

Sustainability Report 2024

**Together,
Building
A More
Sustainable
Future
For All**



Making A Difference Through An Integrated Approach

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Welcome To Our 2024 Sustainability Report



“Sustainability remains crucial to the ongoing success of Dechra. With the launch of our refreshed strategy, we are looking forward to making further progress in the years ahead.”

Paul Sandland
Chief Financial Officer

Overview

The 2024 financial year saw Dechra delist from the London Stock Exchange following 24 successful years as a public limited company. Despite now being a privately owned business, our commitment to sustainability remains as strong as ever.

With new owners comes new ideas, fresh perspectives and the opportunity to embrace different ways of doing things. It has been rewarding to discuss our sustainability ambitions with a new set of stakeholders; in many cases this has reaffirmed our belief we are on the right track whilst in other areas our existing thinking has been challenged.

Achievements In 2024

Despite the distractions of the change in ownership, we were able to deliver many notable achievements over the past year.

We made good progress against some of our most important sustainability initiatives, not least becoming the first veterinary pharmaceutical company to have near term, long term and net zero science based targets for Scope 1, 2 and 3 carbon emissions approved by the Science Based Targets initiative (SBTi), something we are very proud of.

Beyond our work on specific sustainability initiatives, we have also taken the opportunity to review our overall strategy and invested considerable time carefully considering what sustainability means to Dechra as we enter our next phase of growth.

The outcome of this work was our new Sustainability strategy “Together, building a more resilient future for all”, which has been effective since the start of the 2025 financial year and is what we will report against going forward.

The Structure Of This Report

Reflecting on our performance and achievements in 2024, this report will largely use our “Making a Difference” Sustainability strategy as its reference point, since this is what was in force throughout the 2024 financial year and used to guide day to day decision making.

However, it also introduces our new strategy where appropriate, and we look forward to sharing further details on this in our report next year.

Paul Sandland
Chief Financial Officer

Sustainability Is Embedded In Everything We Do



“Although we live in challenging times, we are striving to build an even better business for the future whilst having a positive impact on the world around us.”

Carina Kjellberg
Group Sustainability Director

A Renewed Sense Of Ambition

I was delighted that it was EQT who led the acquisition of the business, knowing the genuine commitment EQT has to sustainability, and the focus on investing in a way that not only maximises returns but also benefits society and the planet.

Under EQT's ownership, we have a real opportunity to set ambitious new targets and I am energised by the prospect of having a positive impact on not only our own business, but the animal health industry as a whole.

I passionately believe there is an urgent need to drive meaningful action on sustainability, not only within animal health but across the global economy, society and our planet. By harnessing the collective energy and support from all those associated with Dechra, I firmly believe we can play our own important role in bringing positive change.

An Inflection Point For Dechra

Along with new owners, we also have a new Sustainability strategy. Although there are elements to this strategy which have remained the same, we have broadened our objectives whilst setting credible but stretching targets.

We have also taken the opportunity to re-engage with employees as part of the rollout of the new strategy, given the crucial role they will all have to play in helping us achieve our ambitions.

But that is for next year. In the meantime, we can reflect back on the final year of our Making a Difference strategy that has helped to establish a strong foundation for our future efforts.

Carina Kjellberg
Group Sustainability Director

Perspectives From EQT

Angela Jhanji, Managing Director of Sustainability for EQT Group, has led the engagement with Dechra since the acquisition was completed.

Angela said “Sustainability is holistically integrated into EQT's strategy, from identifying investment opportunities to setting companies up for success long after our ownership period. By making the companies we invest in more sustainable, we create value for the long term.

We had already identified Dechra as having a strong approach to sustainability, and we are looking forward to working with the team in the years ahead to further Dechra's sustainability ambitions.”

How We Make A Difference

Our Making a Difference Sustainability strategy is closely aligned with our Values and Culture, sits firmly at the heart of all that we do, and helps position Dechra as an even better business capable of delivering long term value to all stakeholders.

Our Culture

Our Values, entrepreneurial attitude and agile approach to the way we do things are the backbone of our Culture. We expect our people to make a difference by collaborating with each other and support them by providing clear guidance on expectations.

Our Purpose The sustainable improvement of animal health and welfare globally

Our Values



Dedication

We are dedicated to delivering products and services that meet the highest level of service and quality to our customers.



Enjoyment

We endeavour to create an environment where our people want to come to work and feel a part of Dechra.



Courage

We want a business where we dare to challenge each other, where innovation and creativity can flourish.



Honesty

We are honest and open in all interactions and act with integrity and fairness.



Relationships

We see our customers and suppliers as business partners and thereby work together for common success.



Ambition

We are goal oriented and deliver solid results through our energetic and resilient approach.

Our Sustainability Strategy Pillars



Our Business

Provide sustainable products, education and technical support to veterinarians.



Our Environment

Minimise our impact on the environment.



Our People

Be a great and safe place to work.



Our Community

Give back to the communities in which we operate.

Our Culture Defined

Entrepreneurial & Agile

We move quickly to make decisions and have 'light touch bureaucracy'. We expect accountability and encourage our people to seek out new opportunities to help us grow.

Transparent

We are open and honest with our people and our suppliers and customers. We tell it like it is.

Collaborative

We know that the best outcomes arise from true team working. We operate in a matrix structure, sharing best practices around the globe and harnessing the power of our different cultures.

Enthusiastic

We want our people to enjoy coming to work. We are informal and look for people who share our passion for what we do. We love people that want to make a difference.

Performance At A Glance

Despite a year which saw lots of change in the business, we maintained our commitment to the objectives that form our 'Making a Difference' strategy.

Our Business

Provide sustainable products, education and technical support to veterinarians



7.8%

Revenue invested in Research & Development

£62.3 million

Invested in Research & Development

85,865 hours

CPD (or CE) training provided to veterinarians

Our Environment

Minimise our impact on the environment



SBTi approval

Scope 1, 2 & 3 long term targets

23.3%

Reduction in carbon intensity ratio for Scope 3

42%

Waste recycled or reused

Our People

Be a great and safe place to work



19,480

Training and development hours for Dechra employees

84%

Employee Engagement Index

13

Lost Time Accidents

Our Community

Give back to the communities in which we operate



£313,021

Cash donations

£76,878

Product donations

5,322

Community hours

Our New Sustainability Strategy



“The work performed this year to refresh our Sustainability strategy means we are well placed to build a resilient business over the coming years.”

Carina Kjellberg
Group Sustainability Director

For the year under review in this report, our Making a Difference Sustainability strategy was centred around the four pillars of Business, Environment, People and Community. These pillars have served us well over the last seven years, providing a framework against which we could set objectives, measure our actions and engage the wider business.

Why Are We Changing?

We recognise that sustainability considerations are constantly evolving, as is our business and our industry. To continue being successful, remain relevant for our stakeholders and competitive in the market, we must ensure we keep pace with this change.

We want Dechra to be a resilient business. As we become more mature in our approach to sustainability, we have been moving away from individual programmes towards a more integrated approach, with a focus on our full value chain. To support this ongoing process, the time was right to transition to a new strategy and framework that captures everything we plan to do and aligns more closely with our recently launched brand positioning of the Veterinary Perspective.

An Updated Materiality Assessment

Our previous materiality assessment was performed in 2022 and we were mindful that much had changed in that time. To complement our updated Sustainability strategy, we also took the opportunity to perform a new, in depth assessment of the key risks and opportunities faced by our business.

This process was extensive, assessing the factors identified from both an impact and financial materiality perspective. Having a thorough and up to date double materiality assessment also means we are well prepared to report under the requirements of the Corporate Sustainability Reporting Directive (CSRD), which will apply to Dechra from financial year 2026 onwards. We look forward to sharing the outcome of this assessment next year, when we report against our new Sustainability strategy for the first time.



Our New Sustainability Strategy continued



Sustainable Innovation

We develop evidence-based innovations for sustainable animal health and wellbeing

Resilient Planet

We conserve our natural resources to foster a more resilient planet

Thriving People

We care about the wellbeing of our employees and our veterinary customers

Strong Communities

We strengthen the social, economic and environmental health and welfare of local communities

Focus Areas

Innovating a broad portfolio of specialist animal therapeutics

Delivering sustainable solutions

Driving climate action

Promoting water stewardship

Minimising waste

Preserving biodiversity, land & water

Managing APIs safely & responsibly

Investing in our employees

Partnering with veterinary professionals & other customers

Volunteering through community service

Donating to impactful causes

Partnering with suppliers

Enhancing farmer resilience through animal welfare

Restoring local ecosystems






Our Alignment To The UN SDGs

Since 2020, we have chosen to link our Sustainability strategy to the United Nations Sustainable Development Goals (SDGs) as we felt that this would provide an appropriate framework for our activities. When plotting the 17 goals against our Sustainability objectives, we found that we have the opportunity to positively contribute to a number of them but identified the following as being most closely aligned to our Making a Difference strategy.



Sustainability In The Animal Health Market










Sustainability in animal health has many different elements. As part of the work undertaken this year to inform our refreshed strategy, we identified the following themes as being the most relevant to Dechra.

Market Trend	How We Are Responding	Future Opportunities	Link To New Strategy
Decarbonisation along the value chain in line with a 1.5 degree ambition	Our ambitious near and long term carbon reduction targets covering Scope 1, 2 and 3 emissions have been validated by the Science Based Targets initiative (SBTi).	Achieving these targets will require collaboration across the industry, and we are committed to engaging with our suppliers, partners and customers to collectively reduce the carbon intensity of the animal health industry.	
Protection of natural resources	An integrated nature strategy will safeguard biodiversity, land, water and also inform any trade off with our climate actions for a balanced strategy ensuring overall resilience.	We aim to better understand our impact and dependencies on nature, and to develop nature targets grounded in science and are preparing to report Science Based Target for Nature (SBTN) and under Taskforce for Nature Related Disclosures (TNFD) from the 2026 financial year.	
Promote diversity and inclusion	We have created a new role of Development and Inclusion Director and have introduced new targets around DE&I as part of our refreshed Sustainability strategy.	By increasing our focus in this area, we believe we can have a positive impact on talent attraction and retention, employee satisfaction and overall business performance.	 
Invest and innovate to address unmet needs in animal health	£62.3 million was invested in R&D last financial year, a record amount for Dechra that represented 7.8% of Group revenue. Within this, our product pipeline continues to have a clear focus on new novel products and life cycle management of existing products.	After the year end, we acquired Invetx Inc., a biotechnology company specialising in long acting monoclonal antibodies for companion animals. Such therapies help to extend and improve the quality of life in dogs and cats while decreasing the care burden for pet owners, in line with our long term strategy to be an innovation leader in animal health.	

