As a purpose-driven company, Elanco Animal Health is dedicated to giving back to our customers, causes and communities.

Our purpose, along with decades of scientific innovation, enables us to help improve the lives of people, animals and the planet. This report reflects the tangible impact we’ve achieved through our corporate social responsibility and sustainability framework (CSR), Elanco’s Healthy Purpose™.

Through the development of our Healthy Purpose, we solidified our longstanding commitment to improving food security and supporting the human-animal bond.

When it comes to the health of people, animals and the planet, we are not short of challenges. The 2020 global COVID-19 pandemic represents an extraordinary public health challenge and demonstrates the significant interconnectivity of health and wellness around the world. Before this unprecedented crisis, health problems due to insufficient or the wrong nutrition were already a chronic, global problem1,2, and social isolation and anxiety puts us at higher risk for mental health conditions and illnesses3. As we continue to learn the full impact of the pandemic, our focus on providing access to nutritious, high quality protein for the food insecure and creating opportunities for people and pets to experience the human-animal bond has never been more important. Elanco is ready to be part of the solution during this unparalleled time.

We have been working hard to bring our CSR commitment to life through various global initiatives:

- **2019** was a year of great transformation for Elanco as we celebrated our first full year as an independent company.

  Last year, we exceeded our goal of breaking the cycle of hunger in 100 communities by 2020. To date, more than 1.4 million households and 293 communities* are now food secure with access to affordable, quality nutrition. We continued to advance pet therapy around the globe and now have more than 10 employees going through the process of becoming registered animal therapy teams, including an evaluator in Australia. We continued to better the livelihoods of dairy and poultry smallholder farmers in East Africa and since 2017 have provided access to high quality, small pack products to more than 50,000 farmers in Tanzania, Kenya and Uganda. We outlined plans to form the Elanco Foundation which was launched in Q1 2020 to immediately focus on supporting local and global food banks in light of COVID-19.

  This is Elanco’s Healthy Purpose™, and it’s just a sample of what we are doing to help achieve our vision of Food and Companionship Enriching Lives. As we enter a new decade, we are eager to continue our pursuit of helping the world through healthy animals.

* A community for our goal of breaking the cycle of hunger in 100 communities is defined as a geographic community where we can break the cycle of hunger for at least 100 people who were once food insecure for at least 365 days.
OUR HEALTHY PURPOSE

Elanco’s Healthy Purpose™ advances the well-being of animals, people and the planet, enabling us to realize our vision of Food and Companionship Enriching Life. It is the fundamental belief uniting all Elanco employees – healthier animals are the key to solving some of the world’s most pressing issues.

Elanco’s Healthy Purpose is centered on four inter-connected pillars: healthier animals, healthier people, healthier planet and healthier enterprise. All contribute to the success and sustainability of our shared ecosystem for today and generations to follow.

Animals are an integral part of our lives.

Pets provide us with companionship and social connection. Meat, milk, fish and eggs offer critical nutrients essential to a healthy lifestyle. We know that when animals are healthy, they can make a significant and positive impact on people and the planet. This is why, since 1954, we’ve been dedicated to improving animal health in collaboration with those who raise and care for animals.

We also know making a global impact requires the right people and the right work environment so that every single employee feels empowered and invested in making a difference to society.

OUR HEALTHY PURPOSE

Elanco’s Healthy Purpose™ advances the well-being of animals, people and the planet, enabling us to realize our vision of Food and Companionship Enriching Life. It is the fundamental belief uniting all Elanco employees – healthier animals are the key to solving some of the world’s most pressing issues.

Elanco’s Healthy Purpose is centered on four inter-connected pillars: healthier animals, healthier people, healthier planet and healthier enterprise. All contribute to the success and sustainability of our shared ecosystem for today and generations to follow.

Animals are an integral part of our lives.

