

2020

**STATEMENT**  
OF NON-FINANCIAL  
PERFORMANCE



A warm, golden-hour photograph of a man and a young girl walking away from the camera in a grassy field. The man, on the left, is wearing a light-colored short-sleeved shirt and dark trousers, holding the girl's hand. The girl, on the right, has long blonde hair and is wearing a white t-shirt, blue jeans, and a red plaid shirt tied around her waist. She is reaching out with her right hand to touch the head of a cow. The cow's head is visible on the right side of the frame. The background is a soft-focus landscape with a wooden fence and a barn under a bright, hazy sky.

# Editorial

“ We do not inherit the Earth from our ancestors;  
we borrow it from our children ”

(attributed to Saint-Exupéry).

This awareness should be the driving force behind the actions of humans on earth.  
We have understood this correctly.

Making our development sustainable is a natural process, for several reasons. We are a group whose capital is controlled by one family, that of its founder, Dr Pierre-Richard Dick, whose profoundly human values have left their mark on the company and remain the foundation on which the company's strategy has been built.

As with many family businesses, the ability to plan for the long-term and act accordingly is part of our genetic capital. The fact of being a listed company does not contradict this orientation, as more and more shareholders favor companies whose strategies incorporate sustainable development goals that do not impede but, on the contrary, favor its economic performance.

Our mission — to create, manufacture and sell veterinary medicines and, more generally, animal health products — puts our company at the heart of the food chain and the “One Health” ecosystem, where it is recognized that the health of all living beings on Earth is intrinsically linked.

Our customers, veterinarians, farmers and animal owners are becoming increasingly concerned of their impact on the environment and human health. We are therefore, naturally led to direct our activities accordingly.

The growth of our Group in France and internationally leads to additional requirements. We are deeply rooted in our home territory, the French Riviera. With the increase in our workforce and investments in this basin, our visibility is growing and making us an example in terms of our teams and our community, both socially and environmentally.

At the same time, we have also become a global company that derives nearly 60% of its revenue from outside Europe and whose subsidiaries are located in 33 countries across every continent. Our company must ensure that this development complies with our common principles, regardless of the territories in which it operates, particularly in the economic, social and environmental spheres.

In the social sphere, respect for human beings was one of the key values of our founder:

maintaining real social dialogue, proper remuneration and social coverage policy for employees at the lower end of the salary scale, and the trust and attention given to every employee are thus part of our traditional values. We are committed to preserving this legacy and building on it by complementing it with ambitious skill development policies.

In the environmental sphere, the company's operations guarantee strict quality requirements: for example, by compliance with Good manufacturing and laboratory practices. In addition, several years ago we embarked on a continuous improvement strategy designed to consistently cut waste and optimize the use of resources. The search for energy efficiency and environmental friendliness are increasingly being systematically integrated into our key decisions (investment, transportation, product design, etc.).

In the financial sphere, our objective is to pursue the consistent and profitable growth experienced almost every year since it was founded. This development is based mainly on solid organic growth, driven by innovation and quality of relationships with our customers. We regularly supplement this growth with targeted acquisitions carried out while maintaining an acceptable degree of debt.

We are pursuing this strategy within the framework of simple and clear governance guaranteeing shareholders with a high level of transparency. Without overdoing the communication, we are carrying out a genuine approach, targeting long-term development that respects our customers, employees, shareholders, partners and our environment.

**Sébastien Huron**

Chief executive officer, Virbac group

## OUR VISION



### Our purpose

- Better feed the planet
  - Protect the living
- Promote animal welfare

## OUR STRATEGIC AREAS OF FOCUS

### Choosing sustainability

(better balance between economic growth, respect for people and the environment)

**Ensuring the well-being of our employees** (high EHS standards, transparent governance, sharing value created through bonuses)

### Expanding internationally

(USA, China, Brazil, India, innovative products & services: busters, vaccines, pet care)

**Improving the competitiveness** of our industrial production and systems

### Key animal health sector issues



**Animal welfare**



**Feeding the planet**  
(food security & food safety)



**Digitalization and Big Data**



**Consolidation**



**Regulations**



**Quality**



**One Health**



**Diversification**

## OUR VALUE CREATION MODEL

### CREATE



**Sustainable innovation based on technological advances and listening to caregivers**



#### R&D CENTERS IN 8 COUNTRIES

- France
- United States
- Australia
- Mexico
- Vietnam
- Taiwan
- Chile
- Uruguay



#### 4 SPECIALIZED SEGMENTS

- Companion animals
- Ruminants
- Aquaculture
- Swine



#### PARTNERSHIPS

Universities  
Laboratories  
Biotech



#### R&D INVESTMENT

Approx. **8%** of sales revenue

### MAKE



**Production facilities that meet the highest international quality standards**



#### PLANTS IN 10 COUNTRIES

**100%** GMP-certified sites



#### RAW MATERIALS + PACKAGING

**800** suppliers  
**120 M€** in purchases



#### SUBCONTRACTED PROCESSING

**75** subcontractors  
**78 M€** in purchases



#### PURCHASES OF FINISHED GOODS

**56** suppliers  
**46 M€** in purchases

**4,900**  
**EMPLOYEES**  
in **38** countries





## SELL



A personalized relationship with veterinarians, farmers, and owners in each country



### ANIMALS

59% companion animals



41% food producing animals



### CUSTOMERS

#### Users

- Veterinarians
- Farmers
- Integrators
- Owners



#### Intermediaries

- Purchasing groups
- Distributors
- Wholesalers



### DISTRIBUTION CENTERS

#### Internal

In countries with industrial facilities



#### External

Around the world

## 8,545 REFERENCES

Vaccines, antibiotics, parasiticides, anti-inflammatory drugs, dermatology, dental, specialties, diagnosis, nutrition

## OUR ACCOMPLISHMENTS



### HUMAN

85% of employees trained

79% of employees proud to say they work at Virbac



### FINANCIAL

+3.2% organic growth at constant rates

Ebita +1.4 pt at constant rates

432 M€ debt relief



### INTELLECTUAL

Animal health awards



### INDUSTRIAL

Virbac plants helped generate 64% of Group revenue



### SOCIAL AND SOCIETAL

Regionalized R&D Virbac Foundation projects

## OUR VALUE SHARING

# 934 M€

2020 REVENUE



### EMPLOYEES

Remuneration  
209.3 M€



### STOCKHOLDERS

49.7% founder's family  
50.3% other

2020 change in share price: +0.6%



### ABILITY TO FUND FUTURE GROWTH

Operating cash flow  
171.4 M€



### BANKS/DEBT

Interest on debt  
8.7 M€



### SUPPLIERS

338.8 M€ in purchases  
Group-wide



# CSR within Virbac

## GOVERNANCE AND ORGANIZATION

At Virbac, we feel that Corporate social responsibility (CSR) must be managed jointly by the departments that deal with the various economic, environmental and social issues. In conjunction with the Communications department, the Innovation, Hygiene-Safety-Environment, Financial Affairs, Legal and Human Resources departments are responsible for presenting these topics at the Group's strategic committee meetings and reporting them to the chief executive officer of Virbac.

Because sustainable development has been a theme that has been close to our hearts for many years, we also set up an internal sustainable development working group headed by the CEO of Virbac more than ten years ago. Within this task force, all the company's departments are represented: Human Resources, Finance, Marketing, Risk, Security, Regulatory, Sourcing, Legal, Communications, *etc.* In 2020, this working group focused on the precision of quantified commitments reflecting the company's CSR ambitions.

In terms of data collection, we rely on an optimized production process, thanks in particular to the formalization of the indicators and their scope within a dedicated reference system deployed in the major subsidiaries of the Group. This optimization also applies to the organization and training of a network of local correspondents specifically assigned to the major areas of sustainable development: environmental, social and economic.

## A CORPORATE RESPONSIBILITY POLICY BASED ON A STRONG ETHICAL COMMITMENT

Our Group is a bearer of strong values that are widely communicated on all our sites and are recalled at every major event in the life of the company. In particular, they are explained during a presentation systematically given by one of the Group's managers to all newcomers. During this presentation, entitled "Virbac culture", not only the company's values are presented but also our purpose and the key strategic principles, implemented across the Group's various entities.

At the same time, and for several years now, we have been running several legal compliance programs to ensure proper compliance throughout the Group with internationally recognized standards for the prevention of the risk of corruption and processing of personal data.

In 2015, we implemented a code of conduct, drafted in 16 languages and disseminated to all of the Group's employees. This code of conduct, about thirty pages in length, describes the standards and rules to be adhered to in the main areas related to the life of the company, grouped under four main themes: conducting business, protection of assets, business and privacy and social responsibility of the company. At the end of 2019, we began updating this code of conduct to make it more educational and understandable, and allowing better ownership by the teams.

Our code of conduct gives a specific email address for each topic broached, allowing employees to confidentially contact a senior executive who is specialized in the field concerned. The code of conduct is preceded by an introduction by the CEO of Virbac inviting employees to contact the departments mentioned in the document should they have any questions or should they witness behavior that breaches the rules defined in the code of conduct.

Our management's commitment to the implementation of legal compliance programs was reflected in 2020 by the decision to recruit a Group Legal Compliance director who will take up his duties in early 2021. This recruitment will enable us to have a resource entirely dedicated to the implementation and monitoring of legal compliance programs (mainly anti-corruption programs and the compliance program with the European data protection regulation), enabling the strengthening of the efforts undertaken by the Group for several years, without conflict of priority with the other objectives. This Group Legal Compliance director will also be supported by all of our legal teams, particularly in subsidiaries abroad.

### **Prevention of corruption and influence-peddling**

From 2016, we formalized specific challenges of the fight against corruption. During that year, we deployed a Group anti-corruption policy, now available in ten languages. Members of the Group executive committee, the French executive committee, the general managers of the subsidiaries and their executive board signed a document formalizing their commitment to comply with this policy. Our new employees of the Group's subsidiaries must also undertake to comply strictly with this anti-corruption policy through their employment contract, which expressly refers to it.