Sustainability Metrics And Targets

For the purposes of this report, we are reporting against our existing metrics and targets relevant to the Making a Difference strategy in force for the duration of the 2024 financial year.

This consists of 11 objectives that were identified during our materiality assessment performed in 2022. As part of the ongoing evolution of our Sustainability strategy, we have performed a new, in depth double materiality assessment in 2024. We look forward to sharing the output of this work, together with a new set of metrics and targets relevant to the new strategy, in our 2025 Sustainability Report.

Sustainability Pillar	Sustainability Topic	Focus Area	Objective	Link To United Nations SDGs	Target(s)	Performance In The 2024 Financial Year
Our Business 	Animal Health and Welfare	Ethical and sustainable products	Develop and promote products to improve animal health and welfare sustainably	   	Invest 5% to 6% of revenue on product development per annum	7.8% invested in Research & Development
	Customer Satisfaction	Supporting veterinary professionals	Maintain and improve the knowledge and skills of veterinarians		Provide 100,000 of continuous professional development (CPD) hours per annum	85,865 CPD hours provided globally
	Trust and Transparency	Ethics	Act with honesty and integrity		Perform value chain sustainability assessment by June 2030	77 third parties have been assessed
Our Environment 	Integrated Climate Strategy	Emissions, Land & water and Biodiversity	Reduce greenhouse gas (GHG) emissions and waste to landfill, use water responsibly and protect biodiversity	  	Reduce Scope 1, 2 and 3 carbon emissions in line with climate science and achieve net zero by 2050 100% FSC paper & wood by June 2024 ¹	A reduction in scope 1 and 23.3% in scope 3 intensity ratio ² and an increase of 2% in scope 2 87% FSC paper & wood
	Waste Management	Circularity	Recover, reduce, recycle, reuse		Zero to landfill by June 2025	Waste sent to landfill increased from 5% to 11% ³
	Plastic Leakage	Responsible sourcing	Implement sustainable packaging and decrease plastic usage		Review full product range by June 2025	Project remains on track

Sustainability Metrics And Targets continued











Sustainability Pillar	Sustainability Topic	Focus Area	Objective	Link To United Nations SDGs	Target(s)	Performance In The 2024 Financial Year
Our People 	Wage Policy	Fair employment practices	Comply with national legal requirements regarding wages and working hours	   	Remain a Living Wage Employer or equivalent	Retained UK accreditation and pay relative to OECD standards
	Human Rights	Safe working practices	Reinforce health and safety practices, with a culture of zero harm		Zero lost time accidents (LTAs)	13 LTAs
	Equality in the Workspace	Fair employment practices	Eliminate the gender pay gap		Increase the number of women in senior and technical roles	Gender pay gap of 9.6% in Dechra Limited
Our Community 	Community Involvement	Community activities	The donation of time and skills to local charities	  	100,000 community hours by June 2030	5,322 hours this year 12,859 hours cumulative (4 years)
	Philanthropic Activities	Community donations	Maintain Regional Giving Committees to allow our people to make a difference locally		£5 million donated in cash or products by June 2030	£389,899 this year £1,751,196 cumulative (4 years)

Notes










- ¹ We did not meet our original target to source 100% of our internally procured paper & wood from FSC certified suppliers by the end of June 2023. We regard the FSC certification crucial, as it ensures products come from responsibly managed forests, promoting biodiversity, environmental protection and fair labour practices. We made further progress this year, reaching 87% compared to 66% last year. We continue to adopt a localised approach to sourcing FSC materials and work collaboratively with existing suppliers rather than adopt a blanket approach across all Dechra operations.
- ² Our near term targets are to reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030 from a 2021 base year and to reduce scope 3 by 51.6% per GBP value added within the same timeframe.
- ³ This increase was primarily due to a one off disposal of 139 tonnes of palletised items sent to landfill by California.

Delivering On Our Purpose Through Engaging With Our Stakeholders

Engagement with stakeholders is a vital component of our long term sustainability and success.

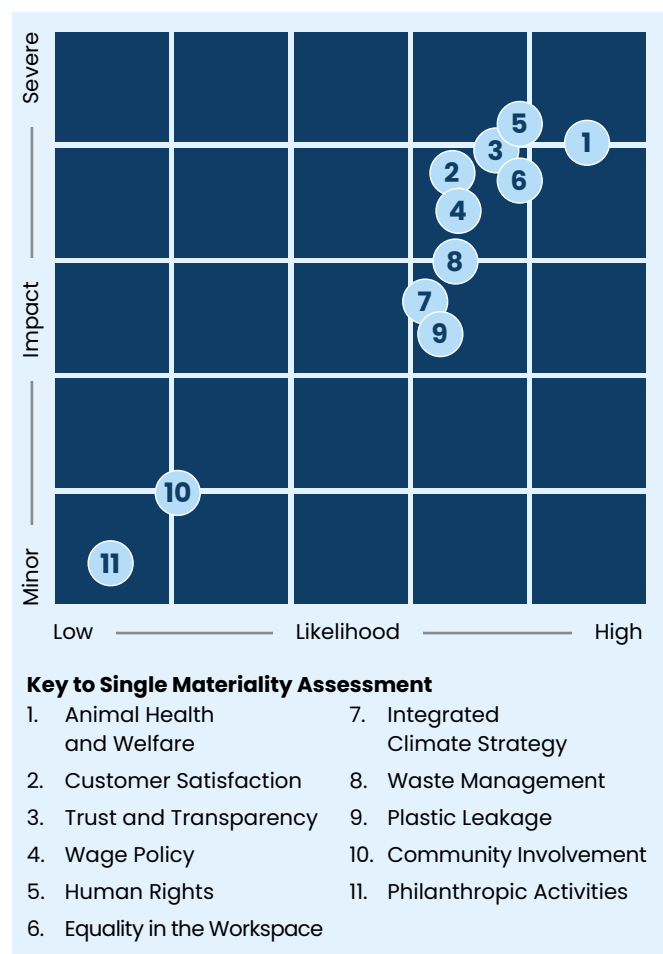
Stakeholder Group	What Matters To Them	How We Engage	Link To New Strategy
Employees 	<ul style="list-style-type: none"> • Development opportunities • Safe working practices • Fair employment practices 	<p>We have multiple channels of communication to provide both formal and informal updates including news items on the intranet, and management and team meetings at the business units.</p> <p>We rolled out a pulse check employee engagement survey.</p> <p>We provide training via Delta, our dedicated digital learning platform, leadership training, and on the job training.</p>	
Veterinary Professionals 	<ul style="list-style-type: none"> • Innovative and effective products • Ethical and sustainable products • Educational opportunities 	<p>We provide:</p> <ul style="list-style-type: none"> • high levels of technical support and educational training; • innovative and effective products supplemented by daily engagement with our people; and • utilisation of the Dechra Academy, our award winning online educational system, lunch and learns and technical support helpline. <p>We foster collaborative relationships with third party partners to drive mutual benefits for our respective businesses, and the animal health industry.</p>	 
Shareholders 	<ul style="list-style-type: none"> • Financial performance • Delivery of strategy • Environmental, Social and Governance performance 	<p>We provide monthly financial reporting and periodic sustainability data to our shareholders via a new governance structure implemented since the change to private ownership.</p>	   

Delivering On Our Purpose Through Engaging With Our Stakeholders continued

Stakeholder Group	What Matters To Them	How We Engage	Link To New Strategy
Suppliers 	<ul style="list-style-type: none"> Fair payment terms Long term relationships 	<p>We provide fair trading terms and seek to establish long term trading relationships.</p> <p>We engage regularly through one-to-one meetings, perform quality audits, due diligence, Anti-Bribery and Anti-Corruption training and via our third party code of conduct.</p>	 
Communities 	<ul style="list-style-type: none"> Prosperity within our communities Community projects and initiatives 	<p>We support and participate in community activities, projects and initiatives, financial and product donations and through the provision of development and educational opportunities to local people through employment.</p>	
Regulatory Authorities 	<ul style="list-style-type: none"> Safety Efficacy Responsible marketing for regulated pharmaceuticals 	<p>We provide regulatory training for employees.</p> <p>We engage with regulators via manufacturing facility inspections, market authorisation applications and Product Safety Update Reports (PSURs).</p>	  

Prioritising The Right Issues

We prioritise sustainability concerns relevant to our operations, enabling us to embed sustainability within our overarching strategy, manage business risks effectively, and ultimately generate mutual value for our Company and Stakeholders.



Our Assessment Process

In spring 2022, we conducted a materiality assessment to identify the most important sustainability topics to us as a business and to our stakeholders. The results shaped our existing Sustainability strategy, drove our engagement with stakeholders and helped us prioritise areas of focus, target setting and guide our reporting and disclosure.

In 2022, we performed additional desk based research from leading sustainability reporting frameworks and peers on those topics that were deemed to be important within our industry as well as obtaining feedback from investors and other stakeholders, including key management, on thematic sustainability topics. We surveyed 276 people from our six stakeholder groups and asked them to rank 31 sustainability topics in order of importance. The materiality assessment identified 11 topics.

Our focus has remained on these 11 topics which were deemed to be of most importance to our stakeholders. However, we acknowledge this assessment process was singular in nature, and that our business has continued to evolve in the time since it was performed.

In response to this, and as part of our planning to report under the requirements of the Corporate Sustainability Reporting Directive (CSRD) from the 2026 financial year, we have continued to engage with stakeholders and engaged a third party to assist with an in depth double materiality assessment. This will allow us to present a more detailed assessment of material topics applicable to us and we look forward to sharing the outcome of this work in our Sustainability Report next year.

Our Priority Issues

We are pleased with the progress we have made over the past 12 months on a number of our Making a Difference objectives. We are increasingly embedding sustainability in to the wider business strategy and this level of integration can be seen in initiatives from the last year that have made a positive contribution to more than one area of our Sustainability strategy.

Two such examples are shown below, where we have outlined their interaction with our sustainability pillars and topics.

Animal Health & Welfare

Our Purpose is the sustainable improvement of animal health and welfare globally. As such, the wellbeing of any animal used in the development of our products is always a top priority and we are committed to the responsible use and humane treatment of animals in all of our studies.

