



# Advancing Animal Health

Zoetis Investor Overview

zoetis

# Zoetis at a Glance

**70+**

Years  
of experience

**\$8.1B**

Annual  
revenue

**7**

Major product  
categories



**1,430**

Approximate  
R&D colleagues

## We provide:

Medicines

Vaccines

Diagnostics

Genetic tests

Biodevices

Precision  
animal health



**8**

Core animal species

**64%<sup>1</sup>**

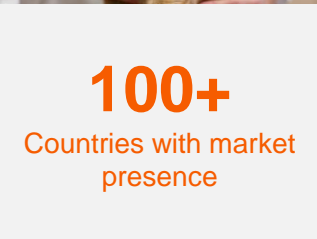
Revenue from  
companion animal  
products

**35%<sup>1</sup>**

Revenue from  
livestock  
products

**13,800**

Approximate  
colleagues  
worldwide



**100+**

Countries with market  
presence



**29**

Manufacturing  
sites



**4,200**

Approximate  
field force  
members



<sup>2</sup>

Note: Facts and figures shown are as of Dec. 31, 2022

<sup>1</sup>Excludes revenue associated with Client Supply Services and Human Health, which represented 1% of total 2022 revenue.

**zoetis**

# Our Executive Team



**Kristin Peck**  
Chief Executive Officer



**Nick Ashton**  
Executive Vice President and  
President, Global Manufacturing  
and Supply



**Jamie Brannan**  
Executive Vice President and  
President, International  
Operations and Aquaculture



**Heidi Chen**  
Executive Vice President,  
General Counsel & Corporate  
Secretary; Business Lead of  
Human Health Diagnostics



**Rimma Driscoll**  
Executive Vice President, Head  
of Global Strategy, Commercial  
and Business Development, and  
Global BioDevices



**Jeannette Ferran  
Astorga**  
Executive Vice President,  
Corporate Affairs,  
Communications and Chief  
Sustainability Officer



**Weteney Joseph**  
Executive Vice President and  
Chief Financial Officer



**Roxanne Lagano**  
Executive Vice President, Chief  
Human Resources Officer and  
Global Operations



**Wafaa Mamilli**  
Executive Vice President,  
Chief Digital and Technology  
Officer and Group President,  
China, Brazil and Precision  
Animal Health



**Rob Polzer**  
Executive Vice President and  
President, Research and  
Development



# Purpose is a Core Part of Our Story

## Why: Our Purpose



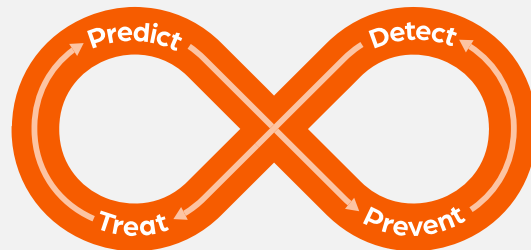
## How: Our Strategy

### Reimagining animal health

- Drive innovative growth
- Enhance customer experience
- Lead in digital and data analytics
- Cultivate a high-performing organization
- Champion a healthier, more sustainable future

## What: Our Products and Services

### Continuum of Care



Medicines, Vaccines, Diagnostics and Technologies

## Our Core Beliefs Form the Foundation of Our Culture.

Our colleagues make the difference

Always do the right thing

Customer obsessed

Run it like you own it

We are one Zoetis

# Diverse, Durable and Innovative Portfolio

Diversity across  
geographies, species  
and therapeutic areas  
drives steady  
performance

7

therapeutic  
areas

8

core species

15<sup>1</sup>

blockbusters

~30<sup>2</sup>

year average market life  
of key brands in portfolio

~300

product lines

>2,000

new products and lifecycle  
innovations introduced  
in last 10 years

<sup>1</sup> Estimated number of blockbuster products with revenues of \$100M or more as of year-end 2022

<sup>2</sup> Market life refers to the number of years a product has been commercially available.

