MODERN SLAVERY ACT STATEMENT – 2022
for Elanco UK AH Limited

pursuant to the Modern Slavery Act 2015
for the financial year ended 31 December 2022

This statement is made pursuant to the Modern Slavery Act 2015 Section 54(1), which requires commercial organisations which supply goods or services in the UK and have a minimum total turnover of GBP 36 million per year to prepare a slavery and human trafficking statement for each financial year.

ELANCO GROUP’S OPERATIONS

Elanco UK AH Limited (the “Company”), with its registered business seat at Form 2, Bartley Way, Bartley Wood Business Park, Hook, RG27 9XA, UK is part of the Elanco Group (the “Group”) and its ultimate parent company is Elanco Animal Health Incorporated (“Elanco”). Elanco is headquartered in Indiana, US and is listed on the New York Stock Exchange (NYSE: ELAN).

Elanco is a global leader in animal health dedicated to innovating and delivering products and services to prevent and treat disease in farm animals and pets, creating value for farmers, pet owners, veterinarians, stakeholders, and society as a whole. With nearly 70 years of animal health heritage, Elanco is committed to helping its customers improve the health of animals in their care, while also making a meaningful impact on local and global communities. Elanco distributes its products to veterinarians, retailers, wholesalers and distributors, food animal producers and pet owners in over 90 countries, including the UK.

As a global U.S. publicly traded animal health company, Elanco works in a complex legal and regulated environment. Elanco employees, together with its suppliers and third parties, have a shared responsibility to act legally, ethically and abide by the Elanco values of Integrity, Respect and Excellence.

Elanco’s Healthy Purpose™ – our global approach to sustainability and managing our most important environmental, social and governance (ESG) matters – is a framework of commitments and actions built on four interconnected pillars: Healthier Animals, Healthier People, Healthier Planet and Healthier Enterprise – which represent the areas we believe are most important to our customers, employees, investors and other stakeholders. We are driving a Healthier Enterprise by managing our environmental footprint and integrating the management and oversight of ESG issues – such as human rights and modern slavery – throughout our operations. Elanco’s approach to sustainability is built on the four interconnected pillars of Healthier Animals, Healthier People, Healthier Planet, and Healthier Enterprise. These represent the areas most important to
customers, employees, investors, and other stakeholders, bringing to life Elanco’s vision of Food and Companionship Enriching Life (more information can be found at www.elanco.com).

The Group maintains a long-standing practice of complying with local minimum age laws and requirements and does not employ child labour, or forced or compulsory labour, in any of its facilities globally. For more information on this, please review the Group’s current Environmental, Social & Governance (ESG) Report at:

[Environmental, Social and Corporate Governance (elanco.com)]

The Group is committed to ensuring that its supply chains are free from slavery or human trafficking and has enacted an Elanco Business Partner Code of Conduct at:

[Elanco | Suppliers]

Elanco aims to comply with all applicable laws and regulations relevant to our business area in all countries where we operate and not just the UK by the local affiliate and has in place a group of individuals involved with ensuring such compliance. Following the implementation of the Modern Slavery Act 2015, the Company can state that it is committed to maintaining and enforcing systems and controls effective in ensuring modern slavery cannot take place anywhere within its own business or in various companies forming its supply chain.

**ELANCO’S SUPPLY CHAINS**

The Company’s supply chains include the following:

- research and development activities, including clinical trials;
- production inputs including raw materials, packaging materials and laboratory chemicals;
- contract manufacturing agreements;
- distribution arrangements;
- facility construction and maintenance;
- Information Technology goods and services; and
- sales, marketing, general & administration goods and services.

The Company contracts with vendors in a number of countries. The Company is committed to promoting responsible practices that will continuously improve social, health, safety and environmentally sustainable outcomes for our supply chains. Elanco is a participant in the industry group Pharmaceutical Supply Chain Initiative (“PSCI”) and has adopted the PSCI principles for responsible supply chain management. The PSCI principles are designed to align with the principles of the United Nations Global Impact; they represent high-level expectations set for industry
suppliers in the areas of ethics, labour, health and safety, the environment and related management systems. The Company’s Business Partner Code of Conduct reflects the intent of the PSCI principles (https://pscinitiative.org/home).

The Company has continued to formally adopt measures to assess its supply chain, including a third-party risk management assessment as well as standard contract language that requires supplier to adhere to PSCI practices. The Company reserves the right to terminate its relationship with a non-compliant supplier.

RELEVANT ACTIONS AND PRACTICES IN THE COMPANY’S OPERATIONS AND SUPPLY CHAINS

Elanco sets out on its website its Ethical Foundation and an outline of its Ethics and Compliance Program: Ethics & Compliance (elanco.com). Further, Elanco describes its sustainability commitments, corporate responsibility and ESG efforts on its website as follows: Sustainability (elanco.com), including Elanco’s most recently published ESG Report 2021.

The Group has implemented global policies regarding ethical interactions with external parties, a business partner code of conduct as well as an employee code of conduct which include Elanco’s commitment to ensure ethical behaviour and compliance with all applicable laws and regulations in all parts of our global supply chains and in any part of our own business.

- The Company carries out regular staff training through online training courses that are required annually and continues to review training options and that appropriate provision is made as required in respect of modern slavery and human trafficking issues.

- The Employee code of conduct encourages Company staff to report known or suspected issues, concerns, or behaviour that could harm the Company or those it serves and reiterates that retaliation for whistleblowing is not tolerated. The Company also has in place systems and policies to protect whistle blowers through an anonymous hotline any concerns.