In order to comply with the requirements of the Sapin II law of December 9, 2016, we approved an action plan aimed at setting up a program to prevent the risk of corruption, which led, for instance, to the integration of our anti-corruption policy into the internal regulations of French companies.

In 2018, we finalized our corruption risk mapping using the Group's global risk mapping tools. This map was updated in 2020 and its content was validated by management. This work made it possible to update

the list of priority subsidiaries in terms of preventing corruption: a pilot project was conducted with a Latin American subsidiary in order to develop a corruption risk map specific to this subsidiary. This approach will be extended in 2021 to other priority subsidiaries.

In 2019, we strengthened our whistleblowing system by designing a dedicated portal that allows us to collect reports from employees worldwide on an anonymous basis. The mechanism, created in compliance with the protection of whistle-blowers and human rights, was the subject of a favorable opinion from the Social & economic committee (CSE) in February 2020. The completion of the project was slowed down by the Covid-19 crisis and will be postponed until early 2021.

Our employees were trained on corruption issues in 2019, either in face-to-face, or e-learning format (146 senior managers trained during the last quarter of 2019, all the main departments). This training effort continued to be deployed in 2020 to the most at-risk subsidiaries or to the exposed functions, in the context of interventions carried out by members of the legal teams in video-conference, given the restrictions on travel and face-to-face meetings imposed by the Covid-19 pandemic. These pedagogical efforts resulted in several escalations, which were the subject of internal investigations and in-depth audits by local specialized firms in two cases, which resulted in the implementation of action plans to reduce the risks identified.



In order to assess the controls to be put in place to detect non-compliant situations, in 2019 we engaged the services of a specialized external consultant, who confirmed the adequacy of a number of controls already in place and the need to strengthen other controls. Its analysis resulted in a specific action plan whose implementation was initiated in 2020 and will continue in 2021, targeting the most at-risk situations.



An initial control system for the most at-risk partners, involving legal teams around the world, has also been put in place in 2019. This control system will be strengthened in 2021, as part of a multi-function project to validate the Group's partners involving the Legal, Finance and Corporate Sourcing departments.

### **Respect for human rights**

We are sensitive to the risks associated with non-compliance with human rights and in particular with regard to modern slavery, child labor and other related topics. We are vigilant about the application of the provisions of international conventions on this subject and are in compliance with local regulations on these subjects in all countries where special prevention measures apply to our business. The regulatory framework in which Virbac operates at the global level (Good laboratory, clinical or manufacturing practices) that precisely and under the control of agencies, the skills and training of the staff involved in our activities, seems to us to be conducive to very broadly preventing the use of illegal work such as child labor or modern slavery.

### **International sanctions**

We are very concerned by the proper compliance with international sanction systems and also care to provide our products, essential for animal health and the protection of populations against zoonoses, in countries subject to sanction when authorized. This is why we have worked with a consultant to implement the processes and procedures necessary to ensure proper compliance with the sanction procedures. However, these are long-term projects that are currently struggling with the difficulties of receiving payments from some of the countries concerned.

### **Protection of personal data**

We have also initiated an action plan to bring our personal data processing into compliance with the European regulation n°2016/679 known as GDPR (General data protection regulation). As part of this process, in 2018, we trained employees likely to be involved in data processing and drew up a map of data processing carried out in France and, by extension, data processing carried out at the Group level.

As a result of this first step, in 2018 we have established an action plan and set up working groups to correct existing discrepancies relating to the most sensitive processing operations. We have also set up a network of "data champions" with the representatives of the European subsidiaries in charge of these matters to share best practices in this area.

In 2019 and 2020, we continued to upgrade its main processing operations by working on informing data subjects, and particularly employees, personal data policies and the strengthening of data security.



We have also integrated a privacy by design approach on the proper compliance of new processing resulting from our digitalization plan, and the implementation of merchant sites intended for non-professionals in certain countries.

In 2020, we began implementing a tool to enable the decentralized maintenance of our data processing register and to organize and document GDPR compliance. This tool has been configured to meet the needs and organizations of French subsidiaries and two pilot European subsidiaries and will be gradually deployed in 2021 to other European subsidiaries. It will also be made available to subsidiaries outside Europe with legislation inspired by the GDPR.

The executive board is regularly informed of the progress of these various compliance programs. A complete review of the objectives and progress on these compliance programs was also carried out before the audit committee in December 2020.





submitting our “country-by-country reporting” to the French authorities on an annual basis. Our tax strategy, which is based on the reality of our operations, is aligned with our values, which preclude tax evasion. Income taxes are treated in accordance with international accounting rules in the consolidated financial statements and are commented on in the notes to the consolidated accounts.

### **Integration of corporate responsibility issues into stakeholder relationship**

Innovating, producing and marketing responsibly cannot be done consistently without our entire ecosystem being associated with it through regular dialogue: customers, employees, suppliers, scientists, local residents, representatives of public authorities and non-governmental organizations.

The stakeholders with whom we are actively involved are identified by factors such as:

- their contribution to a better definition of needs within the Group’s areas of activity;
- their alignment with the company’s strategy and their added value;
- their expertise in the field;
- staff involvement in the company’s operations;
- their perception of the Group’s activities and products.

### **Responsible tax policy**

We apply the laws and regulations in force in the countries where we operate. We file the required tax returns on time with the various tax authorities, and the amount due is paid.

We created the position of Tax Compliance officer in early 2019 to ensure that all entities comply with their tax obligations and that the tax due in each of the subsidiaries is properly accounted for. To do so, it relies on local financial directors, regional financial controllers and, in some countries, on tax consulting firms, and prepares a report for the audit committee.

In the area of transfer pricing, we apply OECD principles and the regulations in force in the countries of residence to our intra-group operations and aim for appropriate remuneration for all Group entities. Virbac’s transfer pricing policy is documented and made available to the various tax authorities.

We strive to maintain transparent and constructive relations with tax or governmental authorities by

Stakeholders	Approach and frequency of dialogue
<b>Veterinarians</b> <b>Farmers</b> <b>Pet owners</b> <b>Distributors</b>	Continuous product information via advertising Continuous information on specific animal diseases Continuous support programs for veterinarians and farmers Technical call centers in France, United States, etc. Conferences, specialized trade shows, scientific conferences Permanent websites Market research Social media platforms
<b>Financial community</b> <b>Investors</b> <b>Analysts</b> <b>SRI funds</b>	Meetings between analysts and investors Annual shareholders' meeting Website including all regulatory information Multi-platform financial bulletins
<b>Suppliers</b> <b>Partners</b>	Regular monitoring of the Group's main suppliers (annual meetings) Audit plan for the Group's main suppliers Formal exchanges with each call for tender and for main suppliers about financial, environmental, ethical and quality criteria
<b>Public authorities</b> <b>Regulatory authorities</b> <b>Associations of animal health professionals</b>	Regular communication with regulators and decision-makers on critical issues that affect the pharmaceutical industry, the scientific community and Virbac customers Participation in industry-specific working groups
<b>Civil society</b> <b>Journalist</b> <b>Non-governmental organizations</b>	Multiple contact options via the Group's website Transparency of and accessibility to the Group's official reports Local contributions to NGO initiatives
<b>Scientific community</b> <b>Research partners</b> <b>Opinion leader</b> <b>Universities/veterinary schools</b>	Establishment of research partnerships Contributing to scientific education programs Organizing technical symposia
<b>Employees</b> <b>Applicant</b>	Intranet, presentations and internal display networks Loyalty programs for employees and newcomers Plenary meetings or web conferences managers and employees Internal opinion survey and global feedback Recruitment websites, professional forums and corporate culture on the Internet Partnership with schools and universities Social media platforms

The relationship with our suppliers is part of this continuity, with regular exchanges, favoring proximity with local suppliers. Our policies and tools make it possible to ensure responsible purchasing practices consistent with the Group's guiding principles: supplier charter, assessment questionnaires integrating CSR criteria, targeted audits, follow-up on indicators related to CSR themes, etc.).

For every invitation to tender and for the main suppliers, we administer a questionnaire evaluating their compliance with the environmental and social

standards in force. Since 2015, new framework contracts have included a provision requiring compliance with these standards. In 2019, our assessment process carried out with its new suppliers did not identify any risks in the area. If we were to identify a non-compliant supplier, we would require it to comply or risk terminating its contract. In 2020, we selected a platform that allows for a more refined management of suppliers (including the collection of their certifications) that will be gradually deployed starting in 2022.



## MAIN CSR RISKS AND OPPORTUNITIES

We carried out a materiality analysis with a third-party expert in order to assess the priority sustainable development issues: social and environmental consequences of the activity, the effects of the activity on respect for human rights, the fight against corruption and tax evasion. This matrix was updated in 2018, reassessing the key issues and their weighting.

