

**MAKING
LIFE
BETTER
FOR ANIMALS,
MAKES
LIFE
BETTER.**



Elanco

TM

EXTREME IDEAS WON'T WORK

“Rich nations should shift entirely to synthetic beef.”

– Bill Gates



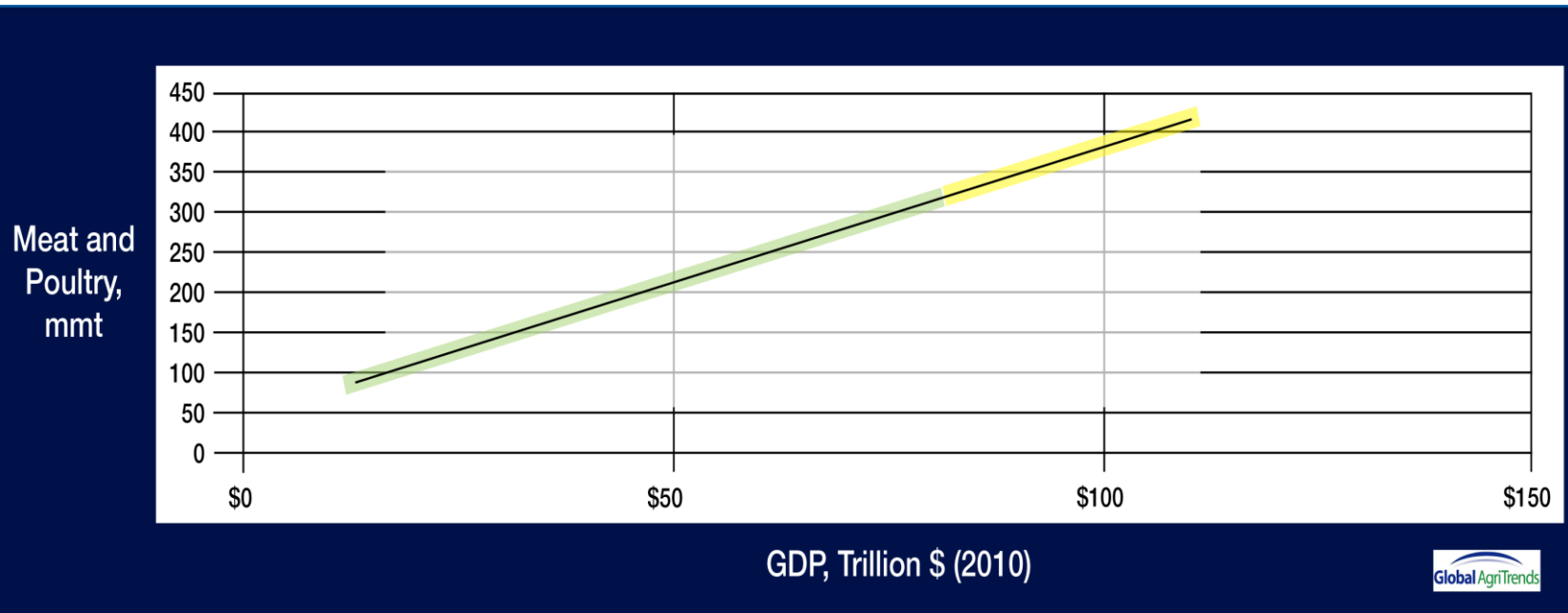
Climate change campaigners in George Square holding an inflatable animal saying Stop Animal Farming on day ten of COP26.
Credit: Skully / Alamy Stock Photo.

Unaffordable | Unsustainable | Unacceptable

LOGICAL SOLUTION

ANIMALS ARE THE ANSWER

Global GDP and Meat & Poultry Consumption Annually



Global protein consumption is predicted to grow by **90MMT** in the next 10 years.

That's **50% more** growth than the last 10 years.

CAN'T DISCONNECT

CLIMATE, CALORIES & CHOICE

Curb emissions by

2030



Global protein consumption is predicted to grow by 90MMT in the next 10 years.

50%

more growth than the last 10 years.



