



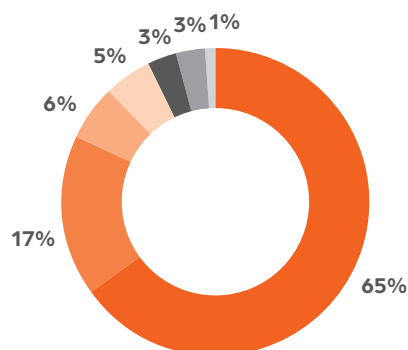
2024 Annual Report

Nurturing the world and
humankind by advancing
care for animals

zoetis

2024 Financial Highlights

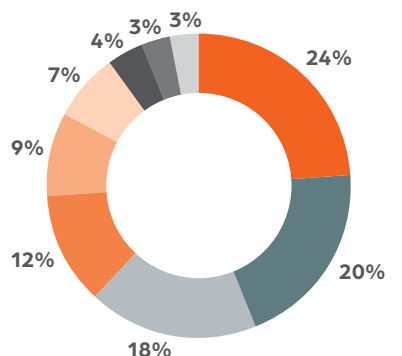
Revenue by Species*



■ Dogs and Cats¹ 65%
■ Cattle² 17%
■ Poultry² 6%
■ Swine² 5%
■ Horses¹ 3%
■ Fish² 3%
■ Sheep and Other² 1%

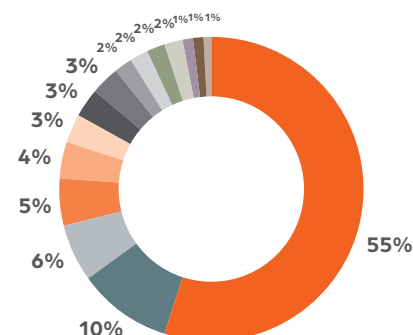
¹ Companion Animal 68%
² Livestock 32%

Revenue by Product Category*



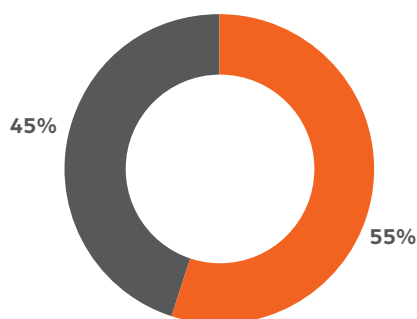
■ Parasiticides 24%
■ Vaccines 20%
■ Dermatology 18%
■ Anti-Infectives 12%
■ Pain and Sedation 9%
■ Other Pharmaceuticals 7%
■ Animal Health 4%
■ Medicated Feed Additives 3%
■ Other Non-Pharmaceuticals 3%

Revenue by Markets*



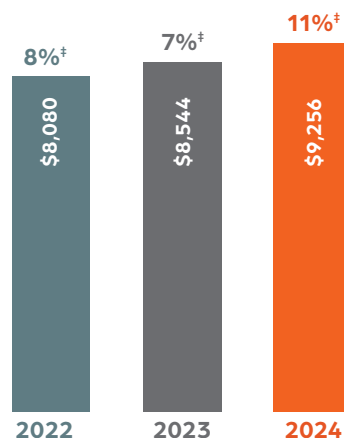
■ United States 55%
■ Brazil 5%
■ Australia 4%
■ United Kingdom 3%
■ Canada 3%
■ China 3%
■ Germany 2%
■ Mexico 2%
■ France 2%
■ Japan 2%
■ Spain 1%
■ Italy 1%
■ Chile 1%
■ Other Emerging Markets 10%
■ Other Developed Markets 6%

Revenue by Product Concentration



■ Top Ten Product Lines 55%
 (Top Five make up 41%)
■ All Other 45%

Revenue Growth



* Revenue charts by species, product category and market exclude revenues associated with Client Supply Services and Human Health, which represented 1% of total 2024 revenue.

[†] Adjusted net income and its components and adjusted diluted earnings per share (non-GAAP financial measures) are defined as reported net income attributable to Zoetis and reported diluted earnings per share, excluding purchase accounting adjustments, acquisition and divestiture-related costs, and certain significant items.

[‡] Represents operational growth (a non-GAAP financial measure), which is defined as growth excluding the impact of foreign exchange. Reported revenue growth, including the impact of foreign exchange, was 4% for 2022, 6% for 2023 and 8% for 2024.

