend days)
- **Paid time off and leaves of absence** — to help when you or a family member are ill or to manage your work and life responsibilities
- **Paid parental time off** — 12 weeks paid time off when you grow your family through birth, adoption or the placement of a foster child in your home

Volunteering and charitable giving

- **Merck Partnership for Giving (matching gift program)** — financial support for select non-profit, charitable and educational community-based programs and services
- **Merck Gives Back (volunteer program)** — provides 40 hours per year for you to engage in paid time off for community-based volunteering at non-profits and non-governmental organizations around the world

Programs that support your family

- **Flexible work arrangements** — global program including online tools and resources to ensure that all employees have equitable consideration for flexibility
- **Adoption/surrogacy assistance program** — reimburses up to \$25,000 per child to help with eligible expenses related to expanding your family through adoption and/or surrogacy
- **LifeCare** — specialists and parenting experts available 24/7 to provide personalized research and guidance for all your childcare and education needs
- **Day-care centers** — Merck-sponsored onsite centers at certain major locations
- **National childcare discount program** — tuition discounts for infants through kindergarten age at community-based centers offered through different childcare providers
- **Back-up dependent and elder care** — access to back-up care for healthy children or mildly sick children and adult care at a nominal fee, and other services
- **Wellthy** — caregiving concierge for families with complex, chronic and ongoing care needs
- **Bright Horizons** —
 - **Traditional services** include workshops, expert counseling and web-based assistance to help employees and their families reach their academic goals (kindergarten through 12th grade)
 - **The Autism Spectrum Disorder (ASD)** program provides transition planning and college counseling services for families of students with ASD and related conditions
 - **College support** includes personalized guidance and one-on-one access to college admissions and college finance experts
- **Varsity Tutors** — offers a variety of online learning solutions that can help your child address specific questions, work through challenging concepts or just have fun learning something new
- **Milk Stork** — provides refrigerated, express shipping or easy toting of breast milk, at no cost to you, for breastfeeding employees who are required to travel for work



Programs to help save money

- **Education assistance program** — up to \$12,000 of financial support for higher education, and access to student loan consolidation and refinancing options
- **Group auto and home** — access to auto and home insurance coverage offered at group rates
- **Pet insurance** — access to a choice of two levels of coverage for the eligible furry, feathered and scaled members of your family
- **Merck Employee Federal Credit Union** — offers access to a wide range of on-site banking and other financial services
- **Employee Discount Center through LifeMart** — find discounts specifically for Merck on a wide range of products and services
- **Group legal plan** — access to a nationwide network of attorneys who can provide you with a range of legal services at a fraction of the regular cost

Employee Business Resource Groups

Employee Business Resource Groups (EBRGs) — reflect Merck's global and multicultural 21st century workforce. They provide an important platform for employees to actively engage with their own constituency groups, as well as with others, in a wide array of initiatives that support employee development and business success. EBRGs support Merck business objectives related to talent and inclusion, corporate responsibility and company reputation and business insights. EBRGs currently available through Merck are:

- Merck Allies for Disabilities
- Merck Asia Pacific Association
- Merck Hispanos Organization
- Merck Interfaith Organization
- Merck League of Employees of African Descent
- Merck Native American/Indigenous
- Merck Network for Millennials
- Merck Rainbow Alliance (Lesbian, Gay, Bisexual and Transgender)
- Merck Veteran's Leadership Network
- Merck Women's Network



Liveit

Wellbeing

Live it is a comprehensive and integrated approach to wellbeing that is based on employee needs and goes beyond physical health to also include emotional, social and financial wellbeing. Live it provides a broad array of resources to help you change behaviors one step at a time to create permanent, healthy habits.



Prevent it resources

- Employee Health Clinics offer employee biometric screenings, vaccination programs, mammographies and more, as well as occupational health programs and services
- Tobacco-free worksites

Balance it resources

- Employee Assistance Program and WorkLife Services provided by Resources For Living gives you and your family access to:
 - Telephonic support for daily parenting questions, relationship challenges, work issues and everyday stress
 - Professional counseling sessions for personal, family or emotional issues (up to five telephonic, face-to-face or video sessions per person per issue)
 - WorkLife services for everyday help with everyday needs such as finding assisted living for your aging parent(s) or locating a service provider for common household needs
- Workshops on general topics of wellbeing such as mindfulness
- Financial planning

Ready to create healthy habits and improve your wellbeing?

Get healthier and earn rewards with Virgin Pulse, our wellbeing program. You and your spouse/domestic partner can each earn cash rewards when you complete preventive health actions and participate in a variety of healthy programs, activities and company-wide challenges via the Virgin Pulse website and app.

Move it resources

- Merck-sponsored onsite fitness centers at several major locations to support a healthy lifestyle at a nominal fee
- Discounted gym memberships through LifeMart and Active&Fit Direct
- Walking routes at many major sites
- Healthy meeting guide incorporating stretch breaks during meetings

Fuel it resources

- HMR *Healthy Solutions*® at Home
- Discounted Weight Watchers memberships
- Healthy choices in cafeterias and onsite catering
- Healthy meeting guide encouraging healthy food choices during company meetings
- Nutrition education

Become it

Careers

Working at Merck is a journey. During that journey, we want to help you become your best — professionally and personally.

We are committed to fostering a culture of professional career development that aligns to our business strategy. That's why we invest in employee development programs and resources — such as learning programs and leadership development curricula — to help you take ownership of your career.



For more information

If you would like to find out more about Merck or the career opportunities available with us, go to [merck.com](https://www.merck.com).

Reasonable accommodations and the online application process

Consistent with Merck's commitment to equal employment opportunity, Merck provides reasonable accommodations to qualified individuals with disabilities who need assistance in applying electronically for a position with Merck, unless doing so would impose an undue hardship.

To request a reasonable accommodation for this purpose, please send an email to StaffingAADAR@merck.com. This email address is to be used solely to request an accommodation with respect to the online application process. Emails for any other reason will not be returned. Please note that all requests will be held in strict confidence and handled by Merck's Workplace Accommodation team. Under no circumstances will requests be disclosed to the person(s) responsible for making the hiring decision. Reasonable accommodation requests are evaluated on a case-by-case basis.

This brochure is intended to provide an overview of the main features of the compensation and benefits programs available in 2021 to:

Eligible non-union U.S.-based employees (including U.S.-based employees on assignment outside the United States and those currently on Long-Term Disability) of the wholly owned subsidiaries of Merck & Co., Inc. (excluding Comsort, Inc.; HMR Weight Management Services Corp.; ILUM Health Solutions, LLC; and each of their subsidiaries).

This is not an official plan/program document or a summary plan description. If any information included in this brochure or any verbal representation conflicts in any way with the official plan/program document(s), including any contract(s) of insurance purchased pursuant to the plan/program document(s), the provisions of the plan/program document(s), as amended, will govern. For detailed information on the compensation and benefits programs described in this brochure, including details on eligibility, see the official plan/program documents.

Merck (and its applicable subsidiaries) reserves the right to amend the compensation and benefits described in this brochure (and the compensation and benefit plans and programs under which they are provided) in whole or in part or completely discontinue them at any time.