# World Leader in Animal Health<sup>1</sup>

By Species Market Leader in Species Representing ~90% of Our Portfolio by Revenue <sup>3</sup>	By Product Category	By Geography	High Growth Franchise Areas <sup>3</sup>
Companion Animal <b>#1</b>	Other Pharma <sup>2</sup> <b>#1</b>	North America <b>#1</b>	Dermatology <b>#1</b>
Cattle <b>#1</b>	Anti-Infectives <b>#1</b>	Latin America <b>#1</b>	Pet Pain <b>#1</b>
Fish <sup>3</sup> <b>#1</b>	Medicated Feed Additives (MFA) <b>#2</b>	Asia <b>#1</b>	Pet Parasiticides <b>#2</b>
Swine <b>#1</b>	Vaccines (Biologicals) <b>#2</b>	Eastern Europe <b>#2</b>	
Poultry <b>#5</b>	Diagnostics <sup>3</sup> <b>#3</b>	Western Europe <b>#2</b>	
	Parasiticides <b>#3</b>		

<sup>1</sup> Vetnosis Year-to-Date Q3 2022 Update. Rankings are based on revenues.

<sup>2</sup> Includes pain, sedation, internal medicine, dermatology, etc.

<sup>3</sup> Zoetis internal estimates

# Our Five Strategic Priorities

Accelerating our strategy for growth



**Drive Innovative  
Growth**



**Enhance  
Customer  
Experience**



**Lead in Digital  
and Data  
Analytics**



**Cultivate a  
High-Performing  
Organization**



**Champion  
a Healthier, More  
Sustainable  
Future**

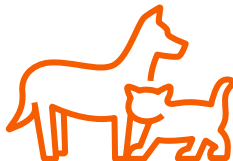
# Five Key Growth Drivers in 2023



Companion animal parasiticides



Key dermatology portfolio



Osteoarthritis (OA) pain

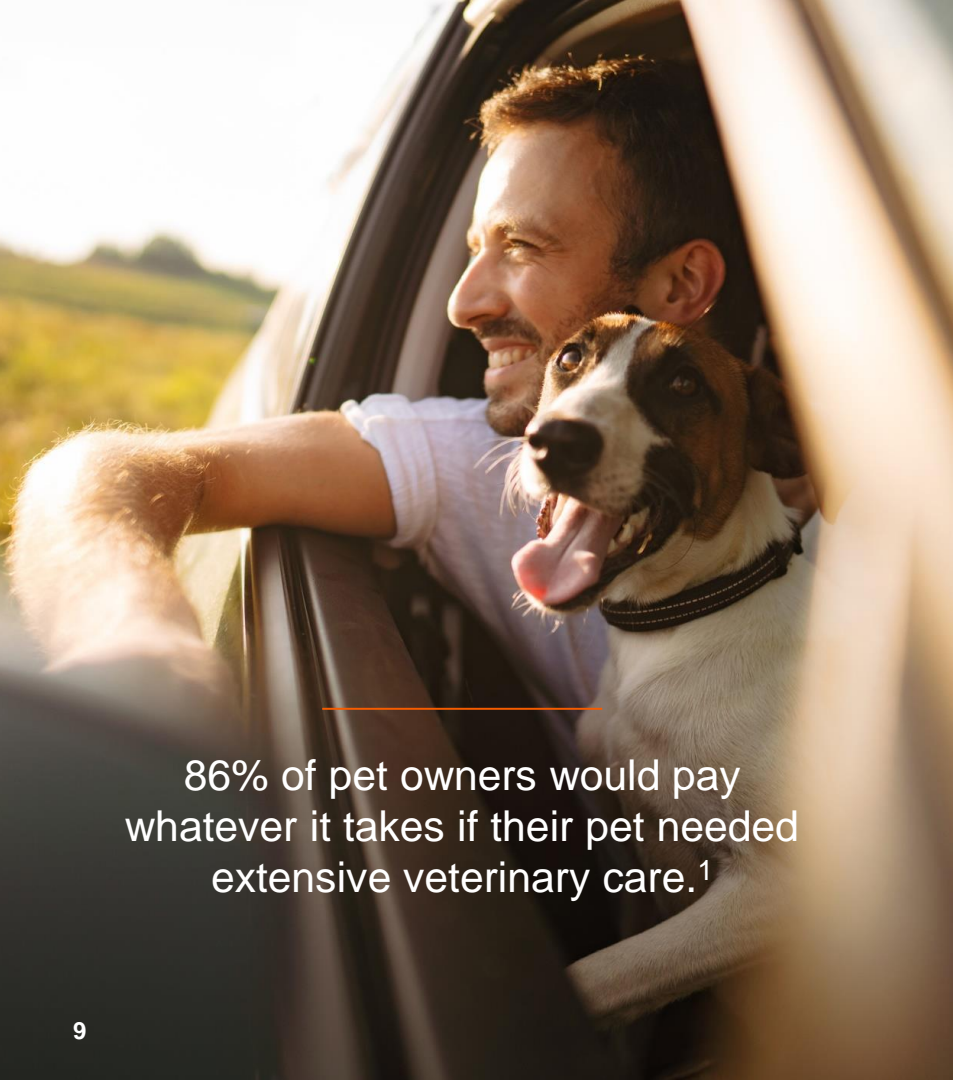