\$Millions (except per share data)

	2022	2023	2024
Revenue	\$ 8,080	\$ 8,544	\$ 9,256
Net Income Attributable to Zoetis	\$ 2,114	\$ 2,344	\$ 2,486
Adjusted Net Income Attributable to Zoetis [†]	\$ 2,297	\$ 2,457	\$ 2,693
Diluted Earnings Per Share	\$ 4.49	\$ 5.07	\$ 5.47
Adjusted Diluted Earnings Per Share [†]	\$ 4.88	\$ 5.32	\$ 5.92
Net Cash Provided by Operating Activities	\$ 1,912	\$ 2,353	\$ 2,953
Research & Development Expense	\$ 539	\$ 614	\$ 686
Capital Expenditures	\$ 586	\$ 732	\$ 655

A MESSAGE FROM
CHIEF EXECUTIVE OFFICER KRISTIN PECK

Dear Shareholders,

Purpose, resilience, and a passion for animal health drove Zoetis to deliver one of our most successful years ever—in the face of complex conditions around the world.

Cementing our position at the forefront of the essential and durable animal health industry, in 2024 we grew revenue 11% operationally[†] and adjusted net income[†] by 15% operationally and returned more than \$2.6 billion to shareholders—an increase of over \$800 million versus 2023. Delivering 8% average annual operational revenue growth since our Initial Public Offering in 2013—3 points above the industry average—Zoetis is driving sustainable growth through our unique model of innovation and commercial excellence. In 2024, we expanded our product portfolio with more than 100 geographic expansions and nearly 20 enhancements; introduced groundbreaking animal health solutions; met evolving customer needs; and strengthened our collaborations with stakeholders worldwide.

Our dedicated colleagues make all the difference in our success at Zoetis—bringing to life our purpose of nurturing the world and humankind by advancing care for animals. This year's report highlights our efforts to meet the evolving needs of animals, customers, communities, and our contributions to a more sustainable world through notable achievements.



Full Speed Ahead: Advancing our 6 Strategic Priorities

1. Lead Through Innovation Across Our Diverse Portfolio

Continued growth of our osteoarthritis (OA) pain therapies and ongoing success in our dermatology and parasiticides franchises are a testament to our ability to identify unmet needs, create new categories and standards of care, and innovate and compete in existing areas with new treatments and vaccines.

Our OA pain franchise, consisting of **Librela**® for dogs and **Solensia**® for cats, is changing the quality of life for pets and pet owners and represents a new standard of care in veterinary medicine. Additional innovations for dogs included new claims for **Simparica Trio**® in Canada and the U.S. for prevention against Asian longhorn tick infestation (*Haemaphysalis longicornis*) and the approval in China for **Apoquel**® **Chewable**, the first and only chewable treatment for the control of allergic itch and inflammation in dogs.

In livestock, we expanded the reach of our innovations through regulatory approvals in markets such as Brazil for **Valcor**®, a prescription endectocide for the treatment and control of internal and external parasites in cattle; the U.K. for **Protivity**®, the first modified live vaccine to offer protection against *Mycoplasma Bovis* in healthy cattle; and in Canada for **Alpha Ject Micro**® **7 ISA**, a combination vaccine for Atlantic Salmon, now enhanced with protection against Infectious Salmon Anemia Virus.