Equality In The Workplace

As a truly global business, we have an opportunity to harness the variety of skills, perspectives and experiences that our people can bring. This provides the opportunity to create positive outcomes for both the individuals who work for us, and the impact they can have on animal health.

For more information on each, please see the pages that follow.

Materiality In Action

Our Commitment To Animal Welfare

Animal research remains a vital component of the processes which lead to the development of products that save or improve animal lives throughout the world. It is also frequently required by regulatory authorities to ensure the quality, efficacy and safety of the products we develop. When we are required to conduct clinical studies to obtain product registrations, we take measures to ensure animals will be treated humanely with the greatest consideration given to their health and welfare whilst looking to meet the necessary scientific objectives.

To the extent it remains necessary to use animals in the development and evaluation of new animal health products, we embrace the principles known as the 3R's of animal research:

- **Replacement** of animal experiments with information that can be derived from in vitro systems, computer models or existing publications in an effort to limit the number of studies needed. We also look to leverage existing research from human health when exploring the possibility of applications in animal health, something particularly relevant for our traditional small molecule product pipeline.
- **Reduction** of the numbers of animals used in each study when animals must be used, and of the number of studies involving animals, to the absolute minimum necessary to obtain valid results and achieve our research objectives.
- **Refinement** of procedures involving animals to minimise the potential for pain and distress.

Governance

To maintain compliance with our code and country specific regulations, all studies conducted by or on behalf of Dechra must be reviewed by a panel of independent experts. This review can be carried by the animal facility's Institutional Animal Care and Use Committees (IACUCs), an external Ethical Review Board or Dechra's Animal Welfare Committee (AWC). The goal of Dechra's AWC is to provide ethical review of the small subset of studies not covered by external organisations.

Animal Welfare Committee

The primary responsibility of our Animal Welfare Committee is to review the protocols followed when we run clinical trials, to ensure that all aspects of the study that affect the animal have been robustly evaluated for proper ethical treatment and that, if applicable, owner interests have been addressed in the owner consent form. To achieve this, the Committee:

- protects animal welfare by providing ethical review of studies for best practices and appropriate ethical treatment;
- promotes awareness of animal welfare and subscribes to the guiding principles of 3R's (reduction, replacement, and refinement) whenever possible;
- assesses that animal risks are minimised and outweighed by the potential benefits of the study;
- reviews informed consent documents relating to clinical trials involving client owned animals, ensuring that the information provided fully outlines the nature, purpose and risks to the animal and is comprehensive and understandable to the owner;
- provides critical feedback by asking questions and freely communicating with the researchers; and
- is comprised of veterinary professionals, members educated in science and regulations, and member(s) that represent the public at large who ensure the research follows our position on animal welfare.

The Committee holds twice yearly meetings in which the Committee Members are required to attend at least one meeting in a 12 month period. Protocols are reviewed on a continuous basis throughout the year and a Committee Member is required to participate in those reviews on a rotational basis. All members of the Committee are required to attend an orientation session with additional sessions offered as needed and as different circumstances arise, to participate in training on Dechra's Animal Welfare Statements and to review any other guidance/resources that are provided and to participate in training on protocol review procedures.

Materiality In Action continued



Q&A With Group Development And Inclusion Director

Yvonne Thwaites
Group Development and Inclusion Director

Q Why has Dechra created this new role and what attracted you to it?

Dechra has always had a keen focus on developing our own talent. As we have grown to approximately 2,800 employees, it has become even more important to have a more aligned approach across the Group to deliver both personal and business growth. In particular, there is a growing need to focus more on the skills and ways of working needed in the future, not just today.

Making it easy for all to understand what is required from employees in their roles, and how they can develop to fulfil their career aspirations is even more important due to our size, geography, and broad range of skills across the organisation.

We also recognise the need to create an inclusive environment for all our colleagues, so they can realise their potential and feel treated with fairness and respect. We aim to leverage our global footprint and cultivate a workplace culture that embraces diversity in all its forms, promotes equal opportunities for all colleagues, and fosters an inclusive environment where everyone can thrive.

There are several factors that made the role attractive to me. Creating a fair learning culture accessible for all is a core personal value of mine. This was formed through my experiences growing up in South Africa when I witnessed first hand the value brought by a community weekend school for extra lessons for children in townships in the apartheid era, funded by sponsorship.

Seeing the individual growth that can result from giving equal access to opportunities was highly rewarding then, and still is now.

Q How important is fostering an inclusive business to Dechra?

We recognise that fostering a culture of diversity, equality, and inclusion (DE&I) is not only the right thing to do, but also essential for driving innovation, creativity, and business success.

We are committed to creating an environment where all colleagues feel valued, respected, and empowered to contribute their unique perspectives and talents. As we continue to grow, maintaining a sense of belonging for all will become increasingly important for our future success.

Q What is Dechra's strategy around DE&I?

Our DE&I strategy revolves around three central focus areas: how we attract, retain, and include people.

- **Recruitment and Talent Acquisition.** Finding different ways to attract a wider range of future colleagues and ensure that our practices reduce bias and are as objective as possible.
- **Development and Training.** Promoting awareness and knowledge, sharing of what it means to be inclusive, how we all have a part to play, and helping all employees to better understand how they are progressing on their personal career journey.
- **OneDechra Culture.** Ensuring our policies and practices align across the Group, leveraging our common values and Purpose

Across all of the above, we strive to actively recognise these behaviours when demonstrated, whilst empowering colleagues to challenge behaviours which are not in line with this ambition.

Providing Sustainable Products, Education And Technical Support



Our Business

Summary

Why It Matters:

We are a veterinary pharmaceutical company; our priority is the health and welfare of animals and everything we do is with this priority in mind.

Our Objectives:

- Develop and promote products to improve animal health and welfare sustainably
- Maintain and improve the knowledge and skills of veterinarians
- Act with honesty and integrity

Our Performance:

- 7.8% of revenue invested in R&D
- 85,865 of CPD hours provided globally
- Value chain sustainability assessment ongoing, with 77 entities assessed this year

Applicable UN SDGs



Develop And Promote Products To Improve Animal Health And Welfare Sustainably

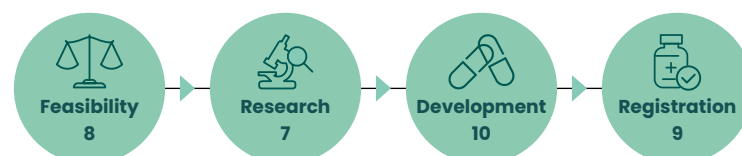
The development of innovative new products that sustainably improve animal health and welfare is closely aligned to our Purpose and fundamental to our future success. Our pipeline of products are targeted at providing veterinary professionals with solutions for their clinical needs, particularly with regards to unmet or under serviced cases seen in companion animals.

Delivering a strong and robust pipeline with a focus on novelty remains one of our strategic objectives, and our investment in R&D has increased significantly over the past two years. We spent £62.3 million this year, representing 7.8% of revenue, a record amount for Dechra. Most of this spend relates to the development of small molecules, many of which have already been developed for use in human health and for which we are now exploring possible applications in animals.

In December 2023, we acquired a 20% stake in 272Bio Limited, a business which develops biotherapeutics for livestock and companion animal disorders using innovative technologies.

We achieved a number of product approvals during the year, most notably a divisible Vetoryl tablet for the EU market and a Felimazole liquid. These new product registrations help to expand the reach of our portfolio to help treat even more animals worldwide.

After the financial year end, Dechra completed the largest transaction in its history with the acquisition of Invetx Inc, a Boston based biotechnology company specialising in long acting monoclonal antibodies (mAbs) for companion animals.

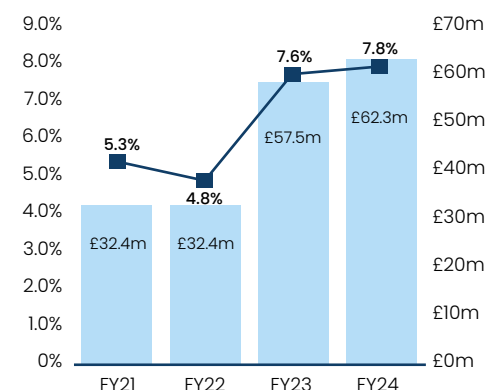


The acquisition underscores our ambition to be an innovation leader in companion animal health by securing a pipeline of innovative products in therapeutic areas such as atopic dermatitis and osteoarthritis, making them highly complementary to our existing portfolio. We are excited by the future potential of this pipeline and the new technology capability now at our disposal.

Maintain And Improve The Knowledge And Skills Of Veterinarians

Our relationship with veterinarians is crucial to our business. As such, we provide added value services in the form of educational programmes and technical support to maintain and improve the knowledge and skills of veterinarians who prescribe and use our products. These services are designed to be highly complementary to the broad range of products that we offer, and help us to become the partner of choice with veterinarians in the therapeutic areas in which we operate.

R&D Investment



Providing Sustainable Products, Education And Technical Support continued



Our Business

Educational Programmes

We deliver education through many channels, including conferences, practice meetings, lunch and learns, and our online digital e-learning environment, the Dechra Academy. Veterinary professionals are able to claim continuous professional development (CPD) (or continuous education (CE) in the US) points towards maintaining their qualifications by attending our events, making them highly attractive.

The Dechra Academy helps veterinary professionals across the globe to expand their knowledge and keep up-to-date with the latest thinking through completely free, engaging learning experiences. With over ten years of experience educating veterinary professionals, we are passionate and proud to provide reputable, modern learning resources which help veterinary professionals continuously evolve their knowledge. We organise a number of educational events and webinars throughout the year covering a range of therapeutic subject matters, for example dermatology and endocrinology, where we are regarded as the market leader.

We differentiate ourselves from our competitors by focusing on challenging and interactive educational experiences. Each Dechra market has its own tailored Academy with courses that are relevant to their veterinary professionals and, where possible, our educational resources are accredited by local professional and regulatory bodies.

We now have a total of 124,000 registered users (2023: 109,691) and 1,888 individual courses (2023: 945) on the Dechra Academy, which is available in 27 markets.

During the year, we provided 17,424 hours of CDP via our Dechra Academy and a further 72,441 hours of in-person training events.

Technical Support

We offer a wide range of products, including several that treat complex and less frequently occurring disorders such as Cushing's and Addison's disease, which can be treated through our products Vetoryl® and Zycortal® respectively. The provision of high quality technical support on these products is a service that the veterinarians truly value, evidenced by the sheer number of calls made to our technical support line last year.