Global diagnostics



Growth in emerging markets





# The Human-Animal Bond

Pet owners are prioritizing health and wellness of their animals

- **Gen-Z and Millennials** are fueling the **humanization of pets**
- **High income households** often have **more than one pet** and are more **willing to spend** during a down economy
- When faced with a 20% decrease in budget, **pet owners will not spend less on their pets.**<sup>2</sup>

86% of pet owners would pay whatever it takes if their pet needed extensive veterinary care.<sup>1</sup>

<sup>1</sup> International Survey of Pet Owners and Veterinarians from HABRI/Zoetis. Published January 2022.

<sup>2</sup> Zoetis Market Research, Dec. 2022

# Healthy Animals Meeting Protein Demand

The global population is growing, leading to increased demand for animal protein sources

- **Diverse portfolio** across markets and therapeutic areas to serve wide range of species
- **Nearly 2 billion more mouths to feed by 2050** (*Global pop. of 9.7 billion in 2050<sup>1</sup>*)
- Limited **resources** and **climate concerns** are increasing need for **sustainable production** of meat, milk, fish and eggs



Our ultimate goal is to enable animals to be healthy and productive

# High-Quality Products, Delivered by Our World-Class Manufacturing Operations

-  Excellence in quality
-  Breadth of expertise
-  Reliable supply
-  Speed to market
-  Cost/efficiency improvements