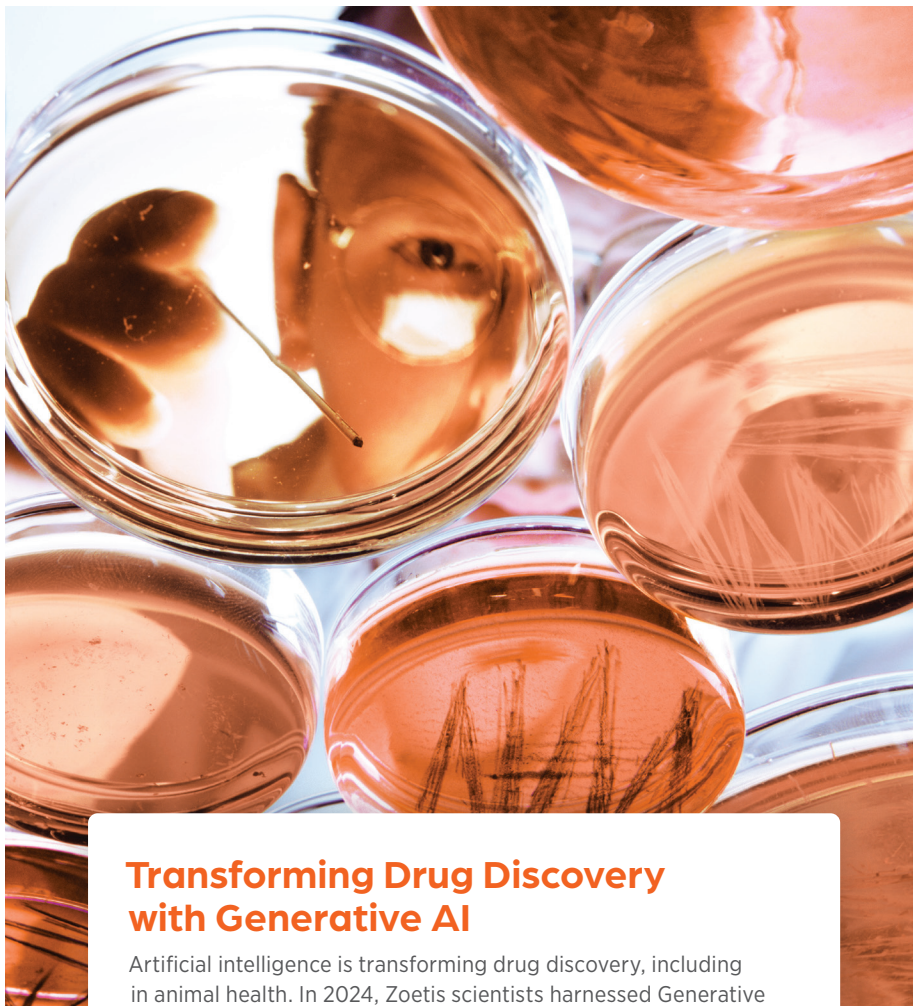
2. Deliver an Exceptional Experience to Delight Our Customers

In 2024, we expanded and enhanced manufacturing and distribution facilities and diagnostics capabilities to best meet customers' needs for innovative animal health solutions.

This included an agreement to purchase a manufacturing site in Melbourne, Australia, and the expansion of our distribution center in Lee's Summit, Missouri, USA, positioning us to ensure a long-term supply of products for customers.

We also expanded our diagnostics tools with the addition of AI urine sediment analysis for our **Vetscan Imagyst**® platform and the launch of **Vetscan OptiCell**™, offering AI-powered complete blood count analysis to enable advanced hematology insights.

Deepening our commitment to customers, we established a Global Medical Affairs team to provide comprehensive medical support, education and training across the product lifecycle. This fosters engagement among medical professionals and drives global strategies for clinical studies, education and partnerships with key opinion leaders.



Transforming Drug Discovery with Generative AI

Artificial intelligence is transforming drug discovery, including in animal health. In 2024, Zoetis scientists harnessed Generative AI (GenAI) and advanced technologies aimed at accelerating the timeline from discovery to launch for critical medicines and vaccines.

Our GenAI platform integrates vast biodata into interactive knowledge graphs, helping scientists uncover insights into disease pathology, biomarkers and drug targets faster—such as those involved in chronic kidney disease affecting pets. AI also allows researchers to model complex organ systems, offering insights into how diseases behave across species and enabling more targeted therapies.

Zoetis scientists leverage data from over 20,000 early research and clinical studies, pet genetics through Basepaws and other sources—a daunting task without AI. In 2024, we launched the Automation and Data Sciences group to apply advanced technologies, automate R&D processes and generate data-driven insights to accelerate decision-making. Looking ahead, Zoetis scientists will pilot an AI-powered clinical data management system in 2025 to make scientific data review and validation considerably faster and more efficient. Another GenAI-powered project aims to significantly reduce the time needed to write nearly 1,000 study reports per year.

By reimagining drug discovery through AI, Zoetis is at the cusp of fast-tracking innovation, improving success rates and delivering life-changing therapies to animals worldwide.

3. Power Our Business Through Digital Solutions and Data Insights

Through responsible use of digital technologies and data insights, we are revolutionizing animal health, from disease prediction to drug discovery.

In collaboration with researchers at PHARMAQ Analytiq, we created a novel AI-powered prediction model to help Norwegian salmon farmers anticipate potential pancreas disease outbreaks, which will minimize potential losses and safeguard their operations.

Additionally, our research scientists deployed advanced AI tools to analyze vast datasets, accelerating the discovery and development of innovative medicines and vaccines (*see sidebar on left*).

We also marked the expansion of our Hyderabad Capability Center in India, which will accelerate our ability to deliver breakthrough solutions—from AI-driven diagnostic tools to industry-leading technologies—for veterinarians, pet owners and livestock producers. Tapping into this vibrant, start-up ecosystem will help Zoetis to advance its vision to shape the future of animal care globally.