60%
of the world's population getting the wrong nutrition

CONSUMER PREFERENCES



Taste



Cost



Nutrition



Choice

THE MISSING
PIECE

Elanco™

Gen Z Consumers Want To Feel Better About Their Food Choices...



66%

feel current food system is destroying the planet

52%

willing to sacrifice taste for issues they care about

76%

say they had increased their consumption of alternative proteins due to concerns about climate change

DISCONNECT

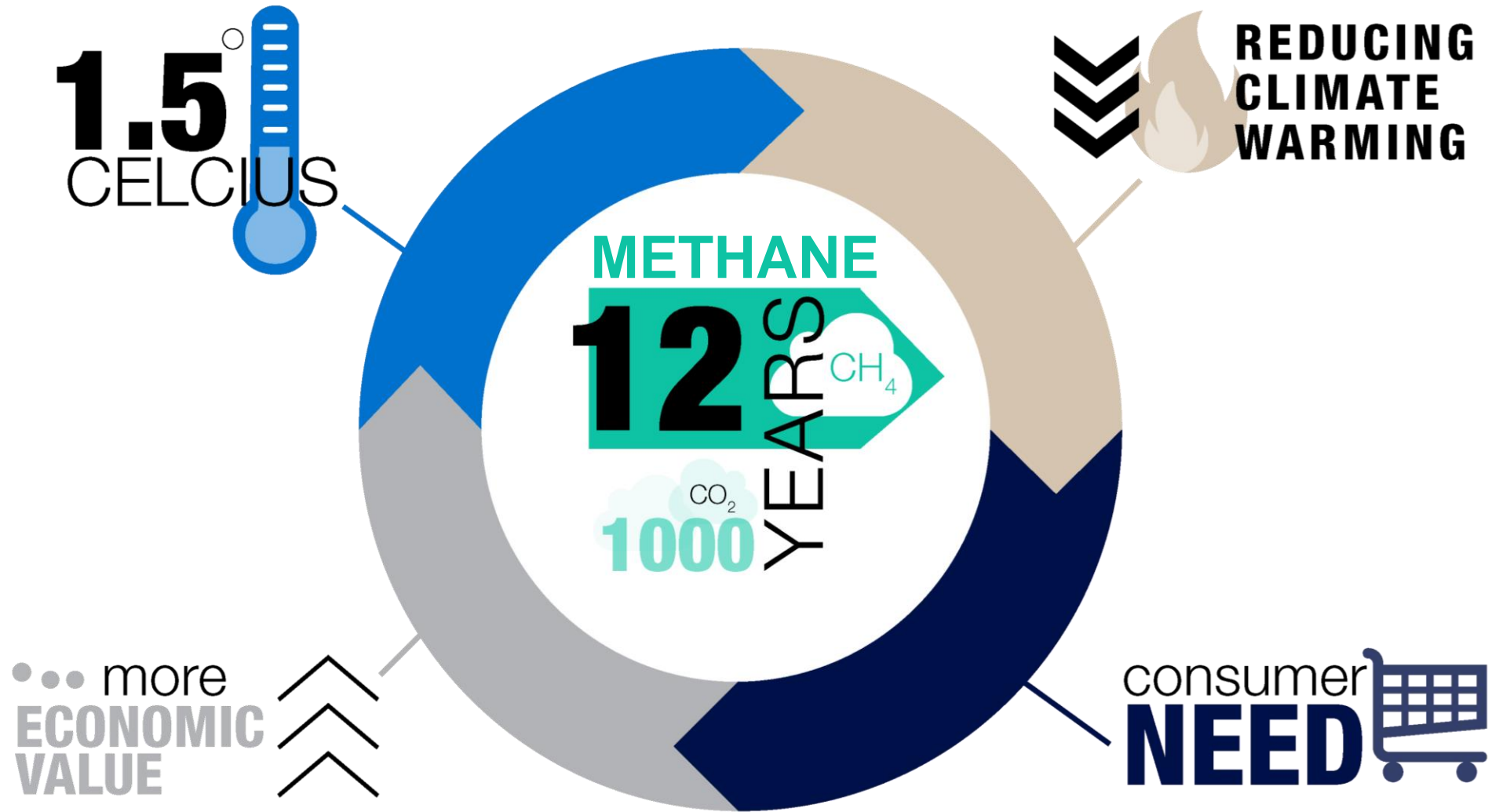
PERCEIVED 'PROBLEM' IS BEST SOLUTION

**THE
SOLUTION
MUST
DELIVER...**

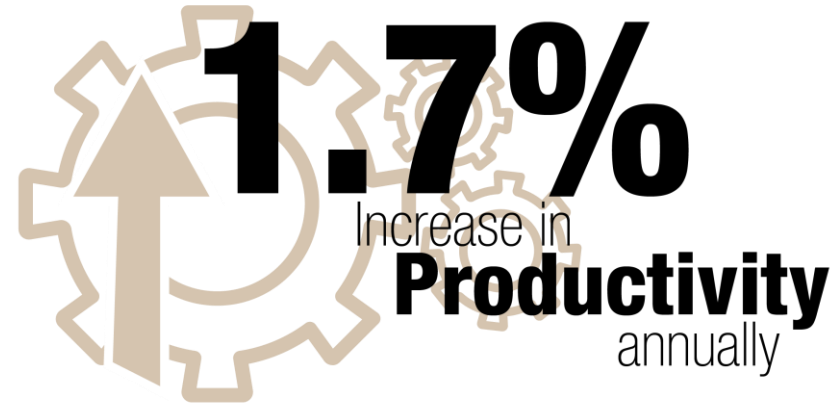
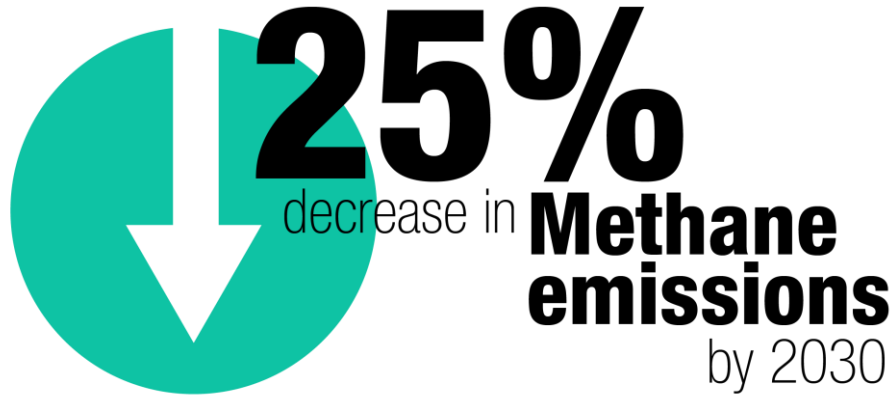


Curb emissions by
2030 

IT ALL COMES BACK TO METHANE



FAO GOALS: REDUCE EMISSIONS; INCREASE PRODUCTIVITY



9 interventions

with the greatest opportunity to **reduce global livestock greenhouse gas emissions:**

Productivity increases

Feed and nutrition improvement

Improved animal health

Breeding

- Carbon sequestration
- Rumen manipulation
- Manure management
- Energy use
- Circulate biomechanics

COP28 SHIFT

FARMERS INNOVATING & VALUE CREATING



ON THE LAND

36% of emissions from feed

- *No till*
- *Cover Crops*



IN THE ANIMAL

47% of emissions are enteric

- *Genetics*
- *Nutrition management*
- *Ruminant & enteric health*
- *Methane-reducing feed ingredients*



OUT OF THE ANIMAL

9% of emissions from manure

- *Bio-digesters*
- *Valcor next gen digester*
- *Water management*



IN THE VALUE CHAIN

8% of emissions are energy use

- *Data and tracking*
- *Energy efficient operations*

VALUE CREATION

Soil carbon sequestration credits

UpLook/Analytics
Athian/Monetize
IRA incentives

Fertilizer revenue,
water quality trade/credits,
tax credits

Avoided on-farm electric,
Scope 3 emissions reductions



Innovation

- ✓ Portfolio
- ✓ Pipeline
- ✓ Partners

Elanco **Rumensin**

Elanco **Component**
with Tylan

Elanco **Increxxa**
(tulathromycin Injection)

