



1 Purpose

Elanco Animal Health and its affiliates (“Elanco” or “the Company”) is committed to conducting business with integrity, complying with all legal requirements and ethical standards, and supporting initiatives that advance animal care and improve animal health outcomes. The purpose of this *Conducting Business with Integrity Policy* (the “Policy”) is to ensure that Elanco conducts business worldwide in accordance with Elanco’s Code of Conduct and applicable laws and regulations and avoids situations that may be perceived as an inappropriate way of obtaining business, maintaining business, or gaining an improper business advantage.

2 Scope

This Policy applies to:

- Elanco and its direct and indirect subsidiaries, joint ventures, and affiliates
- All Elanco Workers including officers and directors
- All TPIs who conduct business on Elanco’s behalf

All Elanco Workers must comply with this Policy, including the following corresponding procedures:

- AHP Engagements
- Charitable Contributions
- Commercial Sponsorships
- Educational and Research Grants
- Elanco-Organized Meetings and Events
- Free Goods and Samples
- Gifts, Prizes, Contests, and Other Incentive Programs
- Meals, Entertainment, Hospitality
- Support for AHPs to Attend Third-Party Educational Events

3 Definitions

Animal Health Professional (AHP). A natural person who is (1) a professional in the field of animal health, including a veterinarian, registered veterinary technician, veterinary nurse, animal health nutritionist, fish health specialist, or veterinary pharmacist; and (2) who prescribes, recommends, treats and/or performs clinical services in the treatment of animals. This excludes farmers, producers, integrators, and animal service providers such as groomers.



Anything of Value. Any goods or services, tangible, or intangible, that have utility to the recipient that is real and that is ordinarily not given away free but is purchased.

Business Owner (BO). An Elanco employee who is accountable for the decision being made, including engaging, overseeing, and paying a Third Party.

Cause Marketing. A form of corporate social responsibility where a company's promotional efforts are designed to increase awareness of the company, brand, products, and services, while bettering society. A Cause Marketing campaign may or may not include a partnership between the company and a specific charitable organization or require direct action on the part of the company's customers or consumers.

Charitable Contribution. A donation to a qualified charitable organization that may be financial (i.e., cash), product, "in-kind" (use of assets and facilities), or Cause Marketing.

Charitable Organization. An organization that has been officially designated by a government authority (e.g., Australian Charities and Not-for-Profits Administration, Canada Revenue Agency, Charity Commission for England and Wales, United States Internal Revenue Service, etc.) as one dedicated to advancing the public good and for which Elanco may be eligible to receive a tax deduction in exchange for a qualified charitable contribution.

Commercial Sponsorship. A fee-for-service arrangement between Elanco and a non-charitable organization where the Company provides funding for or contributes to the costs of an activity, such as an educational event or publication in return for advertising and/or other input on content.

Customer. A third party that purchases Elanco products and/or receives services from Elanco.

Elanco. Elanco Animal Health Incorporated, and all of its subsidiaries and affiliates.

Elanco Employee. An individual who is employed directly by Elanco. Elanco Employee excludes contractors of any kind.

Elanco Worker. Elanco employees and designated contractors engaged by or on behalf of Elanco.

Fair Market Value (FMV). The price that an arm's-length buyer would pay in the open market for an asset or service subject to any governing laws and regulations.

Financial Interest. Any interest of value, whether or not the value is monetary and/or readily ascertainable.

Free Good. Products given to a Customer that are not contingent on any purchase or commitment to purchase other Company products or services.

Government Official (GO). Any official or employee of a national, state, provincial, or local government including all its departments, agencies, and ministries. The term also covers:

- Employees or officials of state-owned enterprises, government-owned corporations, or government sponsored enterprises, which are companies and organizations that may not explicitly be a part of the government but are owned or controlled by the government.
- Employees or officials of any public international organization (such as the United Nations or the World Health Organization), or any department, agency, or institution of that organization.
- Any political party or party official or candidate for public or political party office.
- Animal Health Professionals who are employed by or acting on behalf of an institution owned or controlled by a government body such public universities may also be considered public officials depending on local law.

Grant. A financial contribution to a reputable not-for-profit animal healthcare-related or educational institution, organization, or association without agreement or intent to receive anything tangible in return or exchange (e.g., no quid pro quo). Grants must have a specific purpose that is related to furthering or supporting education, or independent animal health research.

