



Human Rights and Responsible Supply Chain Issue Brief

Importance to Elanco and our Stakeholders

Upholding and advancing internationally recognized human rights across our global operations and supply chain is central to our mission as we work to improve the health of animals, benefit our customers and strengthen our communities. Support for human rights also aligns with our Employee Promise and our commitment to strengthen the integrity and resilience of our value chain — including suppliers and third parties with whom we do business.

Our suppliers and supply chain partners are integral to our ability to deliver safe, quality products to our customers. Elanco employees, together with our suppliers and third parties, have a shared responsibility to act legally, ethically and abide by the Elanco [values](#) of Integrity, Respect and Excellence.

Our Action

We established a [Business Partner Code of Conduct](#) (Code) that provides both suppliers and third parties working on our behalf a set of expectations when conducting Elanco-related business. The Code specifically identifies how Elanco will:

- Conduct Business with Integrity
- Follow Fair Employment Practices
- Provide a Healthy Workplace and Protect the Environment
- Respect Privacy and Safeguard Information
- Use Approved Promotional Materials and Protect Animal Welfare
- Implement Expectations
- Enable Concern Elevation

We also expect our third parties to hold their suppliers and respective third parties to our same standards. As a company with global operations, we are committed to following the laws and regulations applicable to the locations in which we operate. Where the Code differs from local laws, we seek to follow the higher standards unless actions required by the Code are prohibited by local law. Compliance with the Code and applicable laws is our minimum standard of conduct.

The [Elanco Supplier Privacy Standard](#) sets forth confidentiality and privacy requirements with respect to personal information processed by suppliers on behalf of Elanco – to ensure such processing is compliant with applicable privacy and data protection laws globally, as well as the requirements of our [privacy program](#).

Elanco is a member of the [Pharmaceutical Supply Chain Initiative](#) (PSCI) and we require our contract manufacturers and active pharmaceutical suppliers to comply with the PSCI Principles

for Responsible Supply Chain Management in their facilities. Our standard supply contracts contain commitments to support the PSCI principles and to conform to the guidelines outlined in our Business Partner Code of Conduct. We employ a risk-based approach to assessing compliance with these principles in regular intervals, utilizing the PSCI Questionnaire process and conducting on-site assessments using trained auditors. Findings are shared with auditees and issue follow-up is tracked to completion.

We regularly evaluate supplier integrity and support supplier capability-building in high-risk areas through several cross-company programs. Our PSCI Assessment Program, quality assurance audit program and animal welfare assessments are examples of our approach to verifying supplier integrity with our Business Partner Code of Conduct. Our risk-based audits and assessments cover, not only contract manufacturing partners, but universities and governmental institutions.

Additionally, through PSCI, Elanco continues to help key suppliers build capability. We proactively educate suppliers on health, safety and environmental issues and help them build expertise on responsible business practices.

Elanco is also a participant in the [United Nations Global Compact](#) – a global initiative to help companies to align strategies and operations with 10 universal [principles](#) addressing topics such as human rights, labor, anti-corruption and the environment.

Responsible Sourcing

We expect our suppliers and other business partners to source materials responsibly and abstain from procuring materials from areas or sources that might promote conflict, or that directly or indirectly finance or benefit perpetrators of human rights abuses. Our Business Partner Code of Conduct outlines our expectations for suppliers with respect to fair employment practices, healthy workplaces and environmental protection – including waste and emissions. Specifically:

- In the context of the production, storage, disposal and recycling of waste, exhaust gases and wastewater, we expect our Business Partners to ensure compliance with local requirements and statutory provisions.
- If requested, we expect our Business Partners to collaborate with Elanco by collecting and providing data related to Scope 1, 2 & 3 GHG emissions, sharing emissions and/or



waste reduction initiatives and/or goals, and engaging in discussions to identify potential reduction programs.

We expect our suppliers to conduct due diligence regarding the source of any materials they provide us to ensure those materials are not sourced from conflict-affected areas or contributing to human rights abuses, corruption or the funding of armed groups.

If needed, Elanco may conduct a conflict minerals reasonable country of origin inquiry for any materials provided to us. We may engage suppliers to complete a questionnaire adapted from the Conflict Minerals Common Reporting Template from the Responsible Minerals Initiative (CMRT). The CMRT was developed by several leading consumer electronics companies and is regarded as the most common reporting tool for conflict minerals content and sourcing information worldwide.

Elanco closely adheres to all reporting requirements regarding suspected conflict minerals in our supply chain. This may include filings such as U.S. Securities and Exchange Commission (SEC) Form SD, if applicable. For more information, view our [SEC filings page](#).