Elanco **Experior**

3-NOP*

Analytics

Elanco

UpLook[™]

Insights Engine for Sustainable Progress

Knowledge Solutions[™]

AgNext

COLORADO STATE UNIVERSITY

SUSTAINABLE SOLUTIONS FOR ANIMAL AGRICULTURE

Value Creation

- ✓ Certify
- ✓ Aggregate
- ✓ Monetize

Athian

Sustainable Livestock Systems

*Approved in Europe, Brazil, Argentina, Australia, in review in USA

CHANGE THE NARRATIVE

ADVOCATE

ACROSS SPECIES, BORDERS, ISSUES

Bringing the Livestock Carbon Inset Market to Life

Case Study: US Dairy

Innovation:

- ✓ Rumensin Protocol
~ 0.5MT CO₂e reduction
- ✓ Bovaer H1 2024 Launch

Analytics:

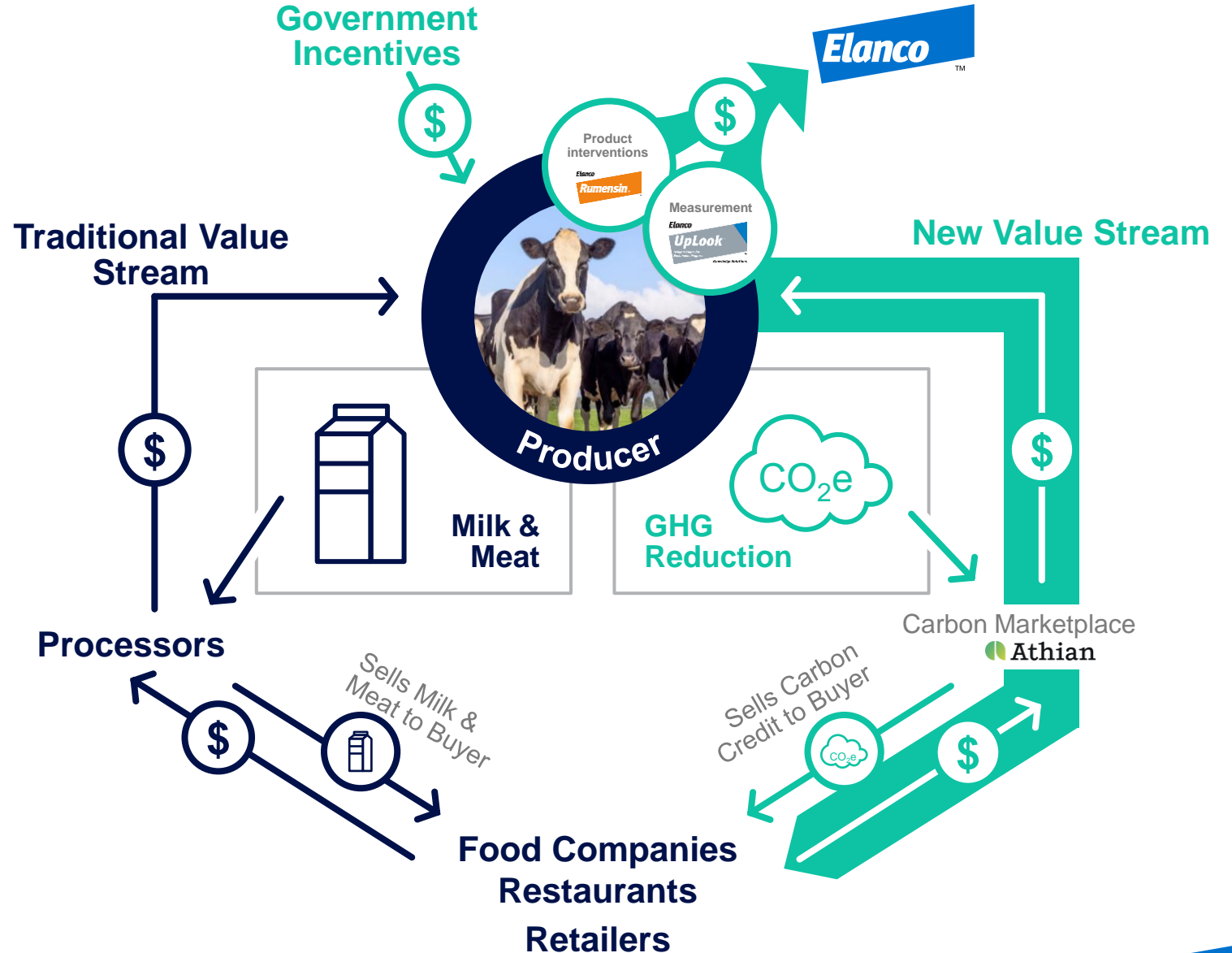
- ✓ Enrolled: 149 Farms; 659,879 Cows
- ✓ Activated: 34 Farms; 208,204 Cows