Local Compliance Operations (LCO). A local business team member who is designated to serve as the primary point of contact for ethics and compliance matters for a specific affiliate, region, country, or function.

Local Lawyer. An Elanco lawyer who is responsible for providing legal advice and acting as a resource for ethics and compliance matters for a specific affiliate, region, country, or function.

Meals, Entertainment, & Hospitality (MEH). Meals, refreshments, lodging, travel, entertainment, or other expenses given to or received from people who have, or potentially may have a business relationship with Elanco. This includes expenses incurred by a prospective customer or business partner.

Regional Ethics & Compliance Leader. A member of the global ethics & compliance team who oversees all ethics and compliance matters for the Americas, APAC, and EMEA.

Sample. A free-of-charge product that is provided to an AHP, Customer or other appropriate external Third Parties in order to introduce, demonstrate, or experience an Elanco product. Samples must be labeled as such and cannot be resold.

Third Party. An individual or entity that is not an employee or affiliate of Elanco.

Third Party Intermediary (TPI): A Third Party engaged by Elanco to interact or transact business with other Third Parties on Elanco's behalf.

4 Policy

Interactions involving value transfers are an essential aspect of Elanco's business, as these interactions enable Elanco to not only distribute products, but also disseminate information related to innovations and advancements that improve animal health and well-being. Value transfers refer to any exchange of value, such as money, goods, or services, between the Company and AHPs, GOs, or other Third Parties (collectively "Third Party"). All interactions involving value transfers must be conducted with the utmost transparency, accountability, and ethical considerations to ensure alignment with the Company's values and mission.

This Policy provides guidelines regarding value transfers with Third Parties to ensure Elanco conducts business with integrity throughout its operations.

Because this Policy cannot address every situation you may encounter in your daily work, we expect Elanco Employees to exercise good judgment and rely on our Code of Conduct principles when conducting business, and consult their Local Lawyer, LCO, or Regional Ethics & Compliance Leader to answer questions or address concerns.

The following requirements apply to all interactions with Third Parties involving value transfers:

- Interactions with Third Parties involving value transfers must be associated with a legitimate, documented business purpose.
- Elanco Employees must ensure that nothing offered or provided to an AHP or GO is intended to have an inappropriate influence on the AHP/GO's decision to prescribe, recommend, purchase, supply or administer products.
- Any funding or payment under the arrangement must never be conditioned on the current or anticipated future purchasing or prescribing of Elanco products.
- All interactions must be compliant with all applicable laws and country-specific requirements (the *E&C Country-Specific Appendix* provides additional information). If the activity involves a cross border transaction, it must be consistent with all applicable country laws and regulations
- Compensation paid must be FMV for the services provided or the nature of the work performed, and documentation must include how the FMV was determined.
- Compensation and payment must not be advance lump-sum payments and should be tied to milestones or deliverables.

- Completion of services must be properly documented and invoices requesting payment or reimbursement must have sufficient detail to enable proper recordkeeping.

Some interactions must be documented in a written agreement which includes specific language addressing the requirements above. Those types of interactions which may require a written agreement are:

- AHP Engagements
- Charitable Contributions
- Commercial Sponsorships
- Educational and Research Grants
- Elanco-Organized Meetings and Events
- Gifts, Prizes, Contests, and Customer Incentive Programs (specifically, Customer Incentive Programs)
- Support for AHPs to Attend Third-Party Educational Events

Refer to those respective topics and reference to supporting Procedures for more information in the sub-sections below.

The sub-sections below discuss common interactions with Third Parties involving value transfers and requirements to avoid or mitigate associated risks. There may be additional interactions with Third Parties involving value transfers that are not discussed below. If in doubt whether an interaction with a Third Party involving a value transfer is appropriate, consult the Local Lawyer, LCO, or Regional Ethics & Compliance Leader.

4.1 AHP Engagements

AHP Engagements are intended to meet legitimate, documented business needs or interests of the Company. All AHP Engagements must be documented in a written, fully executed agreement. AHP Engagements may include, but are not limited to:

- Speaking Engagements
- Product Trainings
- Development of animal health educational materials, publications, etc.
- Advisory board participation
- Other appropriately vetted and compliance-approved services

Only AHPs that possess demonstrable qualifications, experience, special knowledge, or capabilities should be engaged and evidence documenting these characteristics should be maintained. In the event the AHP is a GO, the BO should consult with their Local Lawyer or Regional Ethics & Compliance Leader to determine if engaging the GO is allowed or prohibited.