4. Support a Workplace Where Our Colleagues Can Thrive

Colleagues are our greatest asset, and we remain committed to their growth and well-being while creating a workplace where their voice matters. In 2024, we expanded career development programs, offered professional coaching, and enhanced benefits to help them thrive.

Listening to feedback from our colleagues helps us continually improve our workplace.

Highlights included continuing education for people leaders to support goal setting, individual development plans for every colleague, as well as a six-month pilot program for individual contributors as we cultivate the next generation of innovative and adaptive leaders.

New pet care benefits in the U.S. offer veterinary telehealth options and ready access to pet-sitters, dog-walkers, and boarders, ensuring colleagues can focus on their work while caring for their pets.

Listening to feedback from our colleagues helps us continually improve our workplace and I am incredibly proud

of our high colleague engagement and inclusive culture which earned Zoetis numerous accolades in 2024—including global recognition with the prestigious Catalyst Award, as well as Great Place to Work honors in Germany, Austria, and Switzerland. In the U.S., we were named to Seramount's Working Parents 100 Best Companies list. These achievements highlight our unwavering commitment to fostering a supportive and inclusive environment where everyone can thrive.

5. Advance Sustainability in Animal Health for a Better Future

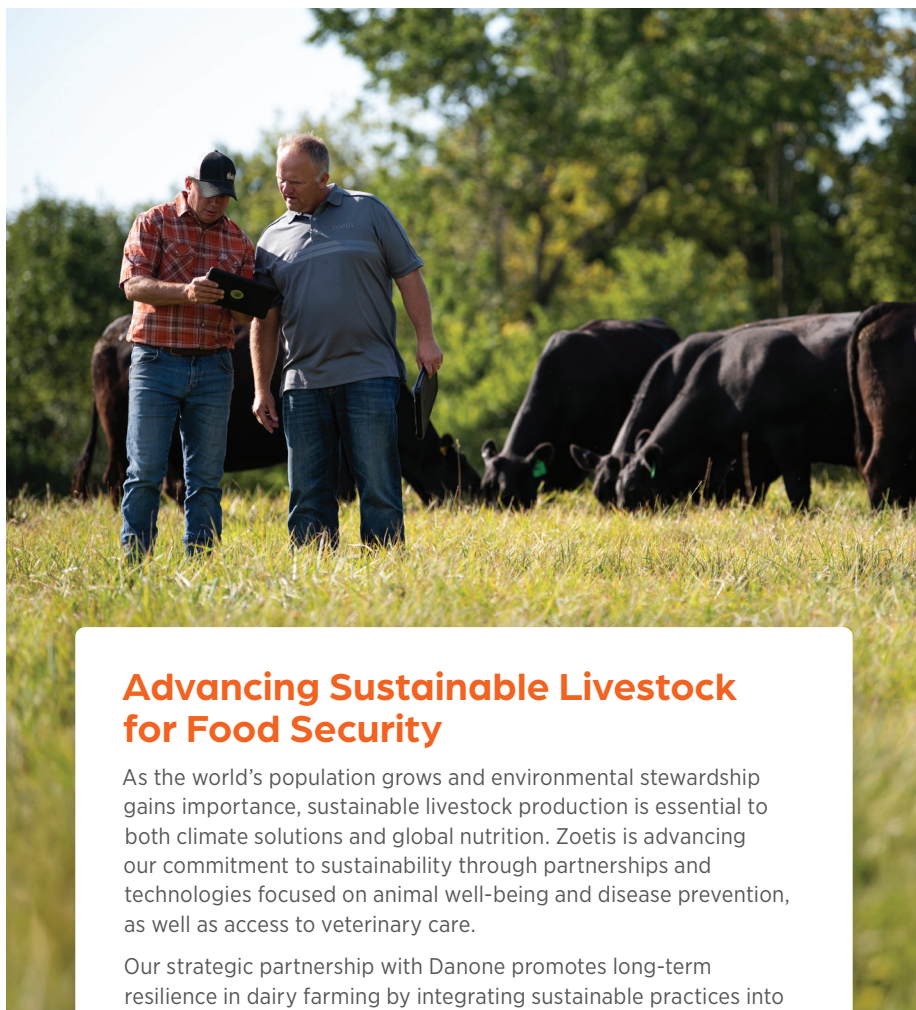
In 2024, we made significant strides toward our Driven to Care sustainability aspirations. Colleague volunteers brought our purpose to life through efforts like supporting U.K. Helping Hounds, contributing to reforestation projects in Chile, and assembling Red Cross kits in the U.S. for Armed Forces members. We also continued to make progress on our journey to carbon neutrality in our own operations, including sourcing 100% renewable electricity by 2030.