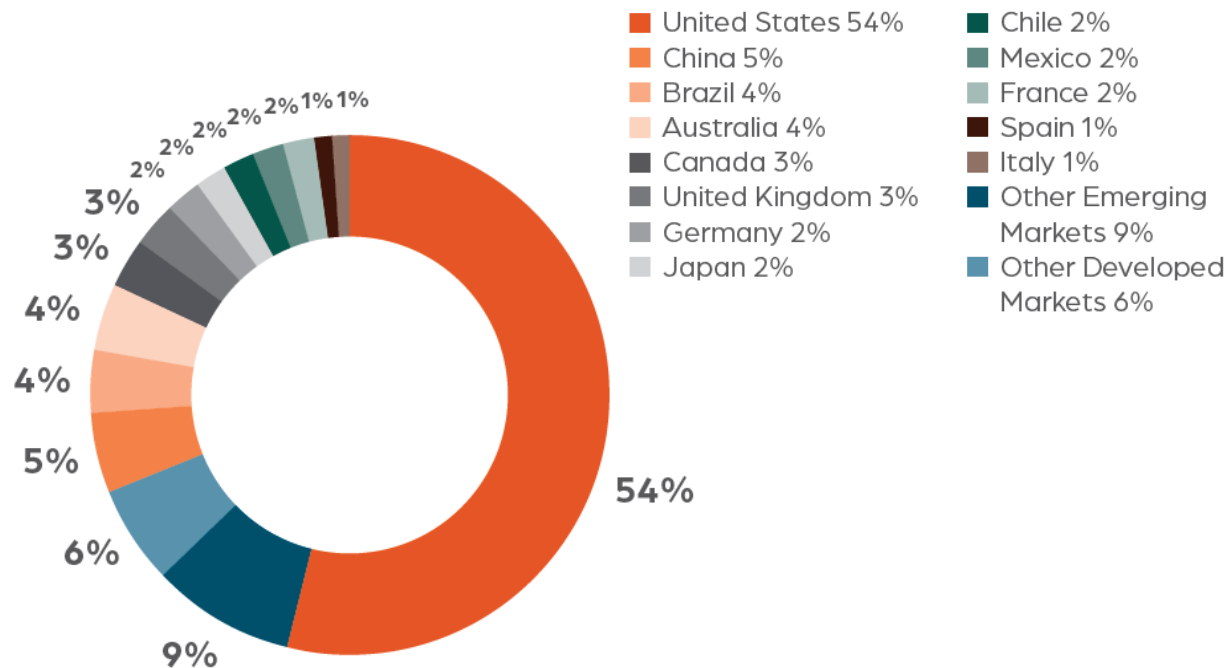


*NOTE: Sites shown are as of Dec. 31, 2022*

# Global Leadership, Scale and Scope

Zoetis combines the local presence and knowledge necessary to serve the unique needs of individual customers with the global reach and resources essential to help advance animal health globally.

## Revenue by market<sup>1</sup>

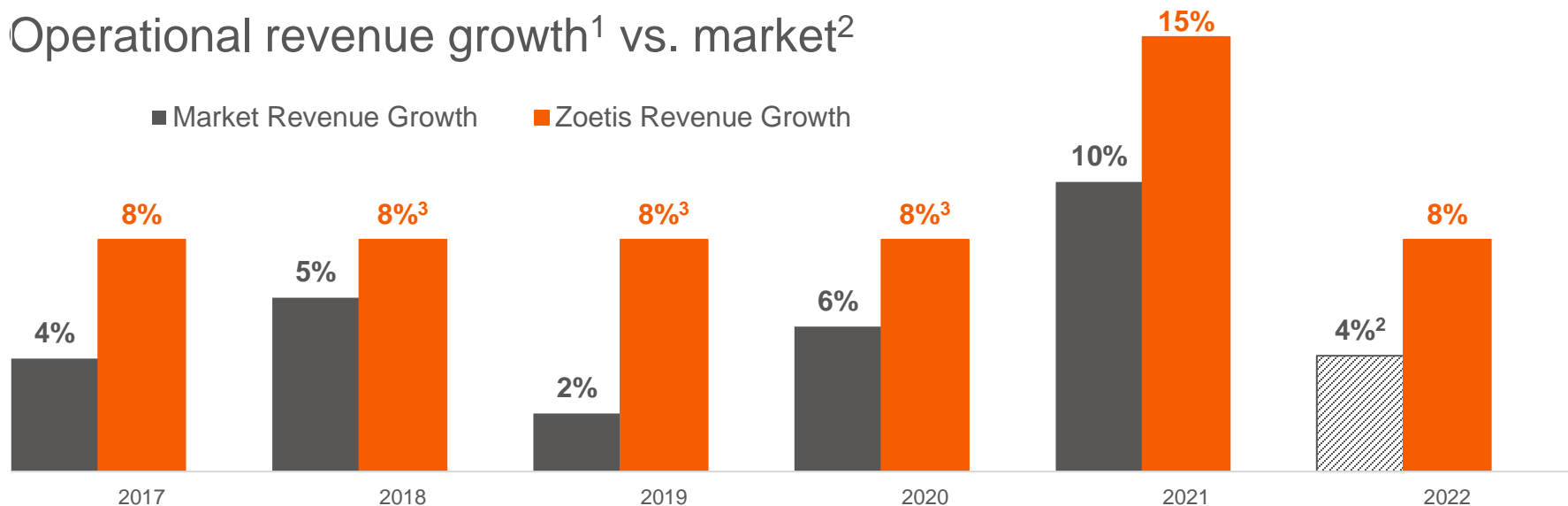


Note: Based on 2022 revenue

<sup>1</sup> Excludes revenue associated with Client Supply Services and Human Health, which represented 1% of total 2022 revenue

# Delivering Above-Market Operational Revenue Growth

Operational revenue growth<sup>1</sup> vs. market<sup>2</sup>



<sup>1</sup> Operational revenue growth (a non-GAAP financial measure) excludes the impact of foreign exchange. Reconciliations of non-GAAP financial measures are available in the appendix to this presentation.