Pets provide us with companionship and social connection. Meat, milk, fish and eggs offer critical nutrients essential to a healthy lifestyle. We know that when animals are healthy, they can make a significant and positive impact on people and the planet. This is why, since 1954, we’ve been dedicated to improving animal health in collaboration with those who raise and care for animals.

We also know making a global impact requires the right people and the right work environment so that every single employee feels empowered and invested in making a difference to society.

OUR HEALTHY PURPOSE

Elanco’s Healthy Purpose™ advances the well-being of animals, people and the planet, enabling us to realize our vision of Food and Companionship Enriching Life. It is the fundamental belief uniting all Elanco employees – healthier animals are the key to solving some of the world’s most pressing issues.

Elanco’s Healthy Purpose is centered on four inter-connected pillars: healthier animals, healthier people, healthier planet and healthier enterprise. All contribute to the success and sustainability of our shared ecosystem for today and generations to follow.

Animals are an integral part of our lives.

Pets provide us with companionship and social connection. Meat, milk, fish and eggs offer critical nutrients essential to a healthy lifestyle. We know that when animals are healthy, they can make a significant and positive impact on people and the planet. This is why, since 1954, we’ve been dedicated to improving animal health in collaboration with those who raise and care for animals.

We also know making a global impact requires the right people and the right work environment so that every single employee feels empowered and invested in making a difference to society.

OUR HEALTHY PURPOSE

Elanco’s Healthy Purpose™ advances the well-being of animals, people and the planet, enabling us to realize our vision of Food and Companionship Enriching Life. It is the fundamental belief uniting all Elanco employees – healthier animals are the key to solving some of the world’s most pressing issues.

Elanco’s Healthy Purpose is centered on four inter-connected pillars: healthier animals, healthier people, healthier planet and healthier enterprise. All contribute to the success and sustainability of our shared ecosystem for today and generations to follow.

Animals are an integral part of our lives.

Pets provide us with companionship and social connection. Meat, milk, fish and eggs offer critical nutrients essential to a healthy lifestyle. We know that when animals are healthy, they can make a significant and positive impact on people and the planet. This is why, since 1954, we’ve been dedicated to improving animal health in collaboration with those who raise and care for animals.

We also know making a global impact requires the right people and the right work environment so that every single employee feels empowered and invested in making a difference to society.

OUR HEALTHY PURPOSE

Elanco’s Healthy Purpose™ advances the well-being of animals, people and the planet, enabling us to realize our vision of Food and Companionship Enriching Life. It is the fundamental belief uniting all Elanco employees – healthier animals are the key to solving some of the world’s most pressing issues.

Elanco’s Healthy Purpose is centered on four inter-connected pillars: healthier animals, healthier people, healthier planet and healthier enterprise. All contribute to the success and sustainability of our shared ecosystem for today and generations to follow.

Animals are an integral part of our lives.

Pets provide us with companionship and social connection. Meat, milk, fish and eggs offer critical nutrients essential to a healthy lifestyle. We know that when animals are healthy, they can make a significant and positive impact on people and the planet. This is why, since 1954, we’ve been dedicated to improving animal health in collaboration with those who raise and care for animals.

We also know making a global impact requires the right people and the right work environment so that every single employee feels empowered and invested in making a difference to society.

OUR HEALTHY PURPOSE

Elanco’s Healthy Purpose™ advances the well-being of animals, people and the planet, enabling us to realize our vision of Food and Companionship Enriching Life. It is the fundamental belief uniting all Elanco employees – healthier animals are the key to solving some of the world’s most pressing issues.

Elanco’s Healthy Purpose is centered on four inter-connected pillars: healthier animals, healthier people, healthier planet and healthier enterprise. All contribute to the success and sustainability of our shared ecosystem for today and generations to follow.

Animals are an integral part of our lives.

Pets provide us with companionship and social connection. Meat, milk, fish and eggs offer critical nutrients essential to a healthy lifestyle. We know that when animals are healthy, they can make a significant and positive impact on people and the planet. This is why, since 1954, we’ve been dedicated to improving animal health in collaboration with those who raise and care for animals.