Please reference the *AHP Engagements Procedure* for additional information including requirements from policies and procedures from other areas such as finance and quality.

4.2 Charitable Contributions

A Charitable Contribution is a donation to a qualified Charitable Organization, and may be classified as financial, product, in-kind, or Cause Marketing. The following requirements apply to all Charitable Contributions:

- Ensure that Charitable Contributions are made for ethical reasons, and not to influence or gain an advantage in business relationships.
- Charitable Contributions must not result in personal gain, (for example, Contributions to organizations where Elanco Employees or their family members have Financial Interest are prohibited).
- Charitable Contributions must not be made to organizations of a Customer's or AHP/GO's choice or at their request.
- Donations must be made to Charitable Organizations and not to individuals.
- All requests for Charitable Contributions to Charitable Organizations must be evaluated and approved to confirm that the organization has been validated as a Charitable Organization by the appropriate regulatory body, or that the intended Contribution may qualify as a charitable tax deduction for Elanco.
- The Charitable Organization should have sole and complete control over the manner in which the Charitable Contribution is used by the organization.

All approved Charitable Contributions should be documented in the Approved Letter Template, setting forth the terms and conditions of the Contribution before it is sent to the Charitable Organization.

The *Charitable Contributions Procedure* provides additional information including requirements from policies and procedures from other areas such as finance and quality.

4.3 Commercial Sponsorships

A Commercial Sponsorship is a fee-for-service arrangement between the Company and an organization. Generally, Elanco is approached by the organization and provided with the opportunity to fund or become a sponsor for an event or other activities that the organization is pursuing. In exchange for the sponsorship funding, Elanco will receive something of value equivalent to the payment made (e.g., advertising, annual membership in a professional society, input into the content of a publication). Regardless of the type of benefit received, the following requirements apply to the sponsorship:

- Commercial Sponsorships may not be provided for activities that are properly classified as Charitable Contributions or educational grants. A key attribute for a Commercial Sponsorship activity is Elanco's receipt of something of value such as advertising or allowing for input on content in exchange for the funding.
- Sponsorships must be provided to organizations only, and funding may never be used to pay for individual entertainment. The Commercial Sponsorship agreement must specify, at minimum, the payment amount, the materials and content for the event or publication that the Company may review and comment on, and the value Elanco is to receive for the funding.

The *Commercial Sponsorships Procedure* provides additional information including requirements from policies and procedures from other areas such as finance and quality.

4.4 Educational and Research Grants

Educational and research Grants may be provided to Third Parties and designated for educational or research activities that principally benefit the recipients of the animal health education or research grants and only incidentally benefit Elanco. The Grants may only be made to support specific animal health-related educational and research activities and may not be made for non-educational or non-research purposes, such as promotional objectives. Examples of such grants include, but are not limited to:

- Providing an educational grant to an accredited university of postgraduate veterinary education to support scholarships for students
- Funding a veterinary hospital's fellowship program to offset the costs of textbooks and provide a reasonable salary for the fellow(s)
- Contributing money to a university foundation which directly funds the research program of the veterinary college

All requests for Grants must be submitted and approved by the Global Review Committee before funds can be committed to the institution or organization.

All approved Grants must be documented in an agreement between the Company and the organization receiving the Grant.

Educational and research Grants should be paid to an institution or organization and not directly to an individual. Typically, these institutions are universities or teaching hospitals.

The *Educational and Research Grants Procedure* provides additional information including requirements from policies and procedures from other areas such as finance and quality.

4.5 Elanco-Organized Meetings and Events

Where consistent with local law and applicable codes of conduct, Elanco may organize in-person or virtual meetings and events with Third Parties that are classified as either promotional, educational, technical/scientific exchange, or advisory board/consultant meetings. Regardless of the type of Elanco-organized meeting or event, the following requirements apply:

- Attendee selection must be based on objective, documented criteria related to the purpose of the meeting or event.
- The venue must be modest and appropriate, and conducive to the exchange of information. Resort locations are not appropriate for Elanco-organized events.
- The Company may provide support for modest recreation or entertainment in conjunction with Elanco-organized meetings and events if the activity is conducive to having a conversation about business or educational topics and is not solely for entertainment purposes.
- Meals and refreshments provided to Third Parties must be modest in value and subordinate in time and focus to the business part of the meeting or event.
- Where a meeting or event requires attendees to gather in a central location, Elanco may reimburse for travel, lodging, and modest meals consistent with country-specific requirements as outlined in the *E&C Country-Specific Appendix*.