Act With Honesty And Integrity

As part of our commitment to acting with honesty and integrity, we have pursued a number of initiatives geared toward building a clear picture of how we work with suppliers, partners and customers across our value chain.

The scope of this work is very broad, encompassing many different parts of the business such as:

- third party due diligence and compliance tools when onboarding new suppliers;
- engagement with veterinary customers on our respective sustainability ambitions during tender processes;
- integrating sustainability into product development stages;
- integrating responsible sourcing into CAPEX reviews; and
- working towards more strategic partnerships with third party CMOs.

Despite no longer being a listed business, we will remain transparent and are committed to continue the publication of an annual Sustainability Report. We have also implemented a new governance framework to support the delivery of our new Sustainability strategy. See page 41 for further details.

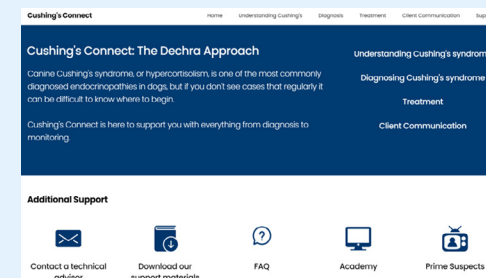
Case Study

Launch Of Connect

We are widely regarded as the experts in endocrinology, providing an extensive range of information to assist veterinarians in the diagnosis, treatment, and monitoring of endocrine diseases.

However, this information has traditionally been dispersed across multiple brochures, websites, and other materials and we were conscious that having information in different places makes it challenging for veterinarians to locate specific resources and doesn't provide the best customer experience.

In response to this, we were delighted this year to launch Cushing's Connect and Addison's Connect; our two new digital platforms specifically designed for veterinarians. These platforms serve as comprehensive consolidated information hubs for veterinarians in need of assistance with diagnosing and treating patients suffering from Cushing's or Addison's.



Enabling A More Resilient Planet



Our Environment

Summary

Why It Matters:

We recognise the importance of good environmental practise across our operations.

Our Objectives:

- Reduce GHG emissions and waste to landfill, use water responsibly and protect biodiversity
- Recover, reduce, recycle and reuse
- Implement sustainable packing and reduce plastic usage

Our Performance:

- SBTi approval of Scope 1, 2 & 3 near term, long term and net zero targets
- 23.3% reduction in carbon intensity ratio for Scope 3
- 42% waste recycled or reused

Applicable UN SDGs



The Global Challenge

As the world tackles the impacts of climate change, nature loss, macroeconomic crises and wars, companies face increasing pressure not just to commit to sustainability but to demonstrate real, measurable progress.

Businesses need to make rapid changes to the way they operate to restore the health of our planet. Only by working together and by taking a holistic approach can we secure a resilient future for all. We aspire to lead the animal health industry with our Sustainability strategy, strengthening the resilience of our business, the veterinary professionals and the animals and communities they serve, and the planet we all share.

The impacts of our business activities go beyond climate; as a pharmaceutical company we are dependent on the planet for raw materials and ecosystem services. That is why we are not only driving climate action but also looking to develop a nature strategy and manage raw material sustainably. We believe that such initiatives are not only the right thing to do for the planet, but also necessary for business resilience over the long term.

With innovative thinking and commitment to change, we can realise the best version of our business; successful, sustainable and prepared for the future.



Carbon Emission Disclosures

During the 2023 financial year, we concluded the comprehensive data collection (Scopes 1, 2 and 3) for our carbon footprint base year, which is the 2021 calendar year. This work expanded on our historical Scope 3 emissions disclosures by including data from across our supply chain. Dechra’s near term targets were then validated by the SBTi in October 2023 and our long term and net zero targets in May 2024.

Our Ambition

Overall Net Zero Target: We have committed to reach net-zero greenhouse gas emissions across the value chain by 2050 at the latest.

Near Term Targets: We have committed to:

- reduce absolute Scope 1 and 2 GHG emissions 42% by 2030 from a 2021 base year; and
- reduce Scope 3 GHG emissions 51.6% per GBP value added within the same time frame.

Long Term Targets: We have committed to:

- reduce absolute Scope 1 and 2 GHG emissions 90% by 2050 from a 2021 base year; and
- reduce Scope 3 GHG emissions 97% per GBP value added within the same time frame.

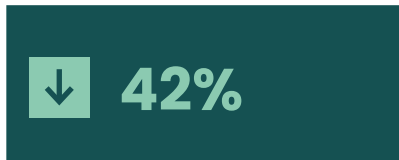
Science Based Target Initiative (SBTi)

Defines and promotes best practice in emissions reductions and net-zero targets in line with climate science.

SBTi is a partnership between CDP (formerly the Carbon Disclosure Project), the United Nations Global Compact, World Resources Institute (WRI), and the World Wide Fund for Nature (WWF).

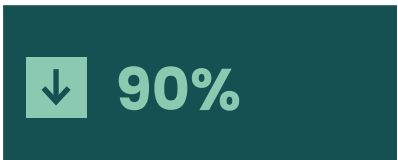


2030 Target



1.5°C
Paris Agreement Aligned

2050 Target



Absolute reduction of direct & indirect GHG emissions from our operations (Scopes 1 & 2)

Economic intensity reduction of GHG emissions in the value chain (Scope 3)

We signed up to 

Long term and net zero targets validated by SBTi on 28 May 2024 and near term targets validated on 17 October 2023



Science Based Targets

In the 2024 financial year, the methodology for data collation was optimised and calculation of carbon was transitioned to an auditable carbon calculation system. This has resulted in a variance from the previously published calculations, due to a change in carbon emission factors used and improvements to data collection methodology. During this process, we revealed that our baseline carbon footprint had increased by more than 5%, therefore we have taken the decision to resubmit our baseline and review our targets with SBTi. At this time we will also transition to financial year reporting, in order to align with future CSRD reporting requirements. We have summarised the variance between our original baseline and recalculated baseline in the below table; a detailed description of how calculations have been made can be found on our website.

	Previous Methodology 2021 (tCO ₂ e)	New Methodology 2021 (tCO ₂ e)	Variance %
Scope 1	5,987.51	10,221.37	71%
Scope 2	7,226.12	6,752.91	(7%)
Scope 3			
Cat 1: Purchased goods and services	102,124.25	75,712.53	(26%)
Cat 2: Capital goods	11,370.14	24,866.49	119%
Cat 3: Fuel and energy related activities	3,458.75	16,427.99	375%
Cat 4: Upstream distributions	13,651.24	12,614.04	(8%)
Cat 5: Waste in operations	525.85	47.02	(91%)
Cat 6: Business Travel	5,045.04	2,623.29	(48%)
Cat 7: Employee commuting	1,812.02	2,251.77	24%
Cat 9: Downstream distribution	4,594.78	7,361.62	60%
Cat 11: Use of sold products	0.02	12.1	56,177%
Cat 12: End of life sold products	516.04	9,458.54	1,733%
Total	156,311.76	168,349.67	8%

All the data from this point forward is using our new baseline and methodology.

Our Progress Over The Last Year

Unlike our Greenhouse Gas Emissions disclosed in the Annual Report of Dechra Topco Limited, the ultimate UK parent of the Dechra Group, the emissions below are shown for the calendar year. We have summarised the variance between our recalculated baseline 2021 Calendar Year and 2022 Calendar Year in the below table; a detailed description of how calculations have been made can be found on our website.

Market Based

Market based calculation uses both supplier specific emission factors and factors from emission factor libraries.

	2022	2021	Variance
Scope 1 (tonnes)	7,596	10,221	(26%)
Scope 2 (tonnes)	6,166	6,753	(9%)
Scope 3 (tonnes)	132,504	151,375	(12%)
Total Carbon footprint (tonnes of CO₂e)	146,266	168,350	(13%)
Scope 3 Intensity Ratio (per £million value added)	319.0	416.0	23.3%

The table above shows that our footprint is dominated by Scope 3 (indirect value chain emission) with Scope 1 and 2 combined only accounting for 9.4% (13.8 ktCO₂e) of the footprint. Natural gas combustion for manufacturing and warehousing is the major source for direct emissions (natural gas accounts for 6,388 of Scope 1 emissions, being 4.3% of the total footprint).

Enabling A More Resilient Planet continued



Our Environment

Scope 2 (indirect emissions associated with generated electricity and purchased heat and steam) accounts for 4.2% of the total footprint.

Scope 3 includes 15 categories, of which 11 categories are material to Dechra. Due to the indirect nature of Scope 3 emissions and the variety of the emissions sources, our footprint calculations include both collected primary data and applied relevant data with verified emission factors. We will continue to improve the accuracy and completeness of our calculations as we proceed with our road map.

The main contributors to Scope 3 emissions are purchased goods and services, upstream and downstream distribution, acquisition of capital goods and end of life of sold products.

	2021 % of Total	2021 Emissions (tCO ₂ e)	2022 % of Total	2022 Emissions (tCO ₂ e)
Scope 1	6.07	10,221	5.19	7,596
Scope 2	4.01	6,753	4.22	6,166
Cat 1 - Purchased goods and services	44.97	75,713	37.25	54,490
Cat 2 - Capital goods	14.77	24,866	11.58	16,936
Cat 3 - Fuel and energy related activities	9.76	16,427	9.36	13,696
Cat 4 - Upstream distributions	7.49	12,614	18.89	27,633
Cat 5 - Waste in operations	0.03	47.02	0.09	127
Cat 6 - Business Travel	1.56	2,623	2.49	3,640
Cat 7 - Employee commuting	1.34	2,252	1.43	2,087
Cat 9 - Downstream distribution	4.37	7,362	3.40	4,971
Cat 11 - Use of sold products	0.01	12.1	0.24	354
Cat 12 - End of life sold products	5.62	9,459	5.87	8,579
Cat 15 - Investments	0	0	0	0

Location Based

The location based calculation method takes into consideration the national average mix of energy sources available in the countries we operate in.