We also know making a global impact requires the right people and the right work environment so that every single employee feels empowered and invested in making a difference to society.

OUR HEALTHY PURPOSE

Elanco’s Healthy Purpose™ advances the well-being of animals, people and the planet, enabling us to realize our vision of Food and Companionship Enriching Life. It is the fundamental belief uniting all Elanco employees – healthier animals are the key to solving some of the world’s most pressing issues.

Elanco’s Healthy Purpose is centered on four inter-connected pillars: healthier animals, healthier people, healthier planet and healthier enterprise. All contribute to the success and sustainability of our shared ecosystem for today and generations to follow.

Animals are an integral part of our lives.

Pets provide us with companionship and social connection. Meat, milk, fish and eggs offer critical nutrients essential to a healthy lifestyle. We know that when animals are healthy, they can make a significant and positive impact on people and the planet. This is why, since 1954, we’ve been dedicated to improving animal health in collaboration with those who raise and care for animals.

We also know making a global impact requires the right people and the right work environment so that every single employee feels empowered and invested in making a difference to society.
In 2019 alone, EAGA:

- Helped improve the health of 4.7 million chickens through the use of Elanco small pack products.
- Helped improve the health of 93,000 dairy cattle through the use of Elanco small pack products.
- Trained more than 26,000 dairy and poultry smallholder farmers on animal disease and the correct use of relevant animal health products to ensure the right care for their farm animals.
- Expanded access to Elanco products for 56,000 dairy and poultry smallholder farmers in the region.
- Reached up to 4 million smallholder farmers in Northern, Coastal and Western Tanzania with training on animal disease, prevention and treatment in partnership with Farm Radio International, resulting in approximately 60 percent of farmers changing behaviors to improve animal health and care.

Our efforts to improve animal health extend beyond the products we offer. Through our team of subject matter experts on all aspects of farm animal and pet health and well-being, we work alongside farmers, ranchers, veterinarians and pet owners to ensure the best possible care and management for each animal. This is not only demonstrated in our daily business interactions, but also through our community engagement initiatives designed to improve the health and well-being of all animals around the world.

In 2019 alone, EAGA:

- Helped improve the health of 4.7 million chickens through the use of Elanco small pack products.
- Helped improve the health of 93,000 dairy cattle through the use of Elanco small pack products.
- Trained more than 26,000 dairy and poultry smallholder farmers on animal disease and the correct use of relevant animal health products to ensure the right care for their farm animals.
- Expanded access to Elanco products for 56,000 dairy and poultry smallholder farmers in the region.
- Reached up to 4 million smallholder farmers in Northern, Coastal and Western Tanzania with training on animal disease, prevention and treatment in partnership with Farm Radio International, resulting in approximately 60 percent of farmers changing behaviors to improve animal health and care.

**HEALTHIER ANIMALS**

Our efforts to improve animal health extend beyond the products we offer. Through our team of subject matter experts on all aspects of farm animal and pet health and well-being, we work alongside farmers, ranchers, veterinarians and pet owners to ensure the best possible care and management for each animal. This is not only demonstrated in our daily business interactions, but also through our community engagement initiatives designed to improve the health and well-being of all animals around the world.

In 2019 alone, EAGA:

- Helped improve the health of 4.7 million chickens through the use of Elanco small pack products.
- Helped improve the health of 93,000 dairy cattle through the use of Elanco small pack products.
- Trained more than 26,000 dairy and poultry smallholder farmers on animal disease and the correct use of relevant animal health products to ensure the right care for their farm animals.
- Expanded access to Elanco products for 56,000 dairy and poultry smallholder farmers in the region.
- Reached up to 4 million smallholder farmers in Northern, Coastal and Western Tanzania with training on animal disease, prevention and treatment in partnership with Farm Radio International, resulting in approximately 60 percent of farmers changing behaviors to improve animal health and care.