The *Elanco-Organized Meetings and Events Procedure* provides additional information including requirements from policies and procedures from other areas such as finance and quality.

4.6 Free Goods and Samples

Elanco may provide Free Goods and Samples to AHPs or GOs in limited situations and/or quantities. When providing Free Goods and Samples, Elanco Employees should avoid any situations that may be perceived as an inappropriate way of obtaining or maintaining business. To ensure the appropriate distribution of Free Goods and Samples, the following requirements apply:

- Under no circumstances may Elanco Employees offer or withhold Free Goods or Samples as an award or incentive to encourage AHPs or GOs to recommend or prescribe more of Elanco's products.
- Samples may not be sold under any circumstance and must be distributed with approved product labeling.

The distribution of Free Goods and Samples must always comply with established local country limits on Free Goods and Samples and processes to track and account for the Free Goods and Samples provided to AHPs and GOs.

The *Free Goods and Samples Procedure* provides additional information including requirements from policies and procedures from other areas such as finance and quality.

4.7 Gifts, Prizes, Contests, and Customer Incentive Programs

Elanco conducts activities involving gifts, prizes, contests, and other Customer incentive programs, in a way that aligns with Elanco's mission, values, community investment focus areas, and business goals and activities.

- **Gifts:** Gifts may be given occasionally to Third Parties, other than GOs, as long as they are inexpensive, modest, and allowed by local laws and regulations. Gifts may not be in the form of cash or a cash equivalent. Generally, gifts should have an educational or scientific value, or be relevant to the practice of the AHP. Gifts may be provided for promotional purposes or for cultural purposes, but all gifts must be reasonable and appropriate to the circumstances and comply with local market customs. The *E&C Country-Specific Appendix* provides country specific information including maximum allowed values for approved gifts. All requests for gifts must be accompanied by a justified business purpose and be approved. Gifts must be recorded accurately in Elanco's books and records as gifts and not improperly recorded as any other type of expense.
- **Contests & Prizes:** Contests and prizes are allowed as long as they comply with applicable local laws, regulations, and industry codes of conduct. Local law may prohibit contests & prizes involving AHPs, so Local Lawyer review and approval must be obtained before initiation. If approved, terms and conditions must also be reviewed and approved by the Local Lawyer. Contests must be conducted in a manner that offers a fair and equal opportunity to win across multiple participants. Prizes must be appropriate and of a reasonable value (the *E&C Country-Specific Appendix* provides country specific requirements). Contests must not target specific individuals (e.g., a specific Customer or group of AHPs). Prizes must not be awarded as a result of purchasing an Elanco product and must not be in the form of cash, cash equivalent, or untraceable gift card.

- **Customer Incentive Programs:** Elanco may offer certain promotional programs to incentivize Customers and AHPs as long as the programs are transparent, not intended to improperly induce purchase, and comply with local laws and regulations. Promotional programs include rebates; discounts; marketing/co-op funds; buy one, get one free; or customer-specific pricing.

All promotional programs must have a justified business purpose demonstrating that the offer is proportionate to the value of the purchase and supported by an FMV assessment. The promotional program must be clearly accounted for, and records must be maintained. Payments must not be made by cash, cash equivalent, or untraceable gift card.

The *Gifts, Prizes, Contests, and Other Incentive Programs Procedure* provides additional information including requirements from policies and procedures from other areas such as finance and quality.