Supplier Diversity Program

Elanco is committed to a culture of purpose – an inclusive safe harbor where employees can bring their whole selves to work and have the opportunity to grow. We support suppliers that share this perspective and are committed to seek out and provide measurable economic opportunities to diverse and minority-owned or operated suppliers.

As part of a continuous improvement plan, we intend to formalize Elanco's Supplier Diversity Program, which will integrate diversity considerations into our existing procurement processes and implement a new reporting system for tracking our annual spend with diverse suppliers. The Elanco Supplier Diversity program model defines a diverse supplier as a privately held company that is at least 51% owned, operated, and controlled by a woman, minority, veteran or disadvantaged small business owner.

Elanco recognizes third-party public- and private-sector certifications, including the National Minority Supplier Development Council (NMSDC), Women's Business Enterprise National Council (WBENC), Veteran's Affairs Registration, and the Small Business Administration



HubZone, and 8(a) programs. All diverse certifications must be stored in Elanco's Supplier Gateway system of record. To learn more or to register your diverse business, visit <https://elanco.suppliergateway.com/>.

Human Rights

In 2023, Elanco launched a formal human rights program with an initial focus on suppliers and publication of a global [Human Rights Policy](#). Our program team includes members from ESG and sustainability; legal; ethics & compliance; health, safety and environment; human resources; procurement and supply chain. We expanded our executive oversight committee in 2024 to add representation for additional departments in order to broaden governance of our efforts.

Our global Human Rights Policy outlines the principles and procedures guiding our global commitment to human rights. Our approach is informed by important international guidelines such as the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (including the ILO Declaration of Fundamental Principles and Rights at Work), the Pharmaceutical Supply Chain Initiative (PSCI) Principles for Responsible Supply Chain Management, as well as applicable local laws.

The policy outlines our commitments and procedures, including due diligence specifications that apply to our own operation, supply chain and other business partners. The policy also provides a global framework for regional human rights activities, including the management of modern slavery statements required by several jurisdictions in which we operate.

We expect our suppliers and other third parties working on Elanco's behalf to commit to compliance with the principles set out in our Human Rights Policy and to implement appropriate processes to respect human rights - including prohibitions on modern slavery, child labor and forced labor.

In our own operations, numerous policies and programs support the rights of our employees by promoting equal opportunity, a diverse and inclusive work environment, meaningful training and development programs, a safe and inclusive work environment, fair remuneration and quality benefits, and appropriate grievance mechanisms.

Due Diligence

There are many types of due diligence. We recognize human rights due diligence helps us proactively identify and manage actual or potential human rights impacts. Further, we conduct anti-corruption and bribery due diligence audits prior to engaging in work with third party intermediaries that meet certain pre-determined criteria.

In 2023, we implemented an enhanced third-party due diligence platform to help ensure we receive comprehensive information from current and prospective suppliers and business partners on their practices related to more than 20 leading ESG topics. In addition to helping ensure compliance with current and emerging due diligence regulations around the globe, we will use collected information to monitor expected practice, identify deficiencies related to Elanco policies or business norms, and inform targeted business partner engagement on issues such as data privacy and protection; information security; human rights; modern slavery; forced labor, child labor; fair labor; diversity, equity, inclusion and accessibility; employee safety and security; animal welfare; conflict minerals and environmental sustainability.

Our due diligence efforts help Elanco demonstrate our commitment to transparency, accountability and the promotion of sustainable practices throughout our supply chain.

Grievance Mechanisms

Any stakeholder within or outside of Elanco may [raise a concern](#) through our established reporting channel, [IntegrityLine](#), which is available 24 hours a day, seven (7) days a week by telephone or online. This is an important communication channel allowing interested parties to report issues, concerns or behaviors that could harm Elanco or those we serve. Reports may be made anonymously, where allowed by law. We take each report seriously, responding in a timely and thorough manner.

Information about our reporting mechanism is available in our Business Partner Code of Conduct and on the [Elanco Supplier Portal](#). Translation services are available. All matters raised are treated with confidentiality and urgency.

Further, Elanco employees may raise concerns with any member of management, Human Resources or a member of the Ethics & Compliance team.

Metrics and Targets

	2020	2021	2022	2023
Targeted suppliers participating in an on-site HSE PSCI assessment	8	12	46	51

Governance

We follow applicable local laws on the designation of persons responsible for monitoring our human rights program and comply with local reporting obligations. Upon review and consultation with our General Counsel and our Chief Compliance Officer, human rights violations within our operations and any remediation plans will be reviewed as appropriate with Elanco senior leaders and the Board of Directors.

Our Global Head of ESG and Sustainability — who reports regularly to the Corporate Governance Committee of the Board of Directors on leading ESG matters — provides updates on human rights due diligence monitoring, including due diligence on current and potential business partners.

The content of this brief is informed by global ESG disclosure standards and frameworks.

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