Our East Africa Growth Accelerator (EAGA) continued to make a difference in the lives of East African smallholder farmers, distributors and other community members in 2019.

Livestock disease is a significant threat to achieving food security globally. In East Africa, 25 percent of livestock currently raised are lost due to animal illness.4 Launched in 2017 with a $3.1 million grant from the Bill & Melinda Gates Foundation®, our EAGA shared value initiative aims to empower farmers with the knowledge and medicine they need to care for animals and enable the growth of their communities, reducing animal mortality and poverty, increasing farmer’s income and improving diets and health of local families.
Companion Animals

In the United States alone, approximately 6.5 million cats and dogs enter shelters annually. Elanco has a long history of engaging with animal welfare organizations, having supported more than 2,000 around the world.

In 2019, using the Five Freedoms For Animal Welfare guidelines from the Association of Shelter Veterinarians (ASV), Elanco formalized our Paws 4 Purpose™ program to help animal welfare organizations deliver on Freedom #3 – freedom from pain, injury or disease by prevention or rapid diagnosis and treatment.

Through Paws 4 Purpose™, Elanco will continue our engagement with animal welfare organizations through top-notch training and continuing education (CE) credits, as well as robust vaccination protocols.

The new campus, which opened in January 2020, will house KC Pet Project, which Elanco supports through Paws 4 Purpose™.

The relationship with Elanco has been formed on a mutual desire to help people with vision loss, veterans with disabilities, and the dogs they rely on and love,” said Titus Herman, CEO of Southeastern Guide Dogs. “When we announced to our alumni that our enhanced Alumni Support Program will cover the costs of high-quality dog food, preventatives, annual wellness veterinary visits and vaccinations, the response was tremendous and the phone started ringing. One of our guide dog graduates, a single mom of three children with recent vision loss, was crying when she called to share how meaningful these benefits would be to her young family and that the Alumni Benefits (including the preventatives from Elanco) meant she could afford more groceries for her children.”

* Elanco is supporting the efforts of Southeastern Guide Dogs to ensure the well-being of their services animals is not a burden to those in need.
As a global society, we are facing unprecedented challenges in human health – both physically and mentally. Despite an abundance of nutrition information available to us, 40 percent of the global population over age 18 is overweight¹ and 10 percent of the global population is malnourished² – the cause of nearly 50 percent of deaths in children under the age of five.

Reports of social isolation and anxiety are at an all-time high globally with detrimental effects. In fact, the effect of loneliness is comparable to smoking 15 cigarettes a day.⁶

While this reality is daunting, animals are already helping to combat these major global health issues. Animal-sourced protein naturally nourishes us as, meat, milk, fish and eggs offer essential nutrients that help all our bodily systems function optimally. Pet ownership not only increases physical activity in a home through walking, playing, etc., but also combats social isolation and stress as 74 percent of pet owners report mental health improvements from pet ownership.⁷

HEALTHIER PEOPLE

- An Elanco-funded study conducted by the Purdue University College of Veterinary Medicine and published in The American Journal of Occupational Therapy validated the psychological effects of animals on their owners and family members. Compared to those on a waitlist to be matched with a service dog, individuals with a service dog exhibited significantly better psychosocial health, including higher levels of social and emotional functioning, and better functioning at work and/or school.

- A collaboration between Elanco, the University of Illinois and Heifer International® aimed to evaluate the impact of livestock ownership on community members over a six year period in Northern Zambia. The studies showed household expenditures, which approximate income, were 70 percent higher for households who had received livestock compared to those who didn’t. Dietary diversity scores also increased drastically for livestock recipients as households not only consumed the food produced by the animals they received, but also had more income to spend on other foods. Households with livestock ownership increased their household resiliency, reflecting a household’s ability to withstand economic shocks, by 44 percent. Livestock ownership also promoted joint decision-making between husbands and wives.