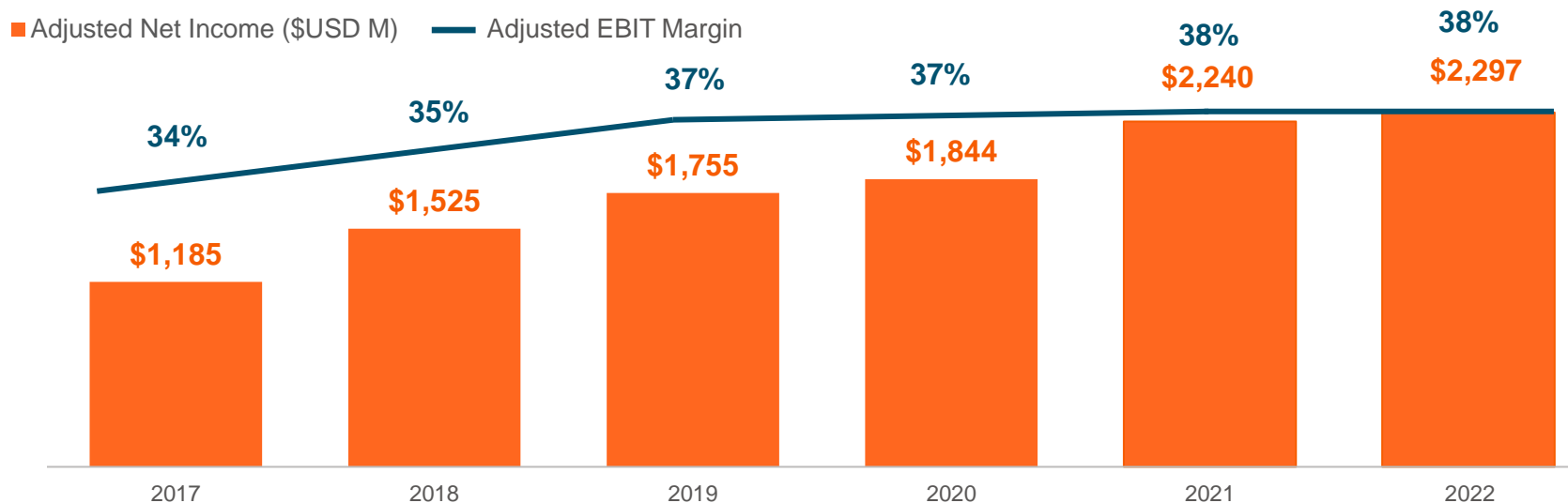
<sup>2</sup> Vetnosis "Review 2021" dated July 2022. Market estimate for 2022 based on Zoetis internal estimates.

<sup>3</sup> Organic operational growth (a non-GAAP financial measure) excludes the impact of the acquisition of Abaxis in 2018 and 2019 and other acquisitions in 2020, as well as foreign exchange; if included, operational revenue growth was 10%, 10% and 9% in 2018, 2019 and 2020, respectively.



# Margin Expansion and Adjusted Net Income Growth Faster than Revenue

Adjusted net income and adjusted EBIT margin<sup>1</sup>



<sup>1</sup>Adjusted net income (a non-GAAP financial measure) is defined as reported U.S. generally accepted accounting principle (GAAP) net income excluding purchase accounting adjustments, acquisition-related costs and certain significant items. Adjusted Earnings Before Interest and Taxes (EBIT) margin, a non-GAAP financial measure, excludes interest expense net of capitalized interest, interest income and adjusted income taxes (a non-GAAP measure). Reconciliations of non-GAAP financial measures are available in the appendix to this presentation.

# Delivering On Our Long-Term Value Proposition to Shareholders



**Grow revenue  
in line with  
or faster than  
the market**



**Grow adjusted  
net income  
faster than  
revenue**



**Drive growth through  
investments in  
innovation, R&D and  
business development**



**Return excess  
capital to  
shareholders**

# Award-Winning Culture and Workplace



# Our sustainability strategy



Long range goals supporting Communities, Animals and the Planet — and the United Nations' Sustainable Development Goals (SDGs)

## COMMUNITIES Care and Collaboration



Partnerships with colleagues, communities and the people who care for animals.

## ANIMALS Innovation in Animal Health



Using our expertise in animal health to solve the biggest sustainability challenges.

## PLANET The Drive to Protect Our Planet



Stewarding resources responsibly and minimizing our impact.

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