	2022	2021	Variance
Scope 1 (tonnes)	7,596	10,221	(26%)
Scope 2 (tonnes)	4,413	4,341	2%
Scope 3 (tonnes)	132,504	151,375	(12%)
Total Carbon footprint (tonnes of CO₂e)	144,513	165,937	(13%)
Scope 3 Intensity Ratio (per £ million value added)	319.0	416.0	23.3%



Our Approach To Deliver On Our Ambitious Science Based Targets

Our decarbonisation pathway outlines the main actions we are working on to reduce our emissions:

Scope 1:

1. Improve energy efficiency and improve technology development.
2. Electrification of heating and steam systems.

Scope 2:

1. Improve energy efficiency.
2. Investment in decentralised energy systems.
3. Switch to renewable electricity, by purchasing renewable electricity from the grid.

Scope 3:

1. Supplier engagement, to address emissions originating from the goods and services that we purchase.
2. Driving general change of packaging and promoting circularity.

These actions can be divided into five categories:

1. Energy Efficiency And Renewable Energy

Improving energy efficiency across our operations is one of the foundations of our energy strategy. We must continuously find ways to produce more efficiently to counter the emissions arising from growing production. To drive efficiency, sustainability is embedded throughout the organisation, from management to operators. Best practices are shared between our sites and departments.

Increasing the share of renewable electricity is another critical lever to combat our Scope 2 emissions (purchased electricity). We have already made considerable progress on decentralise renewable energy in our manufacturing sites such as Zagreb in Croatia, Skipton in UK, Bladel in Netherlands, and Somersby in Australia where solar panels have been installed and generate electricity for the facilities. Our Zagreb team is also actively working towards implementation of a geothermal system (see page 25). In addition, of our purchased electricity we have sourced 61.8% from certified renewable sources.

2. Packaging And Eco Design

Our objective is to implement sustainable packaging and decrease plastic usage. However, any changes to the packaging of pharmaceutical products are complex as packaging is a key component in protecting the quality of our products and primary packaging requires regulatory approval. The registration process can require many years of testing and submissions. In some instances, sustainable packaging that satisfies quality and safety requirements is not

yet available. Therefore, we have decided to concentrate our attentions on secondary and tertiary packaging, with specific focus to replace plastic with more sustainable material.

To support our work towards eco design, we have integrated sustainability considerations into all new packaging designs. We have implemented a packaging assessment tool to drive sustainable innovation and implement improvements. This tool provides access to robust environmental data, supporting our departments to make smarter and more resilient design decisions.

3. Supplier Engagement

37.3% of our footprint comes from our suppliers through the purchase of raw materials, CMO's and packaging.

The science-based targets with their comprehensive outlook on the entire value chain are influential in building impactful collective climate action. To reduce the emissions related to our contract manufacturing organisations (CMOs), Dechra has committed to sourcing 75% of all outside manufactured volumes from CMOs who have signed up for SBT by the 2030 financial year.

Additionally, we are aligning our sustainability and procurement strategies by integrating new processes and upskilling personnel. During the 2024 financial year, we have rolled out the implementation of our third party risk management platform across the whole of Dechra. The platform combines automated, standardised vendor assessment capabilities with continuous risk monitoring, and enables Dechra to assess its suppliers sustainability credentials.

Enabling A More Resilient Planet continued



Our Environment

4. Transportation Optimisation

The amount of greenhouse gases produced by freight transport is 18.9% of our footprint. Distribution by trucks (ambient & refrigerated) are the highest contributor, followed by air transportation. Normally, road transport emits thirty times more CO₂ per tonne-kilometre than rail or sea transportation.

We are implementing procedures to, where possible, replace air transportation with sea transportation. However, whether we use air or sea transportation, we still require road freight to transport goods to and from the port or place of departure, or even to distribute products to their final destination. Therefore, we need to address the greenhouse gas emission of road transportations, and are considering decreasing transportation emissions by:

- optimising loading using vehicles suitable for standardised pallets and preferably double stacking;
- maximising the loading space by utilising the whole truck and minimising empty runs or half empty trucks;
- changing to sustainable fuels, to reduce tailpipe emissions;
- going electric, for shorter hauls and when made available for long hauls; and
- using smarter deliver and order patterns, minimising the actual distance of transportation of products.

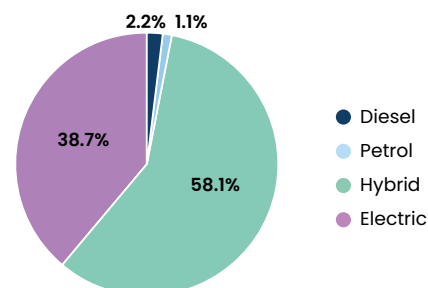
We are in the beginning of the decarbonisation journey, and by working with our supply chain partners we aim to optimise and improve our logistics operations with the overall objective to identify and utilise zero-emission freight solutions.

5. Transition To Leased Electric Vehicles by 2030

Vehicle emissions are currently one of the main contributors to air pollution and pipe tail emissions. Switching to electric vehicles can have an impact on reducing our corporate carbon footprint. Dechra has set a goal for transition to electric vehicles by 2030.

In the UK, which is one of our largest fleets of Company vehicles, 38.7% are electric, 58.1% are hybrid, 1.1% are petrol and 2.2% are diesel.

UK Car Data



SBTi Beyond The Value Chain Mitigation

We believe that companies' climate actions should go beyond their science-based emission reduction targets and in addition support other economic and social factors to mitigate emissions. In our 2023 Annual Report and Sustainability Report, we disclosed that we would be investing in AgCoTech, an Australian company which provides practical help to livestock owners in developing countries. In July 2023, we provided the first half of a AUD 6.0 million loan, which is repayable, following a one year

holiday period, over a six year period in the form of verified carbon credits. The second half of the loan was provided in July 2024. In addition, in March 2024, we entered into a shareholder agreement for 5% minority interest holding in return for the investment.

AgCoTech has developed proprietary methane reducing feed supplement technology. AgCoTech's patented products improve the animal's digestion of poor quality feeds and enhances the animals' immune system leading to better health and welfare outcomes. The methane abatement lick blocks are estimated to generate up to 800kgs of CO₂e reduction, per block, per mature large cattle unit. The impact of the AgCoTech goes beyond methane emission mitigation, it also is in line with the UN sustainability developing goals (SDGs). The AgCoTech project supports the local community by offering local employment opportunities, engage local suppliers, and reinforce gender equality in the manufacture of the blocks as well in the agriculture hubs which helps lift poverty and increases people's health and wellbeing.

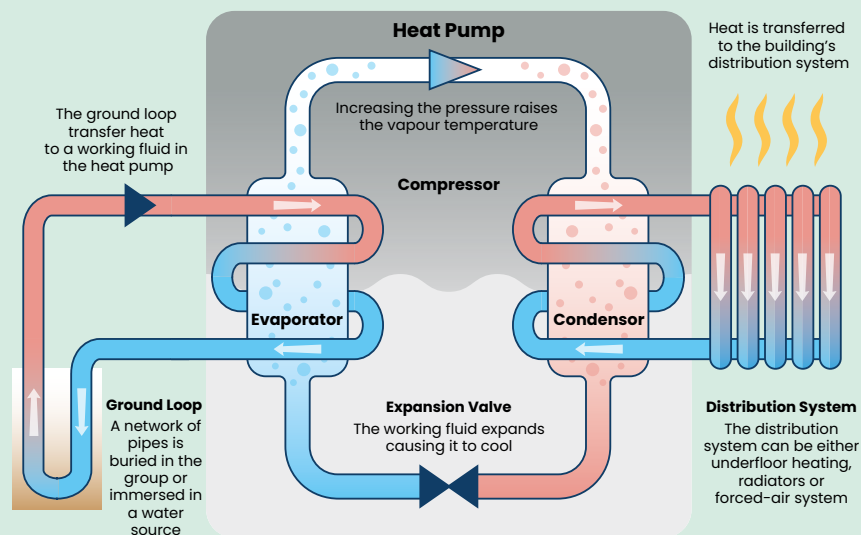
The funding has been used in the AgCoTech project in Lao PDR. Lao PDR has a low ability to adapt to climate change because of its poor socioeconomic development and is highly affected by natural hazards events. AgCoTech are uniquely positioned to create measurable change, our funding is being used to provide free of charge innovative technology that reduces methane emissions and enable small holder farmers to produce more for their families and communities. The 2024 financial funding has contributed to 1000 tons of methane reduction and a range of benefits for the small holder farmers and village communities.



Case Study

Reduction Of Energy Consumption At Zagreb

The Zagreb manufacturing site has the highest energy consumption across the Dechra Group and in the 2024 financial year accounted for 54% of all energy used across the business (2023: 55%). The high energy demand is linked to the volumes and range of products manufactured at the site including Mepron, which the site reports uses 70% of site gas and 40% of site electricity. The team at Zagreb have already made many improvements to make the site more sustainable, and received accreditation to ISO 50001, the international standard for Energy Management, in 2021. This energy management framework outlines the best way to achieve energy efficiency and reduce carbon emissions and directs the site to monitor and set in place energy performance indicators, set targets for reduction and continually improve their overall energy efficiency.



Since accreditation, the site has implemented the following project with the aim of reducing energy consumption and its carbon footprint:

- Solar power plant 1.5 MW integrated on existing roofs (25% of site electricity needs).
- Cooling water recirculation (100,000 m³/year water savings).
- Internal street lightning lamps replacement with programmable LED (92,000 kWh/year savings).
- Relocation of the main compressed air station (520 m close to main consumer, 285,000 kWh/year electricity savings).
- Autonomous heating/cooling system with heat pump for object 40 (Zero CO₂ emission).
- Economisers for preheating of steam boilers feed water (55,000 m³/year natural gas savings).
- Total consumption of electricity is from renewable sources.

In addition, there has been a greater focus on sustainability awareness which includes training in relation responsible energy consumption for all employees, and the establishment of the Sustainability Champions working group. Representatives across all functions were appointed and given the task of collecting information, providing proposals and reporting issues in relation to the use of energy. The representatives enter data into a central database and the results are presented at the group's weekly meetings, including the impact of corrective actions. The Sustainability Champions present the results to their respective departments with an emphasis on the lesson learned principle.

Future reduction plans for the next financial year include:

- geothermal resources project (predictable 9.7 MWh/year, 50% natural gas savings);
- ground mounted 2 MW solar power plant (additional 30% of site electricity needs);
- automated plant for pharma PW production (12,000 m³/year potable water savings);
- autonomous heating/cooling system with heat pump for administrative offices (Zero CO₂ emission); and
- optimisation of HVAC systems operations (50,000kWh/year electricity savings).