This approach is based on an analysis of credible internal and external sources:

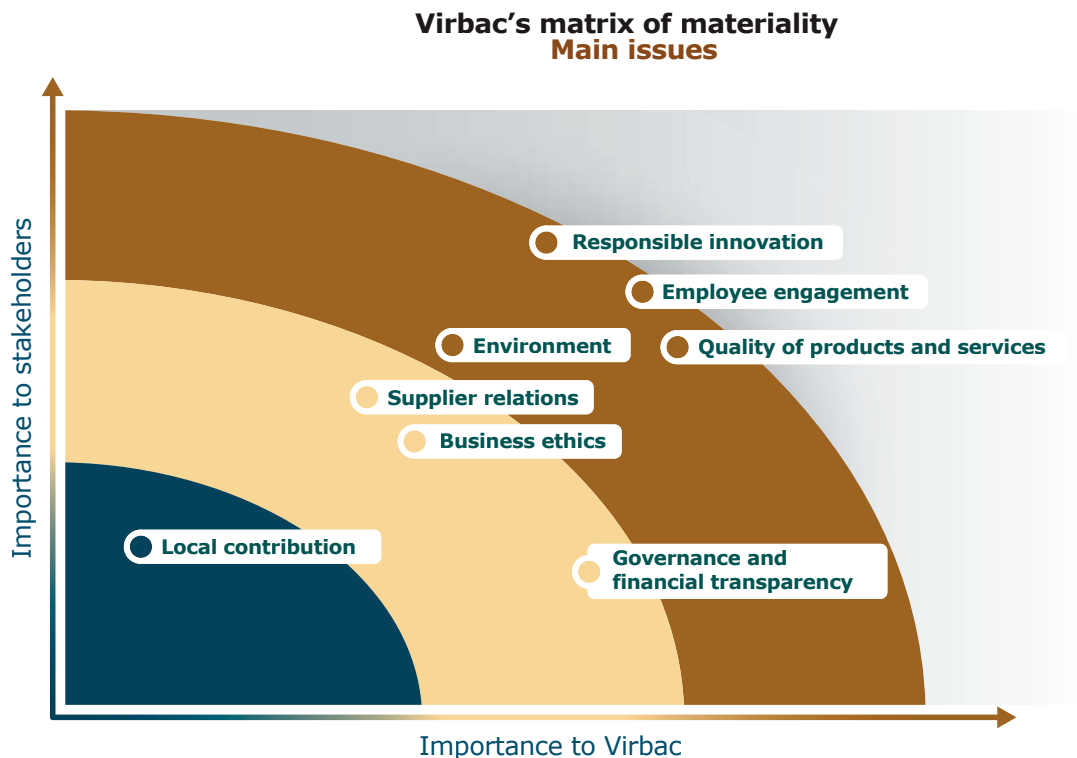
- conducting interviews with industry experts for reflection on key CSR challenges;
- sharing of information about surveys and internal and external communication media;
- review of sectoral documentation;
- media analysis, etc.

We summarized the results, at the cross-section of internal (impact of issues on the business) and external (importance of stakeholder expectations), and shared them with the chief executive officer of Virbac for validation. The consulting firm specializing in non-financial reporting that supported us throughout the process guaranteed the independence and objectivity of the approach.

We are developing the most material themes below through the Group's four main commitments. We have also reviewed the non-financial topics that are not applicable to our activity, particularly actions to combat food waste, food insecurity, responsible, fair and sustainable food compliance.

## OUR COMMITMENTS FOR THE FUTURE

- Innovating responsibly
- Strengthening employee commitment
- Ensuring the quality of products and services
- Protecting the environment



In 2020, the Covid-19 health crisis impacted people and organizations. Regarding Virbac, find out how we dealt with the consequences of this pandemic in the management report (page 50 of the annual report).

Our main CSR risks and opportunities are defined in the table below:

Priority risks and opportunities	Definition
<b>Innovating responsibly</b>	
<b>Development of innovative products and services</b>	The veterinary pharmaceutical industry is very competitive. Each year, in order to respond to market developments and needs, maintain our market share and ensure our development, we devote significant resources to research and development.
<b>Ethics and animal welfare</b>	In an evolving rapidly changing environment, we owe it to ourselves to offer an innovative, safe range of products and services, developed and produced with respect for animal welfare.
<b>Strengthening employee engagement</b>	
<b>Attracting and retaining talent</b>	<p>In France, the key skills sought for core functions (Industry/Quality Assurance/R&amp;D) are in high demand throughout the pharmaceutical, human and veterinary industries.</p> <p>In addition to this competition amongst employers, the geographical location of the head office can represent a limitation to hiring, given the limited pool for spousal employment, coupled with the high cost-of-living in the region, particularly for real estate. At the same time, in emerging countries, the job market is very dynamic, but the size and reputation of Virbac do not always attract the best talent.</p>
<b>Health and safety at work</b>	Given the industrial nature of our activity, the possibility of an accident at work (classic or related to the risk of contamination by the products) cannot be ruled out.
<b>Diversity</b>	Increasing diversity is a way to demonstrate the Group's ability to incorporate differences. We have always considered the contribution of the various generations and cultures of the countries in which we operate to be a real treasure. These qualities must be demonstrated in the organization and in all relationships with stakeholders.
<b>Ensuring the quality of products and services</b>	
<b>Proactive approach right first time</b>	Through our Group quality policy, we are committed to implementing a proactive approach based on doing it right the first time in order to guarantee users safe and effective products.
<b>Controls during the product life cycle</b>	As part of the manufacturing control of our products, we have implemented controls before and after the release of products on the markets in order to reduce the risk of defective products.
<b>Protecting the environment</b>	
<b>Sustainable use of resources (energy, water, material)</b>	Our desire is to optimize the resources employed by the control of consumption (energy, material) used in the manufacturing processes.
<b>Climate change</b>	We place particular importance on measures to mitigate our carbon footprint, thus helping to fight against climate change risks.
<b>Environmental releases (effluents &amp; waste)</b>	<p>As part of our veterinary medicine manufacturing business, we use substances that present health, fire and/or explosion, air pollution and spillage risks during the various phases of development and marketing (R&amp;D, manufacturing, storage and shipping).</p> <p>These risks could, should they materialize, cause damage to persons, property and the environment.</p>



## CSR STRATEGY AND FACTS AND FIGURES

Aims		2018	2019	2020	Progress
<b>Innovating responsibly</b>					
<b>Development of innovative products and services</b>					
	Maintain a ratio of RDL biology*/total RDL expenditures > 30%	40.6%	33.0%	32.8%	● ● ○
	Maintain an RDL/total turnover expense ratio > 7%	8.4%	8.1%	7.9%	● ● ○
<b>Animal ethics and welfare</b>					
	Reduce the number of animals used for quality control by 50% by 2025	36,361	27,917	23,377	● ● ○
<b>Strengthening employee engagement</b>					
<b>Attracting and retaining talent</b>					
	Achieve a Great Place to Work (Trust Index) satisfaction rate > 70% by 2025	65%	-	-	● ○ ○
<b>Health and safety at work</b>					
	Achieve a workplace accident frequency rate < 5 by 2025	5.61	6.96	4.32	● ● ○
<b>Ensuring the quality of products and services</b>					
<b>Provision of right first time products</b>					
	Limit customer technical complaints to a ratio of less than 5 per million units marketed	4.9	5.1	4.4	● ● ○
<b>Controls during the product life cycle</b>					
	Limit the number of batch recalls to a ratio < 1 per 1,000 batches marketed	0.66‰	0.71‰	0.38‰	● ● ●
<b>Protecting the environment</b>					
<b>Sustainable use of resources</b>					
	Reduce energy consumption (gas and electricity) by 5% by 2025 (MWh)	83,161	79,691	78,499	● ● ●
<b>Climate change</b>					
	Reduce greenhouse gas emissions scope 1 & 2 by 10% by 2025 (CO <sub>2</sub> equivalent tons)	23,681	22,200	21,007	● ● ●
<b>Releases into the environment</b>					
	Reduce by 5% the amount of COD (chemical oxygen demand) generated by 2025 (tons)	121	93	81	● ● ●
	Reduce the volume of ordinary and hazardous industrial waste by 5% by 2025 (tons)	5,236	4,869	5,005	● ● ○

\* Vaccines, immunological and biopharmaceutical products

### Methodological note

The year 2018 serves as a reference year to assess the achievement of the quantified objectives as reflected in the facts and figures above. This report was prepared in compliance with GRI standards: essential compliance option. These standards have been adopted since 2011. The 2020 social scope covers 16 countries and represents 4,104 employees, or 84% of the total workforce. The scope of the principal environmental indicators covers all the production sites, representing nearly 60% of the Group's revenue in 2020: South Africa, Australia, the United States, France, Mexico, New Zealand, Uruguay and Vietnam (excluding Chile, which is a joint-venture). RDL: Research & development + licensing.



# Innovating responsibly

In a rapidly changing environment, we owe it to ourselves to provide an innovative and safe range of products and services, developed and produced with respect for animal welfare. Our customers, veterinarians, farmers and animal owners are becoming increasingly mindful of their impact on the environment and human health. We are, therefore, naturally driven to adapt our activities accordingly.

Thus we focus our research over the long term and offer innovative solutions that address a variety of diseases and production needs, depending on the peculiarities of individual geographic areas in which they appear. Every day, we are committed to the best way to achieve this, while remaining faithful to the quality requirements of health.

## DEVELOPMENT OF INNOVATIVE PRODUCTS AND SERVICES

The field of the veterinary pharmaceutical industry is highly competitive, and every year, in order to meet market changes and needs, maintain our market share and ensure our development, we devote significant resources to research and development. We place particular importance on the search for continuous improvement in the innovative solutions proposed and in the way they are developed.

### OUR KEY OBJECTIVES

- **Develop alternatives to antibiotics.**
- **Developing modern alternatives to traditional treatments.**
- **Use new environmentally friendly technologies to develop and update our products.**



## GOVERNANCE

Our organization in charge of innovation is structured into research centers divided by species and by region of the globe. This closeness with our customers and

their needs in the different global markets allows us to have a range of relevant and adapted products and services.

## OUR POLICIES AND ACTION PLANS

### Develop alternatives to antibiotics

The development of prevention, particularly by vaccination, is one of the ways to reduce the use of antibiotics in animal production. Our recent investments in research and production centers for vaccines intended for production animals in France, Australia, Chile, Uruguay and Taiwan reflect this willingness to strengthen the Group's development in this area. We have also engaged several partnership programs with public research institutes and private companies to advance together in the development of innovative products (immunostimulants, micronutrition, biocides), some of whom may replace antibiotics or promote the reduction of their use.