- Through collaborations with therapy and service organizations across the world such as Pet Partners® and Canine Assistants® in the U.S., HANDYCHIENS and Dogs For Good in Europe, Charlie’s Animal Rescue Centre (CARE) in India and many more globally, and in coordination with our veterinary customers’ programs, we continued to improve the human-animal bond. Our employees are actively engaged in these initiatives, and we even have more than 10 employees working towards becoming a Pet Partners® registered therapy team, including one evaluator in Australia.

- We’ve helped improve food security for 293 communities and 1.4 million households in 29 countries as part of our “100 Communities” effort initiated in 2016 in collaboration with the Lilly Foundation.

- For the June 2017 to December 2018 time frame, our EAGA project delivered $8+ million in socio-economic value for farmers in Uganda, Kenya and Tanzania, delivering a Social Return on Investment (SROI) of 250 percent.⁸

Elanco is helping foster the power of animals to improve the health of people across the globe.

293 Communities in 29 Countries became food secure through our 100 Communities effort
Throughout our own enterprise and in collaboration with customers, Elanco is committed to improving the environmental sustainability of our industry.

Healthier farm animals are more productive and require fewer resources to produce a marketable product, be it meat, milk, fish or eggs. Around the world, 20 percent of livestock productivity is lost due to death and disease, which is oftentimes preventable with a change in management practices and access to animal health innovations. With the leadership of Chief Sustainability Officer Sara Place, Ph.D., we are further defining how we will continue to drive sustainability initiatives throughout the organization and industry.

We are also committed to continuous improvement at our own facilities and continue striving to complete the commitments Elanco sites made under the framework of Eli Lilly and Company’s 2020 environmental efficiency goals:

Projects in 2018 and 2019 made notable progress against these commitments.
Diversity & Inclusion

In 2015, we formed the Global Elanco Diversity and Inclusion Council (EDIC) to be a catalyst for a culture where diversity and inclusion are embraced and leveraged to drive business results. With this program, employee development is better supported, opinions and diverse backgrounds are embraced, and Elanco is a stronger company. The EDIC continued to make huge strides in 2019. Notably, the Diversity & Inclusion framework and theme – Globally United, Individually Empowered – was formalized this year. This theme enables employees to collaborate with colleagues around the world while encouraging individual ownership, growth and well-being without losing sight of customers and the animals in their care.

Our seven global Employee Resource Groups continued to expand, with notable successes in 2019:

Elanco Brazil achieved external recognition as one of the “150 best companies to work for” from Brazilian business magazine, Você S/A. A major factor in receiving this honor is gender representation and equality in the workforce. Our Brazilian team has made great strides over the years to ensure diverse gender representation at all levels. In 2019, 49 percent of all employees in Brazil were women, with the leadership team being 50 percent women.

Delivering on an employee promise of inclusion is part of our culture now. As a result, we are a better Elanco, we are a healthier enterprise, and we are delivering better solutions in animal health. I am grateful for the support of Diversity & Inclusion that we see from grassroots efforts all the way to senior leadership, and we will continue to harness this momentum to further our journey.

- Katie M. Schoenberg, Ph.D., Portfolio Leader for Animal Care Expansion, Product Development, and Chair of Elanco’s Diversity & Inclusion Council
Workplace Safety

Every day, across all our locations, we strive to make our workplace safer. Our goal is to ensure every employee returns home safely from our facilities. Globally in 2019, we focused on reducing injuries and embedding a safety culture throughout our organization with the belief that every employee has responsibility as a Safety Leader and can help stop an unsafe job.

Our efforts are working. Previously under Lilly, Elanco had committed to a multi-year plan to lower injuries by 20 to 30 percent for key performance indicators (listed below) by the end of 2020. Elanco has achieved two of the three goals early:

- 0.75 /100 employees for serious injuries (compared to 2020 goal of 0.70)*
- 10.6 percent motor vehicle collision rate (compared to 2020 goal of 12 percent)*
- 0.27/100 employees for lost time cases (compared to 2020 goal of 0.25)*

* Using the standardized base rate calculation as advised by Occupational Safety and Health Administration (OSHA).