Case Study

Refrigerant Gas Loss Reduction

Refrigerant gas losses contributed 21% of all Scope 1 emissions (1,476 tonnes) in the 2021 financial year, with the Londrina site in Brazil accounting for 86% of this total. The Londrina site uses equipment containing refrigerant gases to control the temperature of the working environment and for process cooling applications in vaccine production.

Since the 2021 financial year, the site has implemented a loss reduction programme consisting of improved maintenance of all cooling equipment, including the lyophilisation (freeze drying) plant which uses the refrigerant gas R404A to achieve the correct process temperatures to desiccate the vaccines. Through improved equipment management, the site has reduced refrigerant gas losses from the freeze-drying process by 93% to 16.6 kg, saving 237.8kg R404A over the two year period. This is equivalent to a CO₂e saving of 932.6 tonnes, or 15.7% of Dechra's total Scope 1 emissions globally in the 2023 financial year.

The Londrina site has made further improvements by switching one of the refrigerant gases (R-404A), which has a gross warming potential (GWP) of 3922 per kg, to the less damaging R-452A, which has a GWP of 2141 per kg. Switching to R-452A led to a 54% reduction in direct emissions from the site. Additionally, the site reduced the refrigerant charge in the equipment by 7%, decreasing from 23 kilograms to 21.4 kilograms, and the adjustments and load balancing led to a 13% reduction in energy consumption. The Londrina maintenance team are preparing a further two circuits of the freeze dryer to undergo the same operational reconfiguration.

Globally, through improved equipment maintenance and reporting of refrigerant gas losses, Dechra has globally reduced total refrigerant gas losses by 51.5% from 110.06 kg in 2023 financial year to 53.37 kg in 2024 financial year. This is equivalent to a reduction of 95.64 tonnes of CO₂e or 1.6% of the total CO₂ Scope 1 emissions.

Case Study

Water Stress

Water plays a crucial role in our pharmaceutical operations, as it is extensively used in the manufacturing process of our medicines. Although the overall water usage in our industry is relatively low compared to other sectors, the quality of water we employ is of utmost importance to our business. We utilise highly purified water in production of medicines, and also to clean and prepare equipment between batches/processes within our production facilities. Moreover, in specific locations, water is also utilised for cooling purposes. Additionally, smaller volumes of this good quality water are subjected to further purification to ensure its suitability for use in medical and hygiene products.

Water use is a key environmental measure within Manufacturing and the sites aim to use water responsibly so that usage does not negatively affect the communities where they operate by diminishing the supplies of clean water or degrading the quality of that water. Dechra has a target to maintain our water usage levels below a 2021 baseline and despite an expected growth in manufacturing, this target has been met for the third consecutive year.

During the 2023 financial, following an informal survey in the 2022 financial year, we undertook a more detailed review using WWF Risk Filter Suite, an online tool designed to assess water related risks and evaluates risks like physical, regulatory, and reputational ones tied to water resources. In order to assess the water stress a Water Risk Assessment was initiated this is a systematic evaluation of the potential risks related to water availability, quality, and usage associated with the facilities. This aims to identify and understand the water related challenges that the sites might face and help develop strategies to manage and mitigate risk. As part of this work, we have identified four sites (Pomona, Fort Worth, Bladel and Somersby) in water stress areas and we are conducting detailed water efficiency assessments at all sites and implemented water efficiency projects such as rain water harvesting, upgrading equipment and infrastructure to reduce water requirements.

Enabling A More Resilient Planet continued

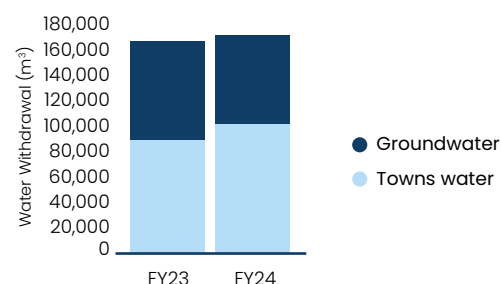


Our Environment

Water

The vital role of water in all aspects of our lives and growing concerns over scarcity and quality have increasingly highlighted the need for sustainable water management. Water use is a key environmental measure within Manufacturing and the sites aim to use water responsibly so that usage does not negatively affect the communities where they operate by diminishing the supplies of clean water or degrading the quality of that water. Water is withdrawn from two main sources across our manufacturing sites and is further purified on the sites if required. Water withdrawal across manufacturing increased by 2.7% in 2024 financial year.

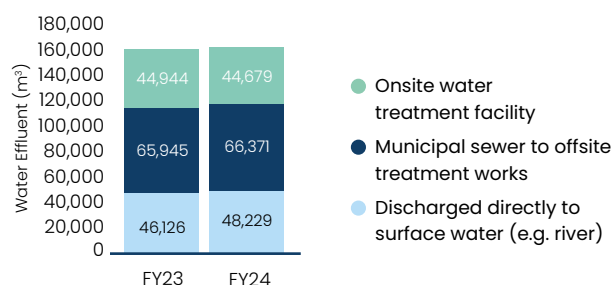
Water Withdrawal Source (all in-house manufacturing sites)



During the 2022 financial year Zagreb installed a cooling water recirculation loop which achieved a 10% reduction in water withdrawal. The Zagreb site has continued to reduce water withdrawal, representing 68% reduction since the 2021 financial year (265,556m³ FY21 vs 86,248m³ FY24). California is the second largest user of water across the Group and the site increased its water withdrawal by 104% (12,254m³) due to activities related to start up periods and tests in the Cephazone plant. The Florida manufacturing site, which was closed in August 2024, increased its water withdrawal by 41% (2,223 m³) due to installation of new liquids facility and

ultimate decommissioning works. Skipton water withdrawal increased by 96% (2,204m³) and was attributed to the installation and validation of a new WFI system requiring large amounts of water to commission.

Water Effluent (by discharge route)



At manufacturing sites, any contaminated water generated throughout the production process is disposed of as process effluent. Any wastewater with the potential to adversely impact the sewer and treatment system must be appropriately managed, controlled and treated prior to release. For Dechra manufacturing sites, this includes all water used for cleaning purposes.

In accordance with GMP requirements to prevent cross contamination and to enable product reconciliation, used process equipment is generally drained, vacuumed or wiped clean prior to being washed. This reduces contamination washed to the effluent stream.

In the 2024 financial year 56% of effluent was discharged directly to surface water e.g. river. This was exclusively from the Zagreb site who previously abstracted ground water for equipment cooling and discharged this water back to the receiving water course. This effluent stream has reduced significantly as the site has completed the project to recirculate cooling water rather than abstracting fresh groundwater for equipment cooling.

For contaminated water, the most frequent route of disposal for wastewater is directly to the municipal sewer for off-site effluent treatment, with the exception of the two sites:

- Zagreb – onsite effluent treatment (balancing and settlement of solids) before discharge to controlled waters.
- Londrina – onsite aerobic treatment plant with onward disposal to municipal sewer.

Seven of the eight manufacturing sites are required to have a permit or licence to discharge effluent to the environment.

Waste

Total waste includes waste from all activities across Dechra therefore can fluctuate according to production volumes, project activities and obsolete stock/ packaging material clearances. Our goal is therefore to make responsible decisions to minimise waste and reduce the environmental impact of treatment/disposal, while continuing to support the efficient management, development and growth of the business.

For this reason, we have selected three indicators for waste which we aim to improve:

- % of hazardous waste generated;
- % waste which is reused, recycled or recovered; and
- Zero waste to landfill.

Waste volumes are reported for our Manufacturing and Logistics sites only, with offices benefiting from recycling schemes if available locally but not currently included in overall waste totals.

Our Group Waste Minimisation and Management standard implements the hierarchy for waste principles and encourages sites to select waste options which are higher on the waste hierarchy (avoiding landfill or incineration with no energy recovery) and to monitor waste volumes regularly.

Enabling A More Resilient Planet continued

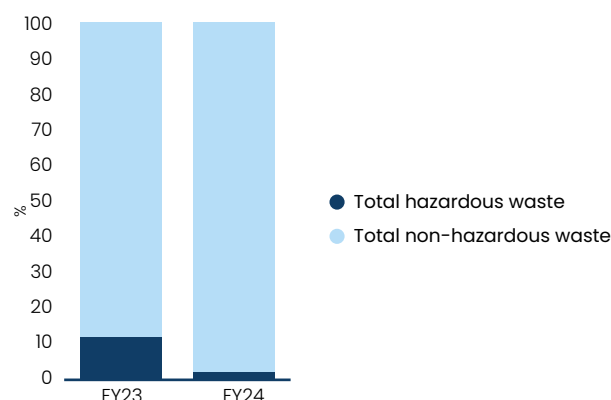


Our Environment

Waste contaminated with pharmaceutical products is very often classified as hazardous waste. Waste management for Manufacturing and Logistics facilities must be carefully controlled to ensure that any hazardous substances, or contaminated materials are disposed of correctly. Hazardous and non-hazardous waste must be segregated to reduce the total volumes of hazardous waste (not bulking it up) and to maximise opportunities to recycle or recover non-hazardous waste.

The total volumes of hazardous and non-hazardous waste (excluding Construction and Project waste) are shown below, also showing the percentage of hazardous to non-hazardous waste generated.

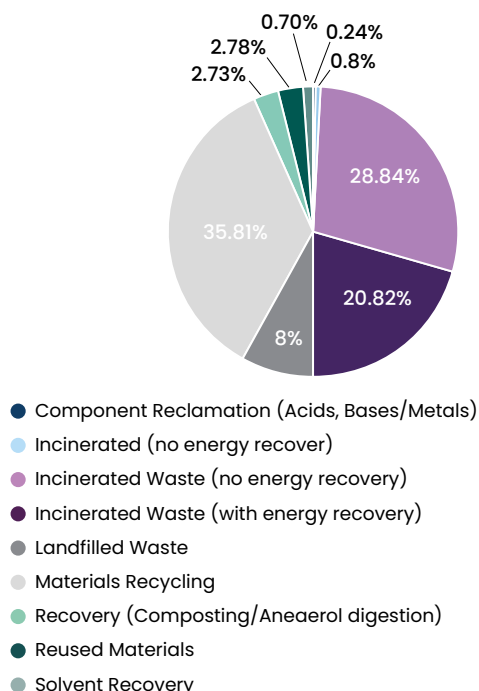
Hazardous Waste Volumes



There has been a steady decline in hazardous waste volumes over the previous three years, largely due to improved segregation of hazardous and non-hazardous waste and more accurate classification of waste for disposal. In the 2024 financial year hazardous waste volumes decreased by 12,763 kgs (24%) compared to the 2023 financial year. The overall % of hazardous waste reduced

to 20% of Total Waste (2023: 23%). In manufacturing sites, hazardous waste is generated from general production and laboratory analysis waste, whereas in Warehousing most hazardous waste is associated with stock write offs.

