MISSION RELATED INVESTMENT POLICY

ENVIRONMENT: Investments must support a scalable project or business model in our program area (Northeast and Southeast) that will help restore and protect the natural environment for future generations.

URBAN: Investments must support a company or project in the geographic range of our urban grantees that will help strengthen the social fabric or the physical landscape of the urban community. These companies or projects should have the underlying goal of supporting community-building efforts that are embedded in the urban program.

Environmental, Social, Governance (ESG) Investment Guidelines

In awarding grants, the Merck Family Fund's vision is to 1) maintain, restore, and protect the natural environment and sustain a healthy planet for future generations; and, 2) revitalize the social fabric and the physical landscape of the urban community. The investments should not conflict with this goal.

To that end, the portfolio will seek to exclude investing in corporations that:

- profit from gambling or tobacco products or services;
- are involved with the exploration, extraction, processing or refining of coal, oil or gas (including but not limited to listings in the Carbon Underground 200TM or the equivalent);
- are utility companies that predominantly use coal as their fuel source.
- generate a material portion of their revenues (>10%) from producing nuclear power, or from mining or processing uranium, or gold;
- manufacture or sell conventional military, controversial military, or civilian weaponry;
- derive >5% of revenue from the operation of for-profit prisons, or the provision of integral services to these types of facilities.

In addition, a committee of the Family Fund may review portfolio holdings and exclude investments in companies involved in other areas not aligned with the Family Fund's objectives.

Whenever possible, investments will be sought in corporations that favor the protection of the environment, diminish the causes of pollution and climate change, and employ environmentally sustainable practices.

In order to further align the investment portfolio with MFF's vision and objectives, proxies of companies in the portfolio will be voted with guidance from Boston Common Asset Management, As You Sow, and Parametric.

For more information regarding Merck Family Fund's financials, please see the Annual Report. The Merck Family Fund's Annual Returns are available upon request.