### Developing modern alternatives to traditional treatments

Mindful of ecosystem balance and environmental protection, our goal is to develop alternatives to certain traditional therapies. As part of our responsible innovation process, we have taken a new step forward thanks to the discovery of a new treatment which represents a real alternative to surgical castration in dogs, through hormonal regulation that neutralizes the reproductive capacity of the animal for six months or a year. The animal's well-being is preserved here, any irreversible surgical procedure is currently unnecessary, in the interests of the animal and its owner.

### Use new environmentally friendly technologies to develop and update our products

For the development of new products, all Virbac R&D sites worldwide in charge of analyses now use more efficient chromatography and extraction technologies. This approach helps reduce:

- the number of tests necessary for the development of the methods (-50%);
- the amount of organic solvents or materials (between -50 and -90%);
- as well as the energy consumption of the analysis devices (-50%).

The same approach is used with the same benefits throughout the product life cycle, including during regulatory updates of existing products. Beyond the methodologies, whenever a toxic solvent is substituted by an alternative solvent, it is proactively replaced by an equivalent that is more environmentally friendly.

## OUR RESULTS

Performance indicators	2018	2019	2020
% of RDL biology expenditure*/total	40.6%	33.0%	32.8%
% of RDL expenses/Group revenue	8.4%	8.1%	7.9%

\* Vaccines, immunological and biopharmaceutical products

## ANIMAL ETHICS AND WELFARE

Virbac stakeholders (customers, veterinarians, farmers, employees, etc.) are increasingly concerned about the impact of our products on the entire value chain. This is why we conduct our innovation approach and our operations in a strong ethical framework, promoting as much as possible *in vitro* testing and associating our various partners and stakeholders: suppliers, supervisory authorities, professional associations, etc.

### STUDIES ON ANIMALS

For the evaluation of our products in development or before marketing, our first approach is always to use methods that do not involve animals: bibliographical research, *in vitro* studies, computer modeling, etc. In some cases, when no recognized or adapted alternative method is possible, then animal studies of a necessity are conducted in accordance with the applicable pharmaceutical rules.

#### These animal studies deal with

- Animal protection: verification of the product's safety (non-toxicity, no impact on reproduction, non-carcinogenic, etc.) and its efficacy in treating or protecting the target animal.
- Human protection: verification of safety for the product user and the absence of residues in species consumed (meat, milk, eggs).
- Environmental protection: verification of the absence of toxicity for organisms other than the target species that may come in contact with the product.

#### Preclinical and clinical studies

- Pre-clinical studies (studies carried out in animal units, under standardized and controlled conditions) are governed by regulations that affect every dimension of animal studies: approval of the institutions where the studies are carried out, staff training and qualifications, the provenance of the animals and their traceability, prior ethical evaluation of studies and their follow-up, controls by the authorities, ethics committees, and audits carried out by Virbac teams. These studies make it possible to verify the efficacy and safety of the products under strict conditions.
- Then clinical studies (conducted on owner or farm animals) are intended to confirm the efficacy and safety of the products under field conditions and are subject to a regulatory submission or prior trial authorization (depending on the country) and are conducted under the responsibility of veterinarians.

In the Group's animal units, the different categories of animals were distributed as follows in 2020: rodents 96.5%, rabbits 3.1%, food producing animals 0.3%, domestic carnivores 0.07%.

### OUR KEY OBJECTIVES

**Reduce the number of animals as part of R&D studies and quality controls, by deleting studies or replacing them with alternative methods. Specifically, Virbac is committed to reducing, by 2025, the number of animals used for quality controls by 18,000 compared to 2018, i.e. a 50% reduction.**

### GOVERNANCE

The Innovation department defines the strategic axes in terms of resources for conducting animal studies and the development of alternative methods. These areas are broken down by the animal ethics corporate management in the form of policies, action plans and

control processes; this department is also in charge of promoting and respecting animal ethics and welfare within the Group and its partners.



## OUR POLICIES AND ACTION PLANS

### An ethical charter and policies to regulate animal studies

The Group has developed an ethical charter relating to animal studies, which is available in ten points and applies to all employees of the Group and its subcontractors. Furthermore, the Group has two policies governing animal studies: Animal ethics committee and Animal welfare.

- The Animal ethics committee policy defines the scope, roles and responsibilities, organization, ethical rules and the functioning of Virbac's ethics committees.
- The Animal welfare policy defines the roles and responsibilities of staff in terms of animal welfare; based on the 3R principles (Reduce, Replace, Refine studies on animals) and the Virbac charter, it describes the standards to be applied to animals, studies and animal units within the Group. These standards are also required from the Group's partners for any animal studies.

### Control process

- Ethics committees are set up in all areas where animal studies can be conducted. They are all governed by the same principles of ethics (dependence, impartiality, absence of conflict of interest) and functioning (category of members imposed, ethical evaluation of studies, deliberation,

vote, etc.); they review 100% of studies, which can only be conducted after obtaining their approval.

- With regard to outsourced studies, the Group imposes the same level of requirement on its partners: CRO (Contract research organizations), universities, etc. These requirements include the establishment of an ethics committee within them, the deployment of strict procedures for monitoring their studies and respect for animal welfare and regulations.

### Key actions implemented

- The 3R rule, now recognized as the international standard for animal studies, is our guiding principle for the design and conduct of studies in our laboratories and in our partners, but also for promoting alternative methods with regulatory agencies around the world. For example, when possible, carrying out *in vitro* tests in lieu of *in vivo* tests, or by capitalizing on reproducible tests, on bibliographic research or computer modeling.
- The various initiatives (negotiations with regulatory agencies to eliminate routine tests, production of batches dedicated to countries that do not require animal tests, replacement with *in vitro* methods, etc.) continue to bear fruit; they have reduced the number of domestic carnivores used to release vaccine batches by 91% and commit to the objective of reducing 50% of animals in quality control.



- In this context, Virbac Australia announced at the end of 2020 the release of its first vaccine batches using *in vitro* activity tests. This is, after several years of development, the first step towards the total elimination of quality control tests on rodents,

saving 8,000 animals per year in this territory. To achieve this result, Virbac Australia's initiative led to the first regulatory acceptance of an *in vitro* release test by the Australian veterinary medicine authorities.

The post-study animal adoption program, implemented in 2013, in collaboration with the main French association dedicated to the adoption of laboratory animals, has also been extended and helps maintain our goal of guaranteeing a foster family for 100% of adoptable dogs and cats.

Adoption	2013	2014	2015	2016	2017	2018	2019	2020	Overall total
Dogs	135	183	56	68	50	83	66	54	695
Cats	62	45	1	19	7	6	12	65	217
Total	197	228	57	87	57	89	78	119	912

## OUR RESULTS

Performance indicators	2018	2019	2020
Number of animals used for R&D studies	5,773	6,664	6,148
Number of animals used for quality controls	36,361	27,917	23,377











# Strengthening employee engagement

Our success is inseparable from the commitment of our employees, an engagement commitment that is explained by the place given to women and men who are at the heart of Virbac and its major decisions. Every day, we are committed to evolving our modes of operation and meeting the ongoing challenges of globalization, changing markets and new technologies, while respecting our values of proximity with each of our customers.

In such an environment, the issue of human capital is fully in line with that of the company, our ambition being to support in the development of organizations and professions, as well as the specific needs of the teams, by building a strong partnership with managers and all employees.

## GROUP GOVERNANCE AND HR POLICY

Virbac's policy as it pertains to this issue of human capital is based on three complementary tenets:

- training, skills development, performance compensation;
- well-being in the workplace and recognition;
- mobility and diversity aspects that provide a valuable resource for the Group.

We pay attention to the opinion of our employees and we are inspired by them to define our policies and the areas of improvement to target so as to unite employees around strong values, thus increasing the commitment and motivation of all. All employees regularly participate in a satisfaction survey that allows them to confidentially express their expectations on a very broad range of topics, many of which involve the

human capital CSR challenge. The last global survey was conducted in 2018 using the Great Place to Work model and the Group achieved a result of 65% under the Trust Index. The calculation of this score is the average of the positive rates for all the questions asked in the survey.

Following the analysis of the survey results, we asked employees to build concrete actions together to improve the sense of belonging and quality of life at work in each country. A short-, medium- and long-term deployment schedule for actions related to the strengths and areas of improvement retained was also defined and communicated to all teams in early 2020.

Among our 2020 actions, we have created a charter of good management practices, revised

our management processes in connection with the deployment of the new human resources information system and developed the best practices of feedback from the employee to the manager. To respond to the request to improve proximity with employees in the field, HR presence has also been strengthened thanks to the increased number of on-call staff at the various sites. To strengthen cross-functionality, we have worked on developing inter-departmental meetings to better discuss the various priorities and a project has been launched to promote the sharing of objectives within the various departments.

We also launched a participatory approach in the United States involving production, administrative and sales force employees who chose to focus their attention on three pillars: credibility, pride and respect. Numerous initiatives were proposed to the Group executive committee and several of them were

selected and deployed during 2020. In order to be able to progress in the approach despite the constraints related to the health crisis, certain identified actions have been deployed by adapting their implementation in a digital format (videoconference, e-learning, etc.)

In our continuous improvement approach, we decided to launch our next opinion survey in 2021.

## ATTRACTING AND RETAINING TALENT

In France, the key skills sought for core functions (Industry, Quality Assurance, Research & Development) are in high demand throughout the pharmaceutical, human and veterinary medicine industries. In addition to this competition between employers, the low employment pool for spouses, as well as the region's high cost-of-living, can be a hindrance to hiring. At the same time, in emerging countries, the job market is very dynamic, but the size and reputation of Virbac do not always attract the best talent.

### OUR KEY OBJECTIVES

- Promoting employee commitment and loyalty.
- Continuing training actions aimed at improving skills and employability.

## OUR POLICIES AND ACTION PLANS

### Recruitment policy

We recruit in all countries and for all jobs in order to support our growth. In order to ensure the consistency and relevance of these recruitments, for several years, the Group has been developing digital tools to allow for better visibility of available professional opportunities. Nevertheless, recruitment remains a highly related activity to the profiles and cultural specificities of each country. For this reason, the search for target profiles is mainly managed by local teams in order to better attract talent in the various markets.

