REDISCOVERING THE POWER OF HEALTHY ANIMALS

We believe animals are the x-factor the world has been looking for. The unexpected, game-changing variable that will unlock solutions to the complex issues surrounding **physical**, **mental** and **environmental health**.





In my 30 years in animal health, the roles of farmers, veterinarians and animal health providers have never been more relevant than they are today. And with that relevance comes the opportunity for great influence.

We live in a world filled with seemingly insurmountable problems. Global malnourishment, social isolation and anxiety, resource depletion. The world is demanding a change.

Despite all of the groundbreaking research and technological advancements happening globally, we haven't been able to solve these problems. In fact, many of them are intensifying. We've advanced so far, but we're going backward in the areas that matter most. Something is missing.

At Elanco, our business is built on the belief that <u>healthier animals are the key to solving some of the</u> world's most pressing issues such as food security and nutrition, human health and well-being, and environmental sustainability. Our CSR program, Elanco's Healthy Purpose, was established to embody that belief through programs that advance the well-being of animals, people and the planet.

We believe animals are the x-factor the world has been looking for. They're that missing piece of the puzzle - the game-changing variable that will unlock solutions to these seemingly disconnected issues of physical, mental and environmental health.

It's practical. It's proven. It's economical. And it's right in front of us.



Are you ready to see some change? Real change requires unwavering belief in a vision, and relentless pursuit of solutions. And that's exactly what Elanco is doing. Acting on our responsibility to make a difference.

We believe in the power of food and companionship to enrich the lives of people around the world. Healthy animals are central to that vision, and we're pursuing it relentlessly.

> **leff Simmons. President and CEO, Elanco**

THE CHALLENGE:

Our world is more advanced than ever, but we still face fundamental, global challenges when it comes to physical, mental and environmental health.



PHYSICAL

The most basic form of physical health — the food we eat — is still a chronic, global problem. From malnourishment to obesity, the health problems brought on from insufficient or the wrong nutrition continue to grow.

Today, we have more research than ever on what it takes to be healthy, but have never been more confused.





10% are malnourished, ² which is the cause of nearly half of the deaths in children under age 5. ¹⁰

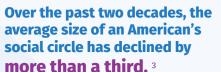


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MENTAL

Social isolation and anxiety are at an all-time high globally, putting us at a higher risk of developing conditions like dementia, high blood pressure and depression. ²³

Today, we're more connected than ever, yet more isolated.





The effect of loneliness is comparable to smoking 15 cigarettes a day. 4





ENVIRONMENTAL

Our world currently needs the capacity of more than one-and-a-half Earths to provide the goods and services we're consuming each year. ²¹ At the same time, millennials believe climate change and environmental destruction is the most critical issue. ²²

We're more aware than ever before on our impact on the environment, yet we continue to use more resources faster.

We are using resources 1.75 times faster



than we can replenish them. 5

Research shows that this is the first generation expected to live a **shorter life than their parents**.

This means a **generation with fewer years to** make a positive impact on our world. 6

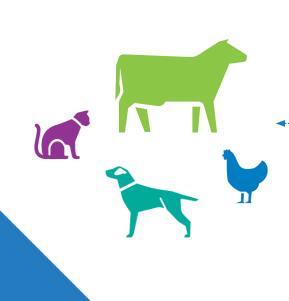
THE SOLUTION:

Civilization has advanced so far, and yet we're going backward.

It's no question, the world is demanding a change. But change seems insurmountable.

We lack the belief and conviction to make that change.

We need a spark, an idea – and a groundswell of belief behind it.



Something practical, proven and economical. The solution?

HEALTHY ANIMALS

Animals are the x-factor we have access to today. Healthier animals can make an immediate impact and you interact with them every day.

Whether they are providing us with companionship and social connection as pets or critical nutrients through milk, meat, fish and eggs, healthy animals are part of the fabric of our existence.

We believe healthier animals will lead to healthier people and a healthier planet.

PHYSICAL

Animal proteins like meat, milk, fish and eggs provide critical nutrients for physical and cognitive development and support a healthy lifestyle, while pets encourage physical activity.

In China, as meat consumption has skyrocketed, the average height of a 9-year-old boy grew 3.5 inches in the last 25 years. 7

In Kenya, the addition of animal protein in children's diets resulted in a 15% increase in IQ scores. 8



"remarkable" impact in weight loss and health risks. 9

Dog owners decrease their risk Dog owners decrease their risk of cardiovascular related death by **36%.**

to increase protein and reduce carbohydrates saw

Older adults who own a dog have a lower body mass index, make fewer visits to the doctor and exercise more. 12

It's time rediscover the benefits of healthy animals on a healthy lifestyle.



Pets can be a force to reverse the growing epidemic of social isolation.

of pet owners reported mental health improvements from pet ownership. 13

of pet owners connect with neighbors through pets. 14



Pet ownership is associated with

higher levels of social capital or connection to community. 14

of cat owners felt that their cats helped them cope with daily stress much better. 15



Animals increase connection by helping us rediscover life beyond our devices.



Improving the health of animals can reduce resource use and move us toward a more sustainable planet.

One of the greatest preventable resources is the ~20% loss of productivity in food animals due to disease and death. 16



Cattle need only **0.6 kg** of protein from edible feed to produce **1 kg** of protein in milk and meat. ¹⁷

of our world's ag land is not suitable for planting fruits and vegetables, but is suitable for grazing animals. 18



of livestock feed is made up of what would otherwise be waste – such as by-products, leftover foodstuffs and others. 19

Manure is a critical nutrient for crop production. ²⁰

Animals are the original recyclers. It's time to strengthen and improve our resources by improving the health of animals.

With this knowledge, we have a chance to make a major impact on some of the world's biggest challenges. And it starts with healthy animals.

We now have the innovation, the science, the infrastructure and the x-factor of healthy animals, that we need to solve these global issues.

What do we do now? We take action. Together – and we're going to take the first step.

Through our efforts, our goal is to bring about:

- Less disease, healthier animals.
- More protein access, less malnutrition, less environmental impact.
- Stronger human-animal-human bonds, less isolation.

And we'll be looking to you to fight alongside us for this surprising solution – for the health of our animals, of ourselves and of our world.

ABOUT Elanco

Since 1954, Elanco has been working to empower veterinarians, food producers and all those concerned with animal health with the tools needed to help animals live healthy lives.

At Elanco, we work to improve the health of animals through innovative products, expertise and service. We provide solutions that empower our customers to advance a vision of food and companionship enriching life.

We understand the powerful role healthy animals play in making lives better. As pets increasingly become important parts of our families, so too does the need to help them live longer, healthier, higher-quality lives. As the global population grows, so too will the need to meet the demand for safe, affordable food for all.

To learn more about Elanco's commitment to healthier animals, **visit elanco.com/rediscover.**

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