
Elanco Animal Health Incorporated Nominating and Corporate Governance Committee Charter

Purpose

The nominating and corporate governance committee shall identify and recommend to the board of directors of Elanco Animal Health Incorporated candidates for membership on the board and board committees, develop and recommend criteria and policies relating to service and tenure of directors, and oversee matters of corporate governance.

Composition and Term

The committee shall consist of no fewer than three directors. Each member of the committee must be independent as determined by the board in accordance with applicable NYSE composition and governance standards. Any action duly taken by the committee shall be valid and effective, whether or not the members of the committee at the time of such action are later determined not to have satisfied the requirements for membership.

The committee members shall be appointed by the board for one-year terms. The committee chair shall be designated by the board.

Administrative Matters

The committee shall meet at such times as it determines to be necessary or appropriate and shall report to the board at the next meeting of the board following each such committee meeting. A majority of the members of the committee shall constitute a quorum for meeting and the affirmative vote of a majority of the members present at a meeting at which a quorum is present shall constitute action of the committee.

The committee may request any officer or employee of the company or the company's outside counsel to attend committee meetings or meet with committee members or the committee's advisors.

The committee may take action without a meeting by unanimous written consent of its members.

Delegation

The committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the committee, so long as such subcommittee is solely comprised of one or more members of the committee and such delegation if not otherwise inconsistent with law and applicable rules and regulations of the SEC and the NYSE.

External Resources

The committee shall (at the company's expense) have the sole authority to retain and/or terminate any outside advisors it deems necessary to assist it in fulfilling its duties, including any search firm used to identify and evaluate director candidates, and to approve the fees and other retention terms of any such advisors.

Duties and Responsibilities

The committee shall have the following duties and responsibilities:

1. Recommend to the board the size and composition of the board and its committees.

2. Develop and periodically review criteria for the selection of directors, such as experience, business interests, diversity and qualifications for membership on board committees, and actively consider for selection as directors those persons who possess a diversity of experience, ideas, gender, race and ethnicity, and
3. Develop and periodically review procedures for soliciting and reviewing potential non-employee nominees from directors, management and shareholders and for advising those who suggest nominees of the outcome of such review.
4. Review recommendations for nominees for the board of directors.
5. Submit to the board candidates for director (i) to be nominated by the board for election by the shareholders and (ii) to be elected by the board to fill vacancies in connection with board expansions and director resignations or retirements, and recommend to the board the class of directors in which such nominees should serve.
6. Submit to the board annually director candidates for membership on board committees and for committee chair of each committee and make recommendations regarding changes in committee membership, if appropriate.
7. At least annually review and make recommendations to the board regarding the independence of directors.
8. Oversee matters relating to director and officer participation in outside boards and changes in principal job responsibilities of outside directors.
9. Monitor and make recommendations to the board on matters of board policies and practices, including policies on director service and tenure, board leadership structure, and corporate governance.
10. Annually review the Company's activities and practices regarding environmental, social and related governance ("ESG") matters that are significant to the Company, including the Company's material initiatives and policies related to ESG matters.
11. Annually review and make recommendations to the board regarding the Corporate Governance Guidelines.
12. Oversee the annual assessment of the performance of the board, board committees and board processes and review with the board the results of these assessments and an assessment of the contributions of individual directors, with input from all other board members, at least every three years when considering whether to recommend nominating a director to a new term.
13. Oversee director education and new director orientation.
14. Assist the board in overseeing and monitoring engagement with shareholders and proxy advisory firms.
15. Oversee matters relating to annual and special meetings of shareholders, and review and make recommendations to the board regarding proposals of shareholders that relate to corporate governance.

16. Review and assess this charter periodically.
17. Annually review the performance of the committee.

The committee shall also undertake such additional activities within the scope of its primary functions as the board or the committee may from time to time determine.

Effective as of August 8, 2019 (as approved by the board of directors on August 8, 2019).