One of the approaches shared within Virbac throughout the world is the involvement of employees in the recruitment of new talent. To reinforce this practice, we have developed, in several countries, co-optation programs that aim to thank employees for their contribution in identifying profiles that may meet our needs.



## Skills development policy

We offer a skills development policy with a variety of training courses (management, professional efficiency and business know-how in particular) aimed at maintaining employability and developing skills for all employee categories.

Digital Learning plays a major role in the deployment of training paths, combining online learning and practical activities tracked over time (campus innovation, Virbac Business School, Virbac Quality Academy). For example, training expenses in France this year amounted to 2.29% of payroll, or an investment of €1,603,570.

Developing employees also means offering more career opportunities within the Group. In order to encourage increased internal and international mobility, we have developed a comprehensive and fair international mobility policy aimed at retaining employees worldwide, promoting transversality and efficiency through sharing of inter-cultural and inter-professional experiences, but also securing key positions by leveraging skills and knowledge transfer internally.

## Performance evaluation and recognition

At Virbac, we have developed a process for managing the performance and development of employees. It includes several components, including setting individual objectives and evaluating annual achievements by line managers.

In 2020, we evolved our management process at Group level by prioritizing stream simplification through a new digital collaborative tool available in 14 languages and deployed in 33 countries. This tool also includes the possibility of formalizing the employee's feedback to his/her manager.

The objective of this approach is to leave more space for exchanges between employees and their managers in order to improve their quality. We favor physical interviews, which remain privileged and essential

moments in the follow-up and support of employees. The vast majority of the Group's employees benefit, at the very least, from an annual interview aimed at evaluating the year's performance, an interview which also allows us to discuss the objectives of the following year as well as the development needs. We are therefore intensifying our desire to make employees play a key role in their performance and development, while responding to business challenges.

Within the annual performance committee, the executive board also shares the assessments, remuneration and professional development assumptions of key individuals in the Group. In France, for example, during the 2020 fiscal year, 100% of employees were compensated at a level above that of the legal minimum wage. The policy for base salaries is set at +5% above the minimum for professional branch for all categories of staff.

Our policy follows a rationale of competitiveness *vis-a-vis* the life sciences market and is generally at the median of this market. In addition to the financial elements related to individual performance compensation, we continue to pay close attention to collective performance compensation plans. For this reason, several mechanisms are already in place, such as a triennial incentive agreement entered into in 2020, and a profit-sharing agreement signed in 2008. The amounts from these agreements or voluntary payments may be invested in mutual funds, in the Group savings plan (*Plan d'épargne entreprise*) or in the Group retirement savings plan (*Plan d'épargne pour la retraite collectif*). Since 2016, leave days which have not been taken may also be paid into the retirement savings plan, up to a limit of ten days a year.

## OUR RESULTS

Performance indicators	2018	2019	2020
<b>Absenteeism</b>	2.68%	2.65%	2.83%
<b>Employee turnover rate</b>	14.08%	13.91%	10.10%
<b>Trust Index Great Place to Work</b>	65%	-	-
<b>Number of employees present on 12/31 who have taken at least one training session/total workforce on 12/31</b>	80%	78%	85%

The value of the 2019 absenteeism rate was adjusted following corrections to the United States data.  
The value of the 2020 absenteeism rate includes partial unemployment days worked.

## HEALTH AND SAFETY AT WORK

This priority area for the Group has become ingrained in the corporate culture year after year. Our priority actions are to ensure the compliance of industrial equipment and the risks associated with the use of chemical products with the local regulations, and are borne by the HSE management.

In 2020, our absolute priority was to best protect the teams in the face of the Covid-19 crisis. To address this situation, we have set up a dedicated committee that coordinates all positions and maintains contact with all subsidiaries to monitor the situation as it evolves, and to quickly and effectively make the best decisions (Covid unit reachable 24 hours

a day, 7 days a week). 7). Measures have also been introduced at various Group sites: communications on how the virus is spread and the barrier gestures to be followed, monitoring symptoms, social distancing and contact prohibition, flow control, moving workstations to different locations (production, R&D, administrative), supervised management of external service providers, physical protective equipment such as masks and gloves for those in the most exposed positions, *etc.* These measures were designed based on recommendations by the World health organization and country-specific health authorities.



### OUR KEY OBJECTIVES

**To increase the safety of employees in the workplace by implementing action plans such as better protection against potentially hazardous materials, improved ergonomics and psychosocial risk management, which aim to reduce the number of workplace accidents and therefore achieve a frequency of less than five.**

### GOVERNANCE

Created in 2015, Corporate HSE management has put in place a rigorous policy to identify and assess safety risks and to develop means of prevention and methods of controlling their effectiveness. Severity and frequency criteria have been defined by HSE management to better target the actions to be implemented to reduce the number of accidents, and

to integrate human and organizational factors in the in-depth analysis of these events. The objective is to avoid any recurrence of accidents and to develop a safety culture for all Virbac staff, external company staff and temporary workers.

## OUR ACTION PLANS

### Safety culture

After having started in December 2019 with interviews and field observations, a questionnaire for the entire industrial organization of the Carros sites in France was deployed. Due to the Covid-19 crisis, the resulting support plan was postponed to 2021.

In all countries, we ensure that we implement numerous measures concerning the health and safety of our employees. Multi-year action plans on the compliance of production machines are thus in place in all major industrial sites (Australia, United States, Mexico and of course France). Chemical risk management is also taken into account, from product design, firstly on the choice of components but also on the number and type of analyses that must be performed at the different stages of the process.

### Management of psychosocial risks

Concerning the subject of psychosocial risks, the various departments, with the support of the HR teams and defined relays (social partners, occupational medicine, etc.), are moving towards a global approach to quality of life at work. Various actions complementary to the Great Place to Work actions related primarily to working conditions, manager training, and the dissemination of good practices, in particular on workload, are being phased-in. These actions also made it possible to finalize an internal "living better together" charter, a company-wide agreement on the right to log-off and a teleworking agreement.

## OUR RESULTS

Performance indicators	2018	2019	2020
<b>Frequency of work accidents</b>	5.61	6.96	4.32
<b>Severity rate of work accidents</b>	0.17	0.19	0.18

*The frequency rate used is based on French regulations and defined as the number of work accidents that resulted in at least one lost working day, divided by the number of hours worked multiplied by one million.*

*The severity rate used is based on French regulations and defined as the number of lost days following accidents at work that resulted in at least one lost work day, divided by the number of hours worked, multiplied by one thousand.*

The rate of frequency of workplace accidents improved sharply (-38%) over 2020, reaching a historic level of 4.32. This very sharp decline is mainly due to good results in France with a frequency rate of 3.27 (-36%) and especially in India with a decline of nearly 71%. In France, this decline is the result of the underlying actions carried out over the past few years. The Covid crisis with the stoppage of any travel for more than

three months is the main explanation of the fall in workplace accidents in India.

The rate of severity of workplace accidents decreases very slightly (-2%) due to prolonged absences of people who suffered accidents in previous years.





## DIVERSITY

Increasing diversity within Virbac will allow us to demonstrate our ability to integrate differences. Openness and ability to integrate are fundamental elements for innovation, adapting companies and identifying opportunities. These qualities must be demonstrated in both the organization and the outside world.

### OUR KEY OBJECTIVES

**Encourage equal treatment and diversity of employees.**

### GOVERNANCE

For Virbac, job equity between women and men is fundamental and requires that no form of discrimination exists and be tolerated, both in terms of access to employment and promotion, as well as in wage policy and other determinants of working conditions.

### OUR POLICIES AND ACTION PLANS

The diversity policy aims to guarantee equal treatment of staff, encourage variety among people and human relationships, maintain worker employability. It is built around three key areas of focus: gender equality, disability, age mix.

#### Gender equality

For Virbac, professional equity between women and men is fundamental and requires that no form of discrimination exists and be tolerated, both in terms of access to employment and promotion, wage policy and other determinants of working conditions. Globally, Australia, and especially the United States are the countries with the fewest gender pay gaps for all professional categories. On average, the female/male base salary ratio is equal to 84% for leaders, 92% for managers, 113% for technicians/employees/workers.

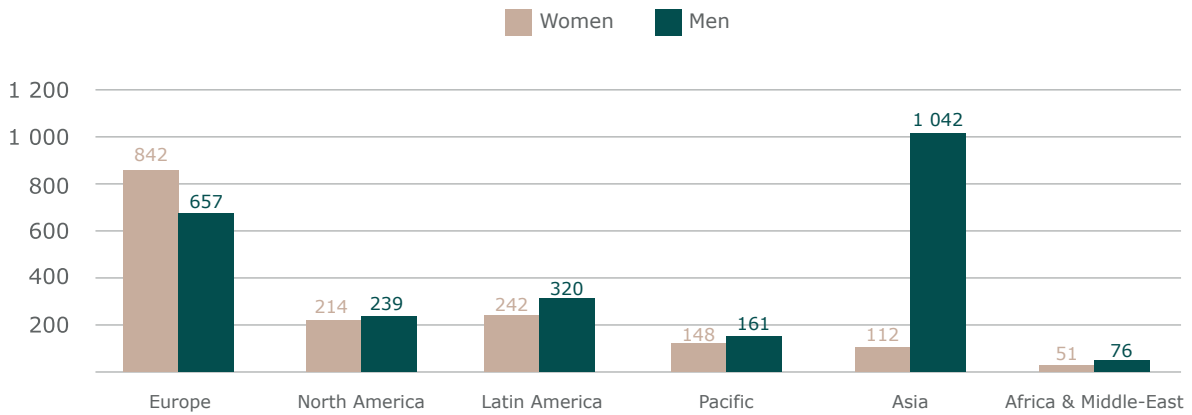
When it comes to gender pay equity between men and women, actions are taken to measure gaps, identify causes and take action. In France, for example, we signed a new agreement in 2019 which establishes the principles of equality between women and men in career paths (access to vocational training, equal pay between women and men in an equivalent occupation and for the same level of competence and work-life balance). This agreement reaffirms our willingness to analyze and reabsorb any pay gaps between women and men according to a methodology that makes it possible to study them on the basis of the gender equality index calculated by the Ministry of labor,

employment and integration (index which amounts to 87 points out of 100 for our company). At the same time, a specific annual budget dedicated to the resolution of variances makes it possible to implement these salary adjustment measures each year.

