

# About Zoetis

## Why We Do What We Do

- We know animal health is essential to public health and people's well-being.
- As the world's leading animal health company, we are driven by a singular purpose: to nurture our world and humankind by advancing care for animals.

## What We Do

- Zoetis makes vaccines, medicines, diagnostics and other technologies for pets and farm animals.
- A Fortune 500 company traded on the NYSE (ZTS), we generated \$7.8 billion in revenue in 2021.
- Our revenues are split between pet care and livestock (60%/39%), and between the U.S. and the rest of the world (52%/47%). This excludes revenue associated with Client Supply Services and Human Health, which represented 1% of total 2021 revenue.



70

years as the global leader in animal health

300

product lines sold in 100+ countries serving 8 species

14

blockbuster products (more than \$100M in annual sales) representing more than 1/3 of the animal health industry

1,000

new products and lifecycle innovations introduced in the last 5 years

## How We Do It

- We are reimagining animal health through our contributions **to innovative science, a stronger human-animal bond** and a **more sustainable future** for our customers and our world.
- Our future performance is focused on **5 strategic priorities:**



Drive Innovative Growth



Enhance Customer Experience



Lead in Digital and Data Analytics



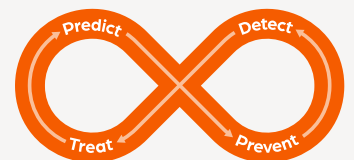
Cultivate a High-Performing Culture



Champion a Healthier and More Sustainable Future

We take an integrated approach to animal health, building a **diverse and durable portfolio** of products to keep animals healthy. We focus on innovative solutions that **predict, prevent, detect, and treat diseases** —what we call the **Continuum of Care**.

Our colleagues are committed to caring for animals, our customers and their communities, living every day by our **Core Beliefs:**



Our colleagues make the difference

Always do the right thing

Customer obsessed

Run it like you own it

We are one Zoetis

zoetis

# What Sets Us Apart

## Worldwide Market Leader

- Zoetis is a **Fortune 500 company** and the **world leader in animal health, with 12,100 colleagues around the world, and \$7.8 billion in annual revenue in 2021**

## Diverse, Durable and Innovative Portfolio

- Broad portfolio with approximately **300 product lines across 7 therapeutic areas and 8 species**
- Leading brands including 14 blockbuster products in 2021 (*A blockbuster in animal health generates more than \$100 million dollars in annual revenue*)
- **Diversified revenue streams** with top 10 products accounting for approximately 47% of total revenue in 2021
- **Durable portfolio** with average market life of top products being approximately 30 years
- **Continuous innovation flow** with ~1,000 new products and lifecycle innovations introduced in the last 5 years (2016-2021)

## Track Record of Financial Results

- We have **consistently delivered on our goal of growing revenue in-line with or faster than the market, and growing adjusted net income faster than revenues** through **operational discipline** and maintaining **strong margins**
- Our strong financial results have helped us to make **important investments for growth, while returning excess capital to our shareholders**

## On Course for Future Growth

- With **more than \$500 million in R&D spending in 2021** – our largest ever annual investment for R&D – we continue progressing research to address allergies, livestock health, chronic pain and inflammation, chronic kidney disease and diagnostics through our vaccines, therapeutics and digital technology portfolios
- In 2022, our **major catalysts for growth** include:
  - Continued **strength in petcare**, based on parasiticides, dermatology and pain
  - Ongoing **expansion in markets outside the U.S.**, most notably China and Brazil
  - **Growth of our diagnostics** portfolio as we build momentum with more reference labs, new products and increased sales and technical services

## Clear Strategic Priorities and Focus on Execution

- Our long-term value proposition has been tied to the execution of our growth strategy. We are committed to continuing with this strategy and are focused on **five priorities**:
  - **Drive innovate growth**
  - **Enhance the customer experience**
  - **Lead in digital and data analytics**
  - **Cultivate a high-performing organization**
  - **Champion a healthier and more sustainable future**

## Commitment to Sustainability

- 26 long-range goals supporting 10 of the 17 United Nations' Sustainable Development Goals (SDGs) across three strategic pillars, known as Driven to Care.
  - **Communities – Care and Collaboration**  
We support and partner with our colleagues, communities and the people who care for animals. We achieve more by working together toward our common goals.
  - **Animals – Innovation in Animal Health**  
We use our expertise in animal health to solve sustainability challenges facing animals and people.
  - **Planet – The Drive to Protect Our Planet**  
We steward resources responsibly and minimize our impact, as we deliver products and services that advance the health of animals.

## Delivering on Our Long-Term Value Proposition to Shareholders

- Our **long-term value proposition** remains anchored in **four main objectives**:
  - To grow revenue in line with or faster than the market
  - To grow adjusted net income faster than revenue
  - To drive growth through investments in innovation, R&D and business development
  - To return excess capital to shareholders