Waste Fate



The fate of waste significantly influences the environmental impact. For waste that cannot be eliminated at source, Dechra has set a strategic goal to achieve zero waste to landfill, therefore reuse, recycling or recovery are selected where these are available. Our approach to responsible waste management is formalised in a Group HSE

Standard, and requires sites to follow the Waste Hierarchy when making decisions about waste disposal. Waste is categorised according to the EU Waste Directive 'List of Wastes', including the definitions for the environmental fate of the waste.

In the 2024 financial year the total volume of waste (excluding construction and project waste) was 1% higher than 2023. In the 2024 financial year the manufacturing sites were targeted to increase the amount of waste reused and recycled, improving this to 42% (2023: 39%). Recovery of waste (composting/reclamation/solvent recovery and energy from waste) decreased to 40% (2023: 47%), energy from waste recovery has also reduced by 19% tonnes as more materials have been segregated for reuse and recycling.

When Construction and Project waste is included in the total waste generated, reuse/recycling rate increases from 42% to 59%. When recovery is also included the total waste recovery, the total recycle/reuse/recover rate is 85%, demonstrating increased focus on segregating waste and managing it to an appropriate destination to allow for recovery of resources.

Sites contributing to the volume of waste within Dechra which was disposed of to landfill were asked to seek ways to reduce this using the Waste Hierarchy principles to reduce waste at source, reuse and recycle more or seek better alternatives for waste treatment. The overall percentage of total waste for disposal reduced to 15% (2023: 7.5%). However, for landfilled waste, the percentage of total waste disposed of in this way increased to 11% (2023: 5%). This increase was primarily due to a one-off disposal of packaging material sent to landfill by our California site. During the year, the most improved sites were Fort Worth, Texas and Melbourne, Florida, who in addition to more accurately weighing and reporting waste, diverted waste from landfill by recycling more.



Deforestation And Biodiversity

Biodiversity is a key indicator of the health of an ecosystem. We are losing biodiversity at an alarming rate. Forests are home to plant species and terrestrial wildlife. As such, responsible forestry is a fundamental tool to tackle biodiversity loss and safeguard our planet for future generations.

Deforestation has an incredible effect on the biosphere. It leads to carbon emissions, changes in water, damage of habitat, and biodiversity loss. Deforestation is a particular concern in tropical rain forests because these forests are home to much of the world's biodiversity.

We have set an ambitious goal of sourcing 100% of our paper and wood from the Forest Stewardship Council (FSC) certified suppliers. The FSC certification is crucial as it ensures that products come from responsibly managed forests, promoting biodiversity, environmental protection, fair labour practices and the rights of indigenous people.

We have made considerable progress in the 2024 financial year, reaching 87% FSC sourced paper (excluding California, as data was not available) (2023: 66%). In addition, we have prioritised resource efficiency by using second-hand or reused pallets, further minimising our environmental impact.

As we move forward, our commitment to achieving 100% FSC sourced materials remains unwavering, and we will continue to explore innovative solutions and partnerships to ensure we reach this important milestone in our sustainability journey.

Pharmaceuticals In The Environment

Dechra recognises the potential environmental impact of Pharmaceuticals in the Environment (PiE). Pharmaceuticals can enter the environment through various pathways, including during production, use, and improper disposal. Even at low concentrations, we understand that active pharmaceutical ingredients (APIs) can potentially affect aquatic ecosystems and biodiversity.

Dechra is committed to addressing these risks through responsible manufacturing, product stewardship, and waste management practices. Our approach to managing PiE includes:

- **Sustainable Product Use:** We promote the responsible use of antibiotics and educate customers on proper practices to minimise environmental impact.
- **Waste Disposal:** All API contaminated manufacturing waste is classified as hazardous and safely disposed of via incineration.
- **Wastewater Management:** We have implemented procedures in our facilities to minimise the presence of residual APIs and other substances before cleaning and discharge into wastewater systems.
- **Environmental Impact Assessments:** We conduct assessments to evaluate the potential environmental risks of our products, focusing on both their manufacture and their potential impact on receiving water bodies.

To assess the environmental risk of our pharmaceutical products, we calculate the Predicted Environmental Concentration (PEC), estimating the substance's concentration in the environment based on use and process losses. We compare this to the Predicted No Effect Concentration (PNEC); the concentration below which no adverse effects are expected in ecosystems. The ratio of PEC to PNEC provides a risk value:

- If PEC is lower than PNEC, the environmental risk is considered low.
- If PEC exceeds PNEC, the risk to the environment is significant, and further actions are required.

This methodology enables a thorough assessment of the environmental risks of our products, safeguarding ecosystems. Our process follows the guidelines set forth in the Responsible Manufacturing Effluent Management – Technical Guidance Document.

All Dechra manufacturing sites have determined the PEC/PNEC ratio for all APIs used on site, and ongoing work continues to monitor concentrations in the environment. This includes efforts to refine data collection and implement further mitigation measures to reduce residual losses and environmental exposure.

Plastic Stewardship

Packaging is a key component of Dechra's value chain in order to protect the quality of our products from a legal, regulatory and customer perspective. We use a variety of materials in packaging including paper, cardboard, aluminium, plastic, and glass. Plastics are used in range of packaging including blister packs and bottles, of which an element of our blister packs contain PVC plastics.

As a responsible company we aim to change how we design, use, and reuse plastics. We do not believe that plastic recycling is the solution, as it is emissions-intensive; and recycled plastic is more toxic than virgin plastic and can only be recycled a few times.

Dechra has a plastic leakage target to review our product portfolio by June 2025. During the 2024 financial year we have made good progress in understanding our plastic usage, by identifying the types of plastic used in our products as well as the volumes. The next step is to apply credible plastic accounting metrics to determine our plastic footprint which will be followed by the identification and implementation of possible mitigation activities within our value chain.

Further reduction of plastics include redesigning and transferring to new material alternatives, phasing out the most polluting types of plastics and using mono plastics that are recyclable are being considered.

Supporting The Wellbeing And Development Of Employees



Our People

Summary

Why It Matters:

Our people are our greatest asset. We aim to be a purpose led business driven by high performing and committed teams.

Our Objectives:

- Comply with national legal requirements regarding wages and working hours
- Reinforce health and safety practices with a culture of zero harm
- Eliminate the gender pay gap

Our Performance:

- Maintained the Living Wage or equivalent globally
- 13 Lost Time Accidents
- Gender pay gap at 9.6% in Dechra Limited

Applicable UN SDGs



Overview

We employ 2,669 employees in 27 countries in manufacturing, logistics, laboratories, offices as well as mobile working. At Dechra, we acknowledge that our people are our greatest asset and know that an inclusive culture is beneficial for our business performance. We are committed to the following focus areas:

- **Culture And Values:** strengthening and communicating the Dechra Culture and striving to ensure our Values encompass our business ethics and standards (see page 04);
- **Talent Management And Engagement:** attracting, retaining and developing talent to build and maintain a top quality team (see pages 16 and 34);
- **Diversity And Inclusion:** valuing the difference and diversity of people, recognising that their skills and abilities are strengths that can help us to achieve our best (see page 16);
- **Fair Employment Practices:** complying with national legal requirements regarding wages and working hours (see page 31); and
- **Safe Working Practices:** reinforcing a strong culture of health and safety, within a zero harm environment (see pages 31 to 33).



Supporting The Wellbeing And Development Of Employees continued



Our People

Fair Employment Practices

We are committed to fair employment practices and comply with national legal requirements regarding wages and working hours. In the UK, only one of our subsidiaries, Dechra Limited, is required to report under Gender Pay Gap regulations, and we are pleased to report that our gender pay median gap has reduced from 17.7% in 2017 to 9.6% in 2023. However, this is slightly above the UK national average of 7.7%. The gap remains largely driven by more males occupying the higher paid, technical or senior positions, predominately within the manufacturing division and a large proportion of the female workers occupying the lower paid, manufacturing positions. We remain focussed in our efforts to attract women into the upper quartiles of the pay distributions. However, in the last 24 months we have witnessed significant growth within our Manufacturing and Supply division, which has resulted in the introduction of some new, senior, higher paid roles which have been filled by men. Over the last 12 months:

- we continue to focus on the development of our teams and continue to see internal candidates receive promotions rather than recruiting externally. We have introduced essential leadership training for our managers to ensure they have the tools and skills to both succeed within their roles, but also identify and nurture talent within their teams. We successfully trialled and implemented a reduced working week with no impact to pay at our Skipton Manufacturing facility. The 9 day fortnight has had great feedback and engagement from our employees, giving them a better work life balance. We believe this is a positive step forward not only for our employees but as a recruitment and retention tool in a competitive labour market;
- we continue to maintain our Real Living Wage accreditation and prioritised our lower quartile earners in our pay review. This was to try and mitigate the impact of the increase cost of living for our lower earners; and

- our works council remains embedded across the business, ensuring the employee voice is heard, especially from our front line employees. The works council played a key role in the consultation and implementation of the nine day fortnight generating innovative ideas and ensuring effective communications of any updates. As well as works councils, more cross functional project groups are being developed to share ways of working and experiences. We have increased the number of collective workforce townhalls where we are able to listen to employee feedback and react and respond at a better pace.

Since 1 January 2021, our lowest paid workers globally have been paid the Living Wage or where there is no equivalent we have either used the OECD formulation, or paid at least twice the local/federal minimum wage. Furthermore, we have increased our employer pension contribution to 12% with effect from July 2023 in the UK for anyone with over five years of service.

Safe Working Practices

We believe that work related injuries and ill health are preventable and that all employees have the right to work in safe and healthy conditions. Achieving a mature culture of Health and Safety across our business requires strong leadership. Our Group Health, Safety and Wellbeing Committee (HSW Committee) meets quarterly and was chaired during the 2024 financial year by Paul Sandland, the nominated Director responsible for health, safety and environmental matters, who is supported by the Group HSE Director. Committee members include members of our Senior Executive Team and other senior leaders from across the whole organisation who together monitor that risks are identified and controlled, so that all workers are protected to the same safe standard regardless of their role or geographical location. The core responsibility of the HSW Committee is to promote a strong culture of Health and

Safety through the development of Strategies and Policies related to Health, Safety and Wellbeing.