In 2020, ten countries were given an internal classification tool (grading) that provides improved management of internal equity and a rational approach to external competitiveness, in addition to establishing compensation and benefits policies. The Group regularly conducts company-wide surveys on compensation in order to ensure that it remains competitive in the job market and adjustments are made if necessary.

With regard to recruiting for key positions, priority is given to internal and local candidates. Recruitment decisions (internal or external) are based exclusively on the skills and qualification criteria for the position. The candidate's nationality, gender or age does not play a role in the decision. However, to the extent possible, we entrust leadership positions to local managers in order to be as close as possible to customers and the market culture. In 2020, out of the sixteen company subsidiaries within the social scope, 91% of the senior executives were locals and seven subsidiaries have strictly local management.

Distribution of Women-Men by geographical area



Europe remains the only geographical area where women are in the majority (56% of the workforce). The Pacific region with 48% and North America with 47% present a very balanced proportion. Latin America with 43% and Africa & the Middle-East with 40% show a more significant imbalance. Asia has the lowest number of women in the workforce (10%). This very low representation is due to India, which has only 15 women for 907 men, or 1.6% of the population. This country remains a special case: the sales teams, for reasons pertaining to local culture, job stress and security (visits to farms on two wheels), are more naturally composed of men. Excluding India, the Asia area accounts for 232 employees and consists mostly of men at 58%.

#### Disabled workers

For several years, we have been reaffirming our commitment and desire to promote the employment of disabled workers, to ensure their integration and working conditions by applying a set of measures that revolve around five axes.

- Adjusting workstations: certain situations of disability require the use of workstation or organizational arrangements that we take full responsibility for in order to facilitate working conditions. On the occasion of recruitment or a change of position of an employee with a disability, regardless of the cause, the new position is subject to the necessary adjustments prior to taking up the position.
- Support employees in their actions: in order to help and encourage employees with disabilities in their actions with the competent authorities to obtain their recognition of beneficiaries of the employment obligation or their renewal, exceptional leave of absence is granted and remunerated.

These employees also receive support from the occupational health team, which is available to support them in their efforts.

- Help employees with a child with disabilities: to reaffirm our support to the employees concerned, we grant one day per year of additional paid leave.
- Allow disabled workers to better reconcile professional and personal life: the development and adaptation of living conditions in the company is an essential factor for the integration and integration of disabled workers in good conditions.
- Participate in the well-being of disabled workers beyond the framework of the company, by granting them one additional day of leave per year, and through the payment of a bonus in order to participate in the development of their living conditions at home that would be necessary due to their disability.

#### Age and culture diversity

We have always considered the contribution of the various generations and cultures of the countries in which we are established to be a real treasure. Compliance by our employees with the values defined in the code of conduct is a prerequisite for any policy that values human capital. In the context of the extended company, the proper understanding by our partners of the rules related to employment practices is taken into consideration by the departments involved.

## OUR RESULTS

Performance indicators	2018	2019	2020
Female/male salary ratio for the leaders category	87%	82%	84%







# Ensuring the quality of products and services

In the pursuit of continuous improvement, we place great importance on the quality of our products and services to offer high standards to our stakeholders: veterinarians, farmers and animal owners. The demand for food is increasing worldwide, due to the growing population, which is increasingly concerned about its diet. In the face of this trend, our ambition is to work towards the constant improvement of the health of livestock animals to contribute to a global supply of better quality meat and milk at a lower cost.

Regarding companion animals we are mobilizing to offer veterinarians and animal owners medicines, vaccines, health products and a range of foods that are tailored to carnivorous diet (in keeping with the animals' needs) and make it possible to prolong the lifespan of animals and improve their quality of life. This in turn contributes to the improved well-being of the owners and is of particular benefit to people who live alone.

## A GROUP QUALITY POLICY

Our quality policy is the commitment of the Group management committee to mobilize each employee to strengthen the quality culture in our daily activities. It applies to all sites, subsidiaries, subcontractors and suppliers.

The strategy aims to control our activities, comply with current regulations and improve our performance:

- by working on the right first time (each person must ensure that his/her activity is carried out correctly the first time);

- by encouraging continuous improvement and innovative thinking;
- by putting quality at the heart of competitiveness.

## PROACTIVE APPROACH RIGHT FIRST TIME

### OUR KEY OBJECTIVES

- Do it right the first time to ensure a high level of customer satisfaction.
- Maintain a client technical complaint ratio of less than 5 per million units marketed.

### GOVERNANCE

#### An organization dedicated to quality

In order to ensure proper application of best practices at various stages of the product life cycle, we have deployed a dedicated quality assurance Group-wide organization ensuring a quality oversight of all activities. This organization comprising more than 100 employees and spread out over various Group sites, this organization implements the Group's quality policy based on three areas of focus: product control, pharmaceutical compliance and sustainable economic output. The goal is to elevate the quality standards in compliance with and in anticipation of regulatory requirements that apply to the various research and production facilities, as well as the commercial subsidiaries, and to ensure the group's sustainability. At the same time, this quality system allows us to efficiently detect, trace and effectively address all quality incidents inherent to the pharmaceutical business.

#### Regulatory monitoring

We have had an efficient regulatory monitoring system in place for several years, allowing it to stay abreast with regulatory developments applicable to all of our ranges. This monitoring system is carried out through inter-professional organizations:

- at a national level with, for example, the *SIMV* in France (Veterinary medicine industry union), the *NOAH* in the United Kingdom (National Office of Animal Health), the *BfT* in Germany (*Bundesverband für Tiergesundheit e.V.*), etc.;
- regionally with, for example, *AnimalhealthEurope*, or *AHI* (Animal Health Institute) in the United States;
- at the global level with *HealthforAnimals* (Global animal medicines association).

### ACTION PLANS

In compliance with the regulations of each country, we meet the highest quality-safety-effectiveness standards applicable. These standards involve every stage in the product life cycle, meaning before they are marketed and after they are placed on the market.

Through our quality policy, we are committed to maintaining a high level of product and service quality in a right first-time approach to reduce waste and destruction from manufacturing to commercialization. Right first time is deployed throughout the organization and is measured at the end customer.

### OUR RESULTS

Performance indicators	2018	2019	2020
Ratio of technical complaints per million units marketed	4.9	5.1	4.4

## CONTROLS DURING THE PRODUCT LIFE CYCLE

### OUR KEY OBJECTIVES

- **Limit the number of product non-compliances on the market (regulation, labeling, promotion).**
- **Maintain batch recalls at less than 1 per 1,000 batches marketed.**

### GOVERNANCE

In addition to the inspections regularly carried out by the regulatory authorities, our Production and Quality Control teams present at each of our industrial sites carry out a set of checks throughout the production chain. These checks are necessary before and after marketing of the products.

### PRE-MARKETING CONTROLS

#### Pre-development and development phase

We implement Good laboratory practice (GLP) relating in particular to data traceability, then select CROs working in accordance with these GLPs.

- ▶ 100% of products subject to pharmaceutical registration are subject to verification for animal/human/environmental safety, quality, stability and efficacy.

#### Purchasing and subcontracting

Systematic qualification by our team of the materials purchased from suppliers (active ingredients, excipients, packaging) in terms of quality and reliability. When possible, several sources are identified to limit the risk of disruptions and prioritize purchases from leaders in pharmaceutical equipment. Finally, we use outsourcing from subcontractors specialized by pharmaceutical form.

- ▶ 100% of active ingredient suppliers are qualified and analyzed during certification.

#### Production phase

During the production phase, we implement current Good manufacturing practices (cGMP) that are applied through the certification of all of our manufacturing sites actions implemented at the production tool level in order to ensure end-of-production-line product quality that is in compliance from the start, thus limiting scrap or destruction of materials or finished products.

- ▶ 100% of products subject or not to pharmaceutical registration undergo component and raw material control at every manufacturing stage.
- ▶ 100% of Virbac industrial sites are certified.
- ▶ 100% of employees are trained in manufacturing processes.

#### Distribution phase

For the transporting of drugs, we apply Good distribution practices (GDP), such as, for example, compliance with the cold chain, when required by the nature of the products. Regarding the organization of transportation in accordance with regulations governing the shipping of high-risk products, safety data sheets for raw materials and finished products are made available to staff and carriers. Hazardous products are transported in packaging that meets current standards.

#### Packaging and Promotion

The development or selection of specific packaging is determined on the basis of a product safety assessment. We strive to diagrams and pictograms and appropriate communication media for an optimal understanding of information fundamental to consumer health and safety. For all promotional communications, Virbac complies with the scientific and technical claims demonstrated during the development stage of the product. Finally, any product claim is scientifically demonstrated and made available to regulatory agencies in compliance with the requirements defined by national or supranational veterinary pharmaceutical agencies.

- ▶ 100% of products, whether or not they require pharmaceutical registration, and nutritional products that do not require pharmaceutical registration are subject to advice and support actions for the product users.



## POST-MARKETING CONTROLS

### Pharmacovigilance

In accordance with regulatory requirements, we monitor the future of pharmaceutical and nutritional products that we market in terms of safety and efficacy. This is thanks to a dedicated organization comprising a qualified pharmacovigilance person (veterinarian) and an interim qualified person who compiles all the cases, analyses them, and decides whether or not these side effects are attributable to the use of the drug or food in question, and officially reporting these cases to the supervisory authorities when appropriate. Taking account of the pharmacovigilance outcomes allows Virbac to improve knowledge of its products (for example: the addition of precautions for use), thus making their use safer.