4.8 Meals, Entertainment, and Hospitality

Elanco may provide MEH to Third Parties and/or reimburse MEH-related expenses incurred by Third Parties and may be reimbursed by Elanco when permissible by local laws, regulations, and guidelines. The following requirements apply to all MEH provided by Elanco to Third Parties:

- MEH must be given openly for a legitimate business purpose (i.e., not given to inappropriately get business, keep business, or gain an improper advantage) and at a time and venue that is appropriate and reasonable.
- MEH must be reasonable and modest according to local standards and provided on infrequently.
- Business meals with a Third Party must be paid using the Elanco Employee's corporate card, wherever possible, attended by at least one Elanco Employee, and submitted in a formal expense report along with supporting documentation.
- Payment or reimbursement of MEH expenses for spouses or other companions of a Third Party is prohibited.
- Elanco may provide, pay for, or reimburse reasonable and modest entertainment-related expenses for Third Parties where the activity is conducive to having a conversation about business or educational topics, and is not solely for entertainment purposes.
- Hospitality expenses for Third Parties should be closely related to the timing of the Company business or sponsored activity, and Elanco may not arrange for or reimburse travel expenses relating to side-trips, unrelated trip extensions or unnecessary stopovers.

The *Meals, Entertainment, and Hospitality Procedure* provides additional information including requirements from policies and procedures from other areas such as finance and quality.

4.9 Support for AHPs to Attend Third-Party Educational Events

Elanco may sponsor AHPs to attend Third-Party organized conferences, congresses, or symposia for animal health education. Selection of the AHP(s) to sponsor should be documented along with the objective criteria utilized to demonstrate the individual(s)'s need for such medical or professional education. Where consistent with local laws, regulations, and industry codes of conduct, Elanco may pay for travel, hotel, meals, and registration fees with AHPs' attendance to these Third-Party organized educational events. All sponsored expenses must comply with both the *Meals, Entertainment, and Hospitality Procedure* and the local country requirements outlined in the *E&C Country-Specific Appendix*.

The following requirements apply to all support for AHPs to attend Third-Party educational events:

- It must be primarily intended to support the dissemination and exchange of scientific and medical information or education.
- It must be distinguished from activities that are primarily intended to promote the benefits and use of Elanco products.
- Support for sponsorship requests must not be given as a vehicle to induce the use of products or as hidden discounts.
- Elanco will not provide support for recreation or entertainment in conjunction with the educational event.
- In most instances, support for AHPs to attend Third-Party educational events must be documented in a written agreement/invitation letter that explicitly defines each of the costs Elanco will pay.
- Payment may not be made directly to AHPs for approved expenses, except for minimal out-of-pocket costs, such as taxi fares and meals due to a cancelled flight.

The *Support for AHPs to Attend Third-Party Educational Events Procedure* provides additional information including requirements from policies and procedures from other areas such as finance and quality.

5 Reporting a Concern and Violations

Elanco Workers are expected to promptly report any known or suspected violations of this Policy, applicable policies, procedures, laws, regulations, and/or industry codes of conduct. Elanco Workers are encouraged to report concerns and participate in investigations without fear of retaliation. Elanco Workers can report concerns with a

member of management, Human Resources, or a member of the Ethics & Compliance team. Concerns can also be reported through Elanco's established reporting channel, [IntegrityLine](#), which is available 24 hours a day, seven (7) days a week by telephone or online.

Please reference the *Speak Up Policy* for additional information.

6 Exceptions

Exceptions should be rare and limited in time and scope and must be properly documented. "Standing exceptions" should not be authorized. Refer to the specific procedure for information about the process for requesting and documenting exceptions.

7 Related Policies and Resources

If you have any questions regarding this Policy or associated procedures, please refer to the following:

- *AHP Engagements Procedure, Process Flow, and RACI*
- *Charitable Contributions Procedure, Process Flow, and RACI*
- *Code of Conduct*
- *Commercial Sponsorships Procedure, Process Flow, and RACI*
- *Educational and Research Grants Procedure*
- *Elanco-Organized Meetings and Events Procedure, Process Flow, and RACI*
- *E&C Country-Specific Appendix*
- *E&C Engagement Submissions – Document Management Guidelines*
- *Free Goods and Samples Procedure*
- *Gifts, Prizes, Contests, and Other Incentive Programs Procedure*
- *Meals, Entertainment, and Hospitality Procedure*
- *Speak Up Policy*
- *Support for AHPs to Attend Third-Party Educational Events Procedure, Process Flow, and RACI*

If further clarification is needed, please contact your Local Lawyer, your LCO, your Regional Ethics & Compliance Leader, or Global Ethics & Compliance.



8 Approvals

Approver	Chief Ethics & Compliance Officer	Owner	Head of Ethics & Compliance
Last Approved	05/24/2023	Policy Area	Ethics & Compliance
Effective	12/20/2022	Applicability	Global
Last Revised	05/24/2023	Next Review	