Value Creation: Athian

- ✓ Approved Rumensin Protocol
- ✓ Minted, verified & sold first credits

Advocacy:

- ✓ \$100M Gov't Funding
- ✓ iFeed Bill endorsement



*In addition to the Food and Drug Administration (FDA) approved label indication of increased milk production efficiency in dairy cows, published research regarding Rumensin® (monensin Type A medicated article) indicates the feed additive reduces absolute enteric methane emissions by 5% in dairy cows, or about a half metric ton per cow annually, when fed according to label indications

New Conservation Resources

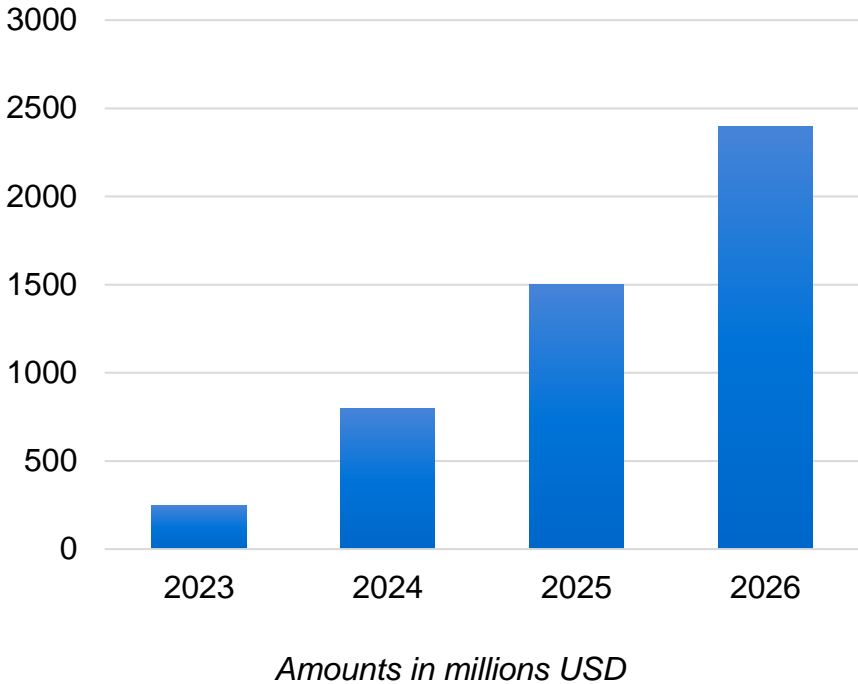
Inflation Reduction Act 2022

\$19.5

Billion in new USDA
Conservation Resources

- Provides farmers options
- Changes the narrative
- Invests in rural America

USDA's Regional Conservation Partnership Program provides nearly \$5 billion in conservation funding 2023-2031



Our Commitment

5 × 5 × 5

Enroll **5 Million Cows**
In **5 Years**

For a **5 MMT CO₂e Reduction Per Year**

VISION FOR CLIMATE NEUTRAL FARMING