- ▶ 100% of products, whether or not they require pharmaceutical registration, and nutritional products that do not require pharmaceutical registration are subject to monitoring using the pharmacovigilance and nutrition vigilance mechanism.

### Continual research on stability

To ensure the efficacy over time of its pharmaceutical products that require registration, Virbac carries out ongoing research on their stability.

- ▶ 100% of products requiring pharmaceutical registration are subject to ongoing stability studies.

### Key actions related to the Group's quality strategy

Taking a collaborative approach to designing a quality benchmark that integrates standards for all production and research sites, in all departments and towards all subsidiaries, while taking into account the regulations and the diversity of product and dosage forms.

The Virbac quality system (VQS) was then extended to integrate the Group's organizations, processes, tools and Quality standards (core model),

We have more precise identification and updating of the skills required, acquired and to be developed, so as to provide suitable training plans designed to enhance team skills and embrace a pharmaceutical culture; Finally, we have deployed a multidisciplinary team (research and development, production and quality assurance), aligned to deliver products on time and with the expected level of quality to satisfy our customers' expectations.

- ▶ The Group quality benchmark was built and shared with 100% of the R&D centers and production sites.



## OUR RESULTS

Performance indicators	2018	2019	2020
<b>Rate of batch recalls per 1,000 batches marketed</b>	0.66‰	0.71‰	0.38‰
<b>Rate of non-compliance with regulations and voluntary codes for 1,000 batches marketed</b>	0.88‰	1.37‰	0.38‰
<b>Rate of labeling non-conformities per 1,000 product references</b>	0.96‰	1.38‰	1.63‰
<b>Rate of promotional non-conformities per 1,000 product references</b>	0.36‰	1.50‰	0.11‰

No cases of non-compliance with voluntary codes and regulations posed any danger to the health of animals. No packaging non-compliance has had any consequences on the distribution of the products.



# Protecting the environment

Protecting the environment is a growing challenge and a priority for our company. Beyond initiatives deployed at the subsidiary level, our ambition lies in our proactive efforts to reduce the environmental footprint of all our activities and products.

## GOVERNANCE AND POLICY GROUP ENVIRONMENT

At the organizational level, the creation of a global HSE department, attached to the Group executive committee, supports this trajectory. One of this department's initiatives involves re-framing the scope and reporting methods, a precondition for gaining an overall perspective of exposure to environmental damage risks at Group level.

We have also committed to developing a training and awareness segment dedicated to environmental themes for both existing employees and for the newcomers. External stakeholders were also involved in the effort, with the inclusion of environmental clauses in supplier assessment questionnaires. These initiatives, in conjunction with the roll-out of

audits throughout an expanded range of subsidiaries (Mexico, Taiwan, United States, Australia, New Zealand, Uruguay, Vietnam and Chile) demonstrate this move towards consistency in the deployment of a Group-driven strategy.

## SUSTAINABLE USE OF RESOURCES

In an effort to optimize the resources we employ, we seek to control the consumption of energy, water and materials used in our manufacturing processes.

## OUR KEY OBJECTIVES

- Reduce energy consumption by 5% by 2025.
- Control water intake.
- Reduce the overall share of materials, including all packaging placed on the market.

## OUR ACTION PLANS

### Energy

For several years, we have been working to reduce energy consumption by carrying out equipment replacement actions for better efficiency, thermal insulation and air conditioning optimization. We have also established consumption indicators that are as close as possible to end users for better control of energy expenses. At all of our industrial sites around the world, whether choosing new equipment or through constant monitoring, we strive to address energy consumption by using the Best available techniques (BAT) applicable to our activity.

Some examples of achievement in 2020:

#### Virbac in France

In line with the actions taken over the past several years to reduce energy consumption, in 2020 at the Carros site in France, we set up a new recovery refrigeration unit, thanks to the new mode of operation of the main warehouse's heating and cooling system. Thus, consumption decreased again by 3 points (with equivalent activity) in 2020, *i.e.* -40% over the last twelve years.

#### Virbac in Holland

After the industrial sites of Penrith and Crockwell in Australia, the installation of solar panels continues on the storage buildings of the commercial subsidiary in Barneveld, Holland.

Reducing the energy intensity of our activities and products is clearly a competitiveness lever, placing Virbac on a virtuous path, which will subsequently help reduce our overall emissions of CO<sub>2</sub>.

### Water

We are also striving to lower water consumption at equivalent activity volumes by setting up recycling or production facilities for various BAT-compliant grades of water. Thus, the reduction of water consumption at French sites (representing more than 50% of the Group's production) reached almost 17% over the past twelve years.

In our analyses we integrate the environmental context of the areas in which we operate. Apart from the site in South Africa, located in a water stress zone according to the criteria of the FAO (Food and agriculture organization) and the WRF (Water risk filter), none of the Group's other production sites are situated in water stress zones identified as such.

### Raw materials and packaging

Again with a view to sustainable use of resources, we are committed to strengthening the adjustment as close as possible to our consumption of active ingredients, excipients and packaging items, and thus avoiding the loss of products or the multiplication of packaging and packaging.

With the help of our strategic suppliers, we have also given a new impetus to innovation that can reduce packaging and packaging. This requires optimized supply management to limit warehousing and internal transfers. We are also progressing on optimizing flows and the speed of shipments. Finally, we launched a project to minimize waste at all stages of the industrial process.

Primary packaging that comes in contact with medicines is subject to strict pharmaceutical industry quality standards that limit the use of materials originating from recycling channels. On the other hand, regarding products without an MA for companion animals, we integrate the principles of eco-design as early as possible into the creation process. These same principles are implemented for secondary or tertiary packaging, from the research and development stage, in partnership with our suppliers.

In 2020, this mobilization allowed us to:

- reduce the packaging of our dog and cat food by 40%;
- using plant ink on four major products in our cardboard packaging for companion animals;



- or to use recycled materials for 100% of the overpacking boxes used at the main production sites in France.

Our other actions for the year focused on preparatory work aimed at:

- strengthen the presence of natural ingredients in our products for companion animals;

- raise awareness of the biodegradability of our hygiene and treatment shampoos;
- increase the proportion of recycled or recyclable materials in the packaging of our products for companion animals.

## OUR RESULTS

Performance indicators	2018	2019	2020
<b>Gas consumed (MWh)</b>	33,101	32,515	32,338
<b>Electricity consumed (MWh)</b>	50,060	47,176	46,161
<b>Energy intensity</b>	629	600	603
<b>Water sampled by source (m³)</b>	237,462	234,691	226,608

*Energy intensity is the ratio between energy consumption (gas and electricity) and the value added in thousands of Euros at Group level (direct labor costs + indirect production costs).*

Gas and electricity consumption fell slightly by 1% and 2% respectively. This decrease in total energy consumption was 1%, which was brought back to business.

Our water consumption at the Group level decreased slightly more significantly, by around 3% (i.e. a decrease of 1% compared to the 2020 activity). This reduction is the result of a decrease in production activity at the St. Louis in the United States, which led to a decrease in water consumption (-16%), and to an optimization of the cleaning of the facilities, which led to a decrease of 12% at the Guadalajara site in

Mexico, and 7% at the Carros sites in France. Two of our sites are growing sharply in water consumption, namely the Vietnam and South Africa sites, these increases are directly related to a sharp increase in their production.

## DISCHARGES INTO THE ENVIRONMENT

As part of our veterinary medicine manufacturing business, we use substances that present health, fire and/ or explosion, air pollution and spillage risks during the various phases of development and marketing (R&D, manufacturing to storage and shipping).

To limit these risks, which could cause harm to people, assets and the environment, we comply with the safety measures prescribed by the laws and regulations in force, implement Good manufacturing

and laboratory practices, and provide training to our employees. Our manufacturing sites and research and development facilities are also regularly inspected by regulatory authorities.

Due to the nature of our pharmaceutical manufacturing activity (especially confining technologies), we do not generate any visual, noise or olfactory pollution. Therefore, we are focusing on the real impacts of its activity, atmospheric emissions, effluents or hazardous waste resulting from our activities

or products, by increasingly investing in environmental compliance: taking into account EHS impacts in the management of industrial projects, improvements in the environmental performance of existing facilities, etc.

Furthermore, the Group's environmental principles are adapted to countries according to different local regulations. Here again, the objective is to identify good practices at the subsidiary level to be consolidated within the Group context.

## OUR KEY OBJECTIVES

- Limit the volume of water rejected and its COD (Chemical oxygen demand) content.
- Reduce the total amount of waste generated by 5% by 2025.

## OUR ACTION PLANS

### Effluents

For effluents as well as other environmental releases, our goal is to facilitate consolidation across the Group of the various local initiatives carried out locally and subject to specific regulatory frameworks, in particular on the optimization of the cleaning frequency of our facilities. In this sense, our vigilance translates into conservative guidelines. For example, many sites must recover and treat a large portion of manufacturing water discharges in accordance with related standards for hazardous waste.

In 2020, an incident on part of the industrial water networks of a production building at the Carros site in France required numerous controls and a restoration of all the networks on the site. This work continued in 2021. The studies for the implementation of a new treatment plant at the historic site in Virbac, in Carros, France, were finalized in the fourth quarter of 2020. We plan to install and commission this new station in the last part of 2021. Due to the high level of performance of this facility, we received assistance from the *Agence de l'Eau Rhône, Méditerranée et Corse*.

### Hazardous waste

In addition to seeking constant search to control the volumes generated and improve collection for maximum treatment and recycling, we ensure traceability of all our hazardous waste up to the point of disposal: soiled packaging; laboratory, production, medicinal or infectious wastes; and chemical effluents (mostly incinerated and therefore thermally treated or recycled for solvent recovery).