Elanco will use the following key performance indicators to measure how effective the Company’s anti-slavery measures are in ensuring that slavery and human trafficking is not taking place in any part of the Company’s business or supply chains:

- ensuring that all staff in all relevant functions have been trained in anti-slavery and human trafficking requirements, in terms of awareness of risk, appropriate decision-making and swift action;

- ensuring all suppliers, with which the Company contracts, have been made aware of the Company’s Supplier Code of Conduct.
OECD guiding principles: Elanco adheres to the OECD guiding principles for human rights and expects its business partners to abide by these guidelines and local laws, when applicable, regarding modern slavery, child labour, forced labour and other rights.

Business Partner Code of Conduct: Elanco has a globally applicable Elanco Animal Health Business Partner Code of Conduct (“Business Partner Code”), which outlines Elanco’s expectations for suppliers to act legally, ethically and abide by the Elanco values of integrity, respect and excellence. The Business Partner Code is publicly available at: [Elanco | Suppliers] and is published in ten different languages.

Through contractual provisions, Elanco requires third parties to abide by its Business Partner Code. The Company’s suppliers are referred to the Elanco supplier website, which houses the Business Partner Code, on Purchase Orders (POs) issued to all suppliers.

Third party due diligence: As part of Elanco’s anti-corruption and third-party management program, Elanco is committed to compliance with anti-corruption and anti-bribery laws globally. Elanco conducts anti-corruption due diligence (ACDD) on third parties with whom Elanco does business and that meet certain pre-determined criteria. ACDD helps Elanco ensure the third party is trustworthy and shares a commitment to doing business the right way. Elanco utilizes a robust third-party management system solution to manage this process. The system is designed to mitigate risk by identifying potential “red flags” that may signal issues related to corruption, before such in-scope suppliers are onboarded and during the course of our contracted business relationship. Elanco is in the process of implementing the use of additional functionalities of the system. In particular, the system has the ability to screen third parties on more than 20 ESG topic areas, such as: corruption and bribery, data privacy and protection, human rights, modern slavery, child labour, fair wages, diversity, equity and inclusion, employee safety and security, animal welfare, conflict minerals or environmental sustainability.

Reporting: Elanco’s approach to human rights is outlined in its annual ESG disclosures. In required jurisdictions, including the United Kingdom and Australia, Elanco also files annual modern slavery act statement(s) or report(s) explaining how Elanco addresses modern slavery risks. Material human rights risks are identified in additional corporate disclosures, such as Form 10-K filed with the United States Securities and Exchange Commission – or as required by other jurisdictions.
Additionally, Elanco submits various reports to regulatory authorities, as required, including where applicable in relation to employment practices and conditions, such as reporting on gender pay equity. More information on the Company’s gender pay gap report for the UK can be found on Elanco’s website here: We are Elanco - what makes us different? (myelanco.co.uk)

Reporting of Concerns: Elanco has an Elanco Integrity Line which is published in its Business Partner Code, on Elanco’s websites and on the Elanco Supplier Portal (www.elanco.com/en-us/suppliers). Business Partners are encouraged to contact the Integrity Line if they observe actions which are not aligned with Elanco’s commitments and the commitments required of its business partners or if they have any questions or concerns. The Integrity Line is a convenient, confidential and anonymous way for Elanco business partners to report issues. Country specific telephone numbers are listed on our websites (IntegrityCountsV3) and translation services are available in most languages.

Specialist functions and auditing: Elanco has global specialist functions, including Legal and Ethics & Compliance, Health, Safety & Environment (HSE) and Quality who provide specialist advice and guidance to the Elanco business and its employees. Various of these functions conduct audits and inspections of key suppliers. In addition, due to the highly regulated business in which Elanco operates, Elanco and many of its suppliers are audited and/or inspected by relevant authorities. Elanco also has an internal audit function, which audits its own functions and processes internally.

OUTLOOK

Elanco is committed to maintaining and enforcing systems and controls effective in ensuring Modern Slavery cannot take place within its own business or in various companies forming its supply chain.

As such, Elanco intends to continue to develop and evolve its sustainability initiatives. As part of this evolution, Elanco is currently (amongst other things) implementing the following:

Elanco currently publishes statements regarding Modern Slavery Acts in both Australia and the United Kingdom. As part of Elanco’s Human Rights program evolution, Elanco intends to develop a comprehensive human rights policy and program by the end of 2023.

Elanco is working towards further evolving its supplier due diligence process, including with regard to human rights and has appointed a market leading third party supplier to support Elanco with these efforts and a planned implementation until the end of 2023.

Elanco will continue to monitor and investigate relevant complaints made to Elanco’s Integrity Line compliance hotline and through other grievance mechanisms. Trends resulting from inves-
tigations will continue to be reported through to Elanco’s global Investigations Oversight Committee. Complaints to regulators are (and will continue to be) reported on internally via a formal notification to senior management (including legal) process.

Elanco is in the process of conducting a review of its procurement template contracts and, as part of this process, will consider (amongst others) introducing provisions on Modern Slavery, human rights, and sustainability, including related audit and monitoring rights, with a view to continuous improvement and ensuring best practices.
Declaration

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the Company’s slavery and human trafficking statement for the financial year ending 31 December 2022. It was reviewed and approved by the Board of Directors of Elanco UK AH Limited on 12 June 2023.

Elanco UK AH Limited, 12 June 2023

[Signature]

Christopher Lewis, CFO Elanco UK/ROI