The Zoetis Foundation provided millions in funding to support veterinarians, livestock producers, and humanitarian relief efforts. Grants included funding for the American Red Cross to aid global disaster preparedness and relief, and for the World Food Program USA to enhance farmer livelihoods and access to veterinary services in Kenyan and Ethiopian livestock communities.

Through our African Livestock Productivity and Health Advancement (A.L.P.H.A. Plus) initiative, we continued vital work to improve livestock health and productivity across Sub-Saharan Africa. Meanwhile, our strategic partnership with Danone is driving sustainable innovation in dairy farming by leveraging advanced genetics to breed healthier cows and redefining the industry's approach to sustainability (see sidebar on right).

6. Perform with Excellence and Agility

Rapidly evolving technologies, competition, and shifting global dynamics demand resilience and resourcefulness. To meet these challenges, Zoetis is transforming its critical business systems through a global initiative designed to boost efficiency, foster collaboration, and improve customer service, all while driving cost savings and scalability. By enhancing our processes and systems, we're strengthening our competitive edge and ensuring we remain agile in an ever-changing market.



Advancing Sustainable Livestock for Food Security

As the world's population grows and environmental stewardship gains importance, sustainable livestock production is essential to both climate solutions and global nutrition. Zoetis is advancing our commitment to sustainability through partnerships and technologies focused on animal well-being and disease prevention, as well as access to veterinary care.

Our strategic partnership with Danone promotes long-term resilience in dairy farming by integrating sustainable practices into dairy genetics and selection. By using Zoetis' advanced genetic testing on dairy farms that supply milk to Danone's global network, we're driving improvements in both sustainability and animal health outcomes.

Similarly, our partnership with Blacksmith Medicines seeks to reduce the dependency on antibiotics shared with human health by developing new treatments for life-threatening infections in livestock. In addition, our research collaboration with Colorado State University's AgNext is conducting cattle lifecycle assessments to support industry knowledge around the effects of genetics and animal health on sustainability.

Through the A.L.P.H.A. Plus initiative, co-funded by the Bill & Melinda Gates Foundation, we're advancing livestock health and productivity in Sub-Saharan Africa. By expanding access to veterinary products and diagnostic tools, the initiative empowers smallholder farmers to boost productivity, meet protein demands, and enhance livelihoods. A.L.P.H.A. Plus focuses on dairy, beef, poultry, and aquaculture across Ethiopia, Nigeria, Tanzania, Uganda, and seven additional markets, including Kenya and Ivory Coast.

As livestock farmers face the complex challenge of feeding a growing population while improving sustainability, Zoetis continues to support our customers with expertise, innovation and collaboration, building a resilient future for the communities we serve.

Our Core Beliefs

Our colleagues make the difference

Always do the right thing

Customer obsessed

Run it like you own it

We are One Zoetis

Our Long-Term Value Proposition

1 Grow revenue in line with or faster than the market

2 Grow adjusted net income faster than revenue

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

4 Return excess capital to shareholders

Livestock producers will turn to trusted leaders like Zoetis for innovative solutions to improve herd health.

In line with our focus on high-growth opportunities, we divested our medicated feed additive (MFA) product portfolio, certain water-soluble products and related assets to Phibro Animal Health. This strategic move underscores our discipline in investing in areas aligned with our core strengths, such as vaccines, biologics, and genetics in livestock.

Our Path Forward

As I enter my sixth year as CEO, I am incredibly proud of what we have accomplished together as One Zoetis. Through resilience, agility, and focus, we have navigated extraordinary challenges, and I am confident in the opportunities that lie ahead.

The unmet needs of veterinary medicine are vast, and Zoetis is uniquely positioned to meet them for generations to come. Fueled by lifecycle innovation, geographic expansion, and disruptive innovation, we anticipate a significant new approval every year for the next several years.

The enduring bond between people and animals will continue to drive demand for better pet care, while a growing global population will heighten the need for sustainable animal proteins. Livestock producers will turn to trusted leaders like Zoetis for innovative solutions to improve herd health—and we are ready to rise to this challenge. By addressing evolving customer needs, raising standards of care, and maximizing the potential of our diverse portfolio, we remain dedicated to creating lasting value for all our stakeholders, including veterinarians, pet owners, livestock producers, and you, our investors. We are embarking on an exciting journey of growth, powered by the passion of our purpose-driven colleagues and strengthened by the trust and support of our shareholders.

Thank you for your continued confidence in Zoetis as we work together to shape the future of animal care.

Kristin Peck

Kristin Peck
Chief Executive Officer

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