Controlling waste volumes also begins at the research and development stage by considering treatment application methods so as to limit wastage and residues that could harm the environment (targeting/optimizing sprays, for example).

## OUR RESULTS

Performance indicators	2018	2019	2020
<b>COD (tons)</b>	121	93	81
<b>Volume of hazardous industrial waste (tons)</b>	2,966	2,493	2,254
<b>Volume of non-hazardous industrial waste (tons)</b>	2,270	2,376	2,751
<b>Intensity of ordinary and hazardous industrial waste</b>	40	37	38

*The intensity of industrial waste is the ratio between the waste generated (banal and hazardous) and the added value in thousands of Euros at the Group level (direct labor costs + indirect production costs).*

The quantity of COD released through industrial water releases decreased significantly (-13%). This is the consequence of the decrease in water consumption (and therefore discharge as seen above) but also the efforts of our industrial sites on the cleaning procedures for manufacturing tanks.

The total amount of waste generated increases by 3%, which is the result of an increase in production at the Penrith site in Australia and the destruction of finished products at the St. Louis site in the United States. On the other hand, we see a very significant decrease in hazardous industrial waste (-10%) and

a significant increase in ordinary industrial waste (+16%). This mix is indeed very impacted by the implementation of a new method of treatment for the washing water of the manufacturing tanks of one of Carros' main industrial sites in France. This new sector has reduced the quantity of hazardous industrial waste generated at the Carros site by 49%. The quantity of hazardous industrial waste at the Penrith site in Australia is increasing sharply (+42%) due to an increase in production.

## CLIMATE CHANGE

The risks related to the effects of climate change encourage us to help reduce greenhouse gas emissions. In our company the direct and indirect emissions of greenhouse gases (scope 1 and 2) represent emissions linked to the consumption of various forms of energy (in this case gas and electricity) in all industrial sites worldwide, as well as

the greenhouse gas emissions related to refrigerants. Other indirect greenhouse gas emissions (scope 3) reflect emissions linked to the shipping of finished products, from all sites to the end-customer.

### OUR KEY OBJECTIVES

- **Reduce greenhouse gas emissions from scopes 1 and 2 by 10% by 2025.**

### OUR ACTION PLANS

#### Effects of greenhouse gas emissions from scopes 1 & 2

##### Action on direct and indirect emissions (industrial site consumption and GHG related to refrigerant gases):

- optimization of energy consumption: thermal insulation of installations, the energy recovery system on the wastewater treatment station for biological production units (Carros), solar boiler for industrial hot water (Mexico), generalization of replacement plans LED lighting on almost all industrial sites;
- concerning emissions related to refrigerant gases: reinforcement of maintenance plans at industrial sites in Australia and France, but also, a replacement program for the most polluting fluids with low CO<sub>2</sub> emissions.

#### Direct greenhouse gas emissions of scope 3

##### Actions on emissions resulting from the transport of finished products:

- new calculation method implemented since 2018 has enabled us to increase the reliability of subsidiary data based on emissions coefficients given by the French environment and energy management agency (*Ademe*), see site [www.bilans-ges.ademe.fr](http://www.bilans-ges.ademe.fr);
- shipping of finished products: destination grouping,
- transporting employees: inter-site shuttles, external shuttles, incentive policies to limit the carbon impact of company vehicles, carpooling, etc.



## OUR RESULTS

Performance indicators	2018	2019	2020
<b>GES scope 1 &amp; 2 (tons of CO<sub>2</sub> equivalent)</b>	23,681	22,200	21,007
<b>GES scope 3 (tons of CO<sub>2</sub> equivalent)</b>	16,927	27,790	11,401
<b>GHG intensity scope 1, 2 &amp; 3</b>	310	376	249

*The intensity of greenhouse gases is the ratio between the GHGs issued (scope 1, 2 & 3) and the added value in thousands of Euros at the Group level (direct labor costs + indirect production costs).*

Emissions from scopes 1 & 2 decreased by 5% this year. The maintenance plans for facilities using greenhouse gases that have been implemented at our industrial sites, and particularly at the Carros site in France, are the main explanations with a 55% decrease in CO<sub>2</sub> emissions related to these facilities.

The emission coefficients given by the French environment and energy control agency changed in 2020, in particular the emission coefficients of air transport. As a result, the greenhouse gas emissions

of scope 3 are in very sharp decline (-58%). Regardless of these coefficient changes, these emissions decreased by 15% for all transportation. This decrease is explained by a 22% decrease in air transport emissions in favor of emissions linked to road transport (+39%) and maritime transport (+47%).



## Report of one of the statutory auditors, appointed as independent third party, on the consolidated non financial statement

This is a free translation into English of the statutory auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended December 31, 2020

To the shareholders,

in our capacity as statutory auditor of Virbac, *société anonyme*, appointed as independent third party and accredited by Cofrac under number 3-1048 (scope of accreditation available at [www.cofrac.fr](http://www.cofrac.fr)), we hereby report to you on the consolidated non financial statement for the year ended December 31, 2019 (hereinafter the "Statement"), presented in the group management report pursuant to the legal and regulatory provisions of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French commercial code (*Code de commerce*).

### Company's responsibility

The board of directors is responsible for preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main extra-financial risks, a presentation of the policies implemented with respect to these risks as well as the results of these policies, including key performance indicators. The Statement has been prepared by applying the company's procedures (hereinafter the "Guidelines"), summarized in the Statement and available on the company's website or on request from its headquarters.

### Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French commercial code and the French code of ethics for statutory auditors (*Code de déontologie*). In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

### Responsibility of the statutory auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French commercial code;
- the fairness of the information provided pursuant to part 3 of sections I and II of article R. 225-105 of the French commercial code, *i.e.* the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

However, it is not our responsibility to provide any conclusion on the company's compliance with other applicable legal and regulatory provisions, particularly with regard to the duty of vigilance, anti-corruption and taxation nor on the compliance of products and services with the applicable regulations.

### Nature and scope of procedures

We performed our work in accordance with articles A. 225-1 *et seq.* of the French commercial code defining the conditions under which the independent third party performs

its engagement and the professional guidance issued by the French institute of statutory auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement and with ISAE 3000 (*Assurance engagements other than audits or reviews of historical financial information*).

We conducted procedures in order to assess the Statement's compliance with regulatory provisions, and the fairness of the Information:

- we familiarized ourselves with the Group's business activity and the description of the principal risks associated;
- we assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector;
- we verified that the Statement covers each category of information stipulated in section III of article L. 225-102-1 governing social and environmental affairs, as well as in the second paragraph of article L. 22-10-36 regarding the respect for human rights and the fight against corruption and tax evasion;
- we verified that the Statement provides the information required under article R. 225-105 II of the French commercial code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French commercial code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the entity's activities, including where relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to
  - ▶ assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
  - ▶ corroborate the qualitative information (measures and outcomes) that we considered to be the most important<sup>1</sup>; concerning certain risks (Attracting and retaining talent; Animal ethics and welfare), our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity.
- we verified that the Statement covers the consolidated scope, *i.e.* all companies within the consolidation scope in accordance with article L. 233-16, with the limits specified in the Statement;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;

■ we carried out, for the key performance indicators and other quantitative outcomes<sup>2</sup> that in our judgment were of most significance:

- ▶ analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes thereto;
- ▶ substantive tests, on a sampling basis, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities<sup>3</sup> and covered between 27% et 80% of the consolidated data for key performance indicators and outcomes selected for these tests;

■ we assessed the overall consistency of the Statement in relation to our knowledge of the company.

We believe that the procedures we have performed, based on our professional judgment, are sufficient to provide a basis for a limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

## Means and resources

Our work engaged the skills of six people between December 2020 and April 2021.

To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around ten interviews with people responsible for preparing the Statement.

## Conclusion

Based on our work, nothing has come to our attention that causes us to believe that the non financial statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

## Comment

Without qualifying the conclusion expressed above and in accordance with article A. 225-3 of the French commercial code, we make the following comment:

as stated in the Declaration, the reporting scope of social results and key performance indicators represents 84% of

the total workforce. As for the environmental results and key performance indicators, the reporting perimeter covers major production sites and represents nearly 60% of the total revenues of the Group.

Paris-La Défense, April 6, 2021

One of the statutory auditors,

Deloitte & Associés

Philippe Battisti - Partner

Eric Dugelay - Partner, Sustainability Services

<sup>1</sup> **Qualitative information selected:** Trust Index Great Place to Work; an ethical charter and policies to manage animal studies.

<sup>2</sup> **Quantitative social information selected:** staff turnover rate; number of employees present on December 31 who have taken at least one training session/total staff on december 31; female to male salary ratio for the leaders category; frequency and severity rate of work accidents; absenteeism rate.

**Quantitative environmental information selected:** water withdrawn by source; COD content; volume of hazardous waste; volume of non-hazardous waste; gas consumption; electricity consumption; direct and indirect greenhouse gas emissions (scope 1, 2 & 3).

<sup>3</sup> **Selected entities:** Virbac, *société anonyme*, Virbac France, Virbac Colombia (social indicators), Virbac Uruguay (environmental indicators).





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**CORPORATE.VIRBAC.COM**

## **Virbac**

13<sup>e</sup> rue LID - BP 27  
06511 Carros cedex - France  
Phone number: +33 4 92 08 71 00 - [contact@virbac.com](mailto:contact@virbac.com)

Investor relations  
[finances@virbac.com](mailto:finances@virbac.com)

Corporate Communications  
[communication@virbac.com](mailto:communication@virbac.com)

Public limited company with a capital of 10 572 500 €  
1<sup>ère</sup> avenue 2065 m LID - 06511 Carros cedex - France - 417 350 311 RCS Grasse

**Shaping** the future  
of **animal health**

**Virbac**