



MODERN SLAVERY STATEMENT

March 2022

INTRODUCTION

This statement is made in accordance with the Modern Slavery Act 2015 (the **Act**). The statement sets out the action taken by Dechra Pharmaceuticals PLC and its subsidiaries Dechra Limited and Dechra Veterinary Products Limited (**Dechra**) to understand and mitigate potential modern slavery risks related to its business and to put into place steps that are aimed at ensuring there is no slavery or human trafficking in Dechra or its supply chain.

OUR BUSINESS

Dechra is a global specialist veterinary pharmaceuticals and related products business. Our expertise is in the development, manufacture, marketing and sales of high quality veterinary pharmaceutical products for use by veterinarians worldwide. The majority of Dechra's products are focused on key therapeutic categories where we have a leading market position and many of our products are used to treat medical conditions for which there is no other effective solution or which have a clinical or dosing advantage over competitor products. Dechra is listed on the London Stock Exchange and more information on our business is available at www.dechra.com.

Ethical behaviour is central to the way we operate and to the success of Dechra. Our Values (Dedication, Enjoyment, Courage, Honesty, Relationships and Ambition) encapsulate Dechra's business ethics and set standards that all employees should strive to achieve. We are committed to sourcing products from suppliers who share these ethical values.

OUR EMPLOYEES

As an employer we are:

- committed to providing a fair salary and good conditions of employment;
- committed to providing a healthy, safe and secure work place;
- committed to promoting diversity;
- opposed to discrimination at work;
- opposed to all forms of slavery and human trafficking; and
- respectful of the right of employees to join a trade union.

OUR SUPPLY CHAIN

Dechra purchases raw materials, manufactured goods and services from around the world. We aim to conduct our business with suppliers who share our Values and our commitment to operating in a responsible and ethical manner towards both their own workers and their own suppliers.

All of Dechra's supply chain partners and suppliers are required to comply with Good Manufacturing Practice (GMP) and Good Distribution Practice (GDP) requirements. This GMP and GDP standard of operation is underpinned by regular inspections undertaken by national regulators.

OUR POLICIES AND PROCEDURES ON SLAVERY AND HUMAN TRAFFICKING

The Dechra Annual Report, the Dechra Code of Conduct, the Dechra Human Rights Policy and the Dechra Values set out the Group's commitment to acting ethically and with integrity towards our employees and in all our business relationships. Dechra is opposed to slavery and human trafficking in any part of our business or our supply chain. We are committed to having adequate procedures in place to identify and prevent these practices. We believe the risk of modern slavery in our directly employed workforce is low due to the nature of our industry, many employees being largely educated or skilled or undertaking work in controlled environments where there are established policies and processes.

As the exposure to the risk of modern slavery increases when we engage with third parties we launched Dechra's Third Party Code of Conduct in 2017. We aim to work with third parties that work to the ethical and business standards expected by Dechra. In keeping with Dechra's commitments to act with integrity in all its business dealings, Dechra's Third Party Code of Conduct includes a commitment to upholding and respecting human rights both within our business and in that of our third parties. It states Dechra's position on modern slavery, child labour, non-discrimination, fair treatment, wages, benefits and working hours. Third parties are expected to adhere to the principles contained in the Third Party Code of Conduct.

Our Code of Conduct provides important internal guidelines for interactions with customers, suppliers and one another in line with our purpose and Values. The Dechra Human Rights Policy sets out our commitment to conduct business with respect for human rights. It specifically prohibits the use of modern slavery, child labour, forced labour or human trafficking in our business.

The Dechra Values are integrated into the Code of Conduct and are central to every decision we make. The Dechra How to Raise a Concern Procedure encourages employees to raise concerns, including any breaches of Dechra Values, policies or the laws of the countries in which we operate.

RISK AND DUE DILIGENCE PROCESSES

The following is the process by which Dechra has assessed whether particular activities or countries where it operates represent a risk in relation to slavery or human trafficking:

- We have a supply chain risk assessment in process within Dechra (including newly acquired products). Any identified high risk suppliers (identified using key information such as supplier type, supplier services/products, spend and geographical location) are subject to further due diligence and asked to confirm that they will adhere to the Dechra Third Party Code of Conduct. This will be refreshed for high risk third parties on a regular basis;
- Dechra has developed and rolled out online training for high risk third party suppliers to deliver further understanding of the behaviours and compliance expected from Dechra's third party suppliers;
- Dechra has continued to roll out relevant compliance clauses in its commercial contracts with third party suppliers. Such clauses request suppliers adhere to the Dechra Third Party Code of Conduct or have their own suitable code of conduct (which we review to check that their code is sufficient).

- All new contracts contain, where relevant, clauses regarding supplier compliance with the Dechra Third Party Code of Conduct; and
- Dechra has continued to make employees aware of the principles in the Code of Conduct and How to Raise a Concern Procedure in order to maintain the highest standards of employee conduct and ethical behaviour throughout its business and in managing its supply chain. We have developed training for all Dechra employees on the Code of Conduct and this has been rolled out globally.

MEASURING EFFECTIVENESS

We will continue to monitor compliance by our supply chain globally through the Dechra Third Party Code of Conduct and commercial contract clauses. If any breaches are found Dechra will take any further action that may be required. We recognise that we need to continue to improve our due diligence activities and we are considering additional ways to utilise our third party screening system to broaden our screening review from bribery and corruption offences to modern slavery related issues. This would allow ongoing 24/7 screening in the same manner as our ABC screening.

REPORTING AND INVESTIGATING CONCERNS

Our Third Party Code of Conduct provides an email address and, from April 2022, an independent externally provided hotline, for our third parties to report any situations that they feel violates any of the standards detailed in the Third Party Code of Conduct.

In addition, we continue to monitor modern slavery concerns raised via the How to Raise a Concern procedure which is available to our employees. The procedure provides a route for concerns to be raised confidentially and effectively without fear of repercussion.

BOARD APPROVAL

This statement has been approved by the Board of Dechra at its meeting on 16 February 2022 and signed on its behalf by the Chief Executive Officer. This statement will be reviewed, updated and approved by the Board on an annual basis.

Ian Page, Chief Executive Officer, 16 February 2022