Employee Engagement

Elanco employees are committed to living our Healthy Purpose. In fact, our 2019 Annual Voice of the Employee Survey found 78.7 percent of employees feel a personal commitment to Elanco’s corporate responsibility of improving food security and supporting the human-animal bond.

There are many ways for employees to get involved with our CSR initiatives, including:

- **Global Day of Purpose**: A unified opportunity for all employees to engage in causes supporting our Healthy Purpose pillars. In 2019, 2,107 employees (~36 percent) volunteered, providing 10,470 hours of service through more than 200 projects related to healthier animals, healthier people and a healthier planet.

- **Global Cause Ambassadors**: Each team member in this group commits 5 percent of their time to fostering Elanco’s Healthy Purpose™ and serves as an outcomes-driven champion of our purpose.

- **Employee Engagement Trips**: International incentive trip to reward employees living our Healthy Purpose. Trips allow participants to engage directly with one of our causes, learn from customers and experience new cultures.

Employee Engagement

"I feel very lucky and privileged to have what I have in life. I love that we have an opportunity through Elanco to give back to society, to help make things better. In supporting local charities and organizations, we are lucky enough to see first-hand the impact that our time and effort has on our local community. I also believe that coming together through the Elanco causes has a huge positive impact on the well-being of employees."

- Joanne Michelle Parker, Quality Group Leader, Elanco External Manufacturing and Global Cause Ambassador

Local initiatives have played a major role in improving workplace safety:

**Kansas City, USA:**
Our newest manufacturing facility is designed to significantly improve engineering controls for potent pharmaceutical handling and ergonomics.

**Wusi, China and Chungli, Taiwan:**
Engineering upgrades were completed for the safe handling of combustible dusts to reduce risk from workplace fires and explosions.

**Huningue, France:**
Employee ideas and input led to ergonomic improvements on our packaging lines that resulted in a 29 percent decrease in absenteeism and no safety incidents.

**China:**
A new Field Safety Discussions tool helped our employees establish a regular cadence of safety conversations where team members can routinely share their safety concerns with their manager.

Global initiatives have played a major role in improving workplace safety:

- **Global Day of Purpose**: A unified opportunity for all employees to engage in causes supporting our Healthy Purpose pillars. In 2019, 2,107 employees (~36 percent) volunteered, providing 10,470 hours of service through more than 200 projects related to healthier animals, healthier people and a healthier planet.

- **Global Cause Ambassadors**: Each team member in this group commits 5 percent of their time to fostering Elanco’s Healthy Purpose™ and serves as an outcomes-driven champion of our purpose.

- **Employee Engagement Trips**: International incentive trip to reward employees living our Healthy Purpose. Trips allow participants to engage directly with one of our causes, learn from customers and experience new cultures.

I feel very lucky and privileged to have what I have in life. I love that we have an opportunity through Elanco to give back to society, to help make things better. In supporting local charities and organizations, we are lucky enough to see first-hand the impact that our time and effort has on our local community. I also believe that coming together through the Elanco causes has a huge positive impact on the well-being of employees."

- Joanne Michelle Parker, Quality Group Leader, Elanco External Manufacturing and Global Cause Ambassador
Get Involved

There are many ways to get involved in Elanco's Healthy Purpose:

Citations

1WHO Obesity and overweight 2020 (V1.0)
2FAO The state of food security and nutrition in the world 2019 (V1.0)
3Sutin AR The Journals of Gerontology The Journals of Gerontology, Loneliness and Risk of Dementia 20 (V1.0)
4AU-IBAR AU-IBAR Impact of livestock diseases in Africa 2013 (V1.0)
5ASPCA ASPCA Pet Statistics ACC-2020 (V1.0)
7HABRI HABRI Survey- Pet Owners and the Human-Animal Bond 2016 (V1.0)
9OIE OIE Feeding the world better by controlling animal diseases ACC-2020 (V1.0)