
Elanco Animal Health Incorporated Innovation Committee Charter

Purpose

The primary function of the Innovation, Science and Technology Committee (the “Committee”) is to assist the Board of Directors (the “Board”) of Elanco Animal Health Incorporated (the “Company”) in fulfilling its oversight of (i) the Company’s strategy, activities, results and investment in research, development, go-to-market strategies and supporting investments, external innovation/business development and innovation initiatives; and (ii) provide advice to the board with respect to strategic, tactical and policy matters related to science and technology and any changes to the development and regulatory landscape. The Innovation Committee serves to support Elanco’s ambition to achieve scientific innovation leadership in the animal health industry.

Composition and Term

The Committee shall consist of at least three (3) members of the Board, as set forth in the Company’s Amended and Restated Bylaws (the “Bylaws”). Committee members shall be appointed by the Board from among its members and may be removed by the Board at any time. Members of the Committee should be suitably knowledgeable in matters pertaining to corporate and external innovation in the life science/healthcare industry. At least one Committee member shall, in the judgment of the Board, have scientific expertise relevant to biopharmaceutical or related research and development.

The Committee members shall be appointed by the Board for one-year terms. The Committee chair shall be designated by the Board.

Administrative Matters

The Committee shall meet as needed but no less than once per quarter, and may meet in any manner permitted by law and the Company’s Amended and Restated Bylaws (the “Bylaws”), including telephonically. Each meeting will be set to accomplish a quarterly review of Elanco Innovation performance (including any competitor assessments/comparisons) as well as provide strategic review and oversight for pertinent initiatives and topics. A majority of the members of the Committee shall constitute a quorum for meeting and the affirmative vote of a majority of the members present at a meeting at which a quorum is present shall constitute action of the Committee.

The Committee may request any officer or employee of the company, the company’s outside counsel, or representatives of the company’s public accounting firm to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee may take action without a meeting by the unanimous written consent of its members.

Delegation

The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee, so long as such subcommittee is solely comprised of one or more members of the Committee and such delegation is not otherwise inconsistent with law and applicable rules and regulations of the SEC and the NYSE.

External Resources

The Committee shall (at the company’s expense) have the sole authority to retain and/or terminate any outside advisors it deems necessary to fulfill its duties.

Duties and Responsibilities

The Committee shall:

1. Review the overall scientific and research and development and external innovation strategy of the Company and report to the Board regarding such review in order to help facilitate the Board's oversight of the Company's innovation strategy and goals;
2. Review the Company's research and development pipeline;
3. Review the Company's regulatory strategy and compliance programs, as applicable;
4. Review the competitive landscape in terms of related external scientific research, discoveries and commercial developments and potential future innovations in animal healthcare, as appropriate;
5. Review the Company's overall intellectual property strategies and its portfolio of patents and other IP;
6. Review and consider management's prioritization decisions regarding the allocation, deployment, utilization of and investment in the Company's scientific and development assets;
7. Review and consider management's prioritization decisions regarding the allocation, deployment, utilization of and investment in the Company's product/offering "go to market" capabilities and investments, inclusive of new and established products;
8. Review and consider management's decisions regarding acquiring or divesting scientific technology or otherwise investing in research or development programs;
9. Review due diligence evaluations as selected by EVP-Innovation pertaining to business development transactions to be presented for review by the Finance and Oversight Committee and consistent with external innovation goals or other strategic innovation initiatives;
10. Assist the Board with its oversight responsibility for enterprise risk management in areas affecting the Company's research and development efforts;
11. Assist, upon the request of the Compensation Committee, in setting annual scientific performance goals and assessing achievement of such goals;
12. Review and reassess the adequacy of this Charter annually and submit any proposed changes to the Board for approval; and
13. Perform, at the direction of the Nominating and Corporate Governance Committee, an annual performance evaluation of the Committee and report to the Board on the results of such evaluation.
14. Perform all other duties and responsibilities delegated to it by the Board.

Effective as of May 19, 2021 (modified from version as approved by the Board of Directors on November 18, 2020).