Behavioural Safety

The B-Safe programme of safety walks and observations for leaders continues to be the main way in which regular safety conversations occur involving managers and employees. This focus on behavioural safety is critical to meet our Zero Harm goal. During the year:

- a further 70 plus Line Managers trained at Zagreb, Croatia and Uldum, Denmark;
- 998 hours of B-Safe walks were conducted (2023: 408); and
- the ratio of safe acts to unsafe acts was 7:1 (2023: 6.5:1) marking the shift in conversations from negative to positive. When an unsafe act is observed this is immediately discussed with the employee and actions agreed.

In addition to the high number of B-Safe observation reports, hazard reporting in the 2024 financial year increased by 30% with 3,672 hazards reported (2023: 2827), which is a positive indicator of the level of proactive safe activity which B-Safe walks are encouraging.

High Level Risk Assessments

The high level risk assessment is overseen by the Health, Safety and Wellbeing Committee, who review the significant risks across the organisation. The risk profile has continued to be reviewed quarterly and was last updated July 2024. The remaining high risk activity, relating to mobile workers (infrequent farm activities) where Dechra is not in control of the working environment, was evaluated with Dechra employees at a Texas facility in October 2023. This activity was reduced to low risk based on observation and commentary from employees.

Supporting The Wellbeing And Development Of Employees continued



Our People

Lost Time Accidents (LTAs)

Our approach is to reinforce a strong culture of health and safety within a zero harm environment therefore we report all accidents which keep people away from work even for one day. This is our lost time accident frequency rate (AFR) expressed per 100,000 hours worked. In the 2024 financial year, we have experienced 13 LTAs resulting in an AFR of 0.28 compared to 0.41 last year (17 accidents). Twelve of these accidents occurred within our manufacturing sites, with six of the accidents occurring in Pomona, California and Zagreb, Croatia. Seven of these accidents (2023: 10) were influenced by unsafe behaviours and this will continue to be addressed throughout the coming year through the continued delivery of our B-Safe behavioural safety programme for leaders. In addition, there were two contractor accidents reported (2023: 4 accidents), one in Uldum and one in Brazil. There were no fatalities (employees or contractors). The Permit to Work system is being implemented by all sites under the coordination of the Group Engineering Community of Practice. This permit system includes live compliance checks which must be carried out during the works, to ensure contractors are adhering to all permit controls. A new Contractor Safety Induction video has been filmed for manufacturing sites which must be completed by all contractors. The video informs all contractors of our controls and expectations ahead of visiting our sites. By providing clear instructions, in addition to fulfilling our Health and Safety Policy Commitment to safeguard the health, safety and wellbeing of all employees, contractors and visitors working at Dechra, we are also aiming to move closer to our Zero Harm goal. This is currently being implemented across sites. Our onboarding Compliance evaluation system has been launched and it included an evaluation of the safety competence of high risk 'suppliers' before they are engaged.

THRIVE

The THRIVE programme has 14 foundation elements which we believe are essential for employee wellbeing and we aim to have in place in all countries. An audit was conducted in first half of the 2024 financial year to determine how well the programme has been embedded, which provided an average compliance score of 91%.

Our team of THRIVE Champions has increased to more than 30 employees, who meet quarterly (or more frequently for local teams), to make THRIVE feel more connected into each country/function through local interpretation and communication of our central campaigns. Champions help the Global Digital Team with local communications as they are more familiar with what may work at their site/for different roles. In the 2024 financial year the Champion team developed safe walking routes at 14 Dechra locations to promote physical activity away from desk based roles. These can be used for breaks but employees are also encouraged to consider these routes when planning meetings that do not have to be in a static location.



Compliance

The Red-Online HSE legal compliance service was implemented across Manufacturing and Logistics sites in the 2024 financial year. Most of the Manufacturing and Logistics sites have completed the initial steps of identifying legislation which applies, and evaluating compliance with the requirements of the legislation. There were no fines or prosecutions reported for the reporting period.

Training

Essential health and safety courses have been developed and integrated into the process for setting up new employees on our intranet site, OneDechra and our Digital Learning platform, Delta. Completion rates continue to be monitored at the Health, Safety and Wellbeing Committee meeting.

Safety Week

During our annual Safety Week we had an opportunity to cast a spotlight on specific health, safety and wellbeing topics and celebrate our good safety performance together, across all areas of the business. In previous years, our safety campaigns have been heavily focussed on our higher risk manufacturing and warehousing sites. With the sponsorship of the leaders from the Health, Safety and Wellbeing Committee, this year we aimed to include a more diverse audience promoting health, safety, and wellbeing across our offices, mobile workers and manufacturing/warehouse locations and covered topics such as travel safety, office safety and safe driving.

Supporting The Wellbeing And Development Of Employees continued



Our People

Case Study

Safety Week

The theme for our 2024 annual Safety Week was Impacts of Climate Change on Occupational Safety and Health. A range of activities were held all across our business globally focusing on health, safety, wellbeing and sustainability topics.

Our team in Brazil fully embraced Safety week with activities every day to raise awareness of key topics in a fun and engaging way. To maintain good health, the team came together across the Londrina site to participate in labour gymnastics and to make sure the wellbeing of everyone was boosted as part of Health & Safety Week, those wishing to get a free flu vaccination and a blood pressure check attended a special clinic set up on site.

With a focus on safety more games followed with a three circuit challenge, consisting of:

- Quick Fire Q&A;
- PPE challenge: where teams were challenged to dress a team member in the correct PPE; and
- Lock out tag out challenge: where teams went head to head in a time challenge to correctly apply LOTO equipment.

Although much of the fun was focussed on the safety issues that directly affect our own employees, the teams were also keen to support their communities through blood donation and charitable donations of personal care items. Over 50 employees volunteered providing in total 23 litres of blood, potentially saving up to 230 lives. In addition 219 kg of soap, 832 toothbrushes, 296 tubes of toothpaste and 2,464 shavers were donated to support a number of city charities.

Safety Week in Brazil concluded with everyone coming together for healthy snacks and coffee, relaxation, conversation and more games in a typically Brazilian friendly and fun way.



Supporting The Wellbeing And Development Of Employees continued



Our People

Case Study

New Employee Engagement Tool

The voice of the employee is very important to us at Dechra, as it allows us to identify what actions are required to drive engagement and enhance our overall performance.

During the year, we took the opportunity to review our employee survey platforms and decided to partner with Inpulse. Inpulse will allow us to be more agile and responsive in seeking out and acting upon employee feedback. This new tool allows leaders and managers to see their results instantly, so they can identify what is and is not working well in their areas and use this insight to develop action plans. All feedback provided through the platform is anonymous, so reviewers are not able to identify individual responses.

In March 2024, we ran our first pilot of the new platform with a cross section of employees consisting of functional areas within the US, Canada, the UK, and the senior management team across the Dechra Europe division. We felt this approach provided us with enough coverage for the pilot, considering employee numbers, divisional, geographical, and functional representation.

The pilot was focussed upon change, something particularly important following the recent acquisition of Dechra, acting as a 'pulse check' to better understand how our employees feel about change and to help inform how we can tailor our communication strategy to enhance the employee experience moving forwards. Feedback from the pilot was very encouraging, with over 70% of our employees feeling positive about the changing status of the company, and helped us to understand how to shape our communications in the following months to allay any concerns that had been raised.

Following the encouraging results from the pilot, we also used the tool for our global engagement survey "Dechra Employee Perspectives" in September 2024 and intend to perform regular pulse surveys as part of our commitment to ongoing engagement and checking the impact of our actions.

Case Study

Employee Development

Dechra is committed to enhancing the skills of our workforce, planning for a successful future and creating a sustainable talent pipeline. We provide training via Delta, our dedicated digital learning platform, leadership training, and on the job training. The second Future Facing Leaders programme was launched in October 2023, and the current group are working on two of the workstreams of the full potential plan. Our employees have logged a total of 19,480 training hours in the 2024 financial year, which equates to 7.3 hours per employee.

We believe that offering internships and apprenticeships is a great way to attract new employees to Dechra. We offer a small number of internship opportunities each year. We have been delighted with the quality of young people who have worked with us and hope that the experiences of working with Dechra will support them in their future careers. We currently have a total of 21 Apprenticeships/Internships of which 9 are in Europe and 12 are in Brazil.

One example of how we have enhanced the skills and created a sustainable talent pipeline is within our Logistics operation in Uldum, Denmark. In the initial stride towards his well-earned retirement, our Logistics Director of Europe Carsten Jeppesen announced the appointment of Anders Rasmussen as the Site Director for the Uldum facility, effective 1 October 2023. Anders has significant experience working in the Logistics organisation for 25 years and through three acquisitions. Beginning as a trainee, he has ascended through various key roles, including Logistics Assistant, Warehouse Manager, Logistics Manager, and culminating as Senior Logistics Manager. For the past 13 years, his exceptional leadership has encompassed the Global Transport and Warehouse teams. In his new, expanded role, Anders will assume joint oversight of the Uldum site and its diverse functions.

A Localised Approach To Giving Something Back



Our Community

Summary

Why It Matters:

We believe that it is important to give back to the communities in which we live and operate.

Our Objectives:

- The donation of time, products and skills to local charities
- Maintain Regional Giving Committees

Our Performance:

- £397,323 cash donations
- £78,302 product donations
- 5,322 hours spent in the community

Applicable UN SDGs



Overview

We believe that it is important to give back to the communities in which we live and operate. Our community ethos is aligned with our Purpose and Values, in particular, our Relationships and Enjoyment Values. Our Community pillar focuses on Community Activities and Donations.

Community Activities

We encourage our employees to engage in community activities, in particular, in the fields of animal welfare, human service and environmental stewardship.

In the 2019 financial year, we committed to give every employee the opportunity to engage in one day of community activities. In the 2024 financial year, we dedicated a total of 5,322 volunteer hours across our global operations. We have a ten year target to achieve 100,000 hours by 30 June 2030. As at 30 June 2024, we have achieved 12,859 hours. We acknowledge that we are currently running short of our ten year target. Last financial year we made available a Volunteer Service Toolkit to encourage all of our employees to identify and lead events, and established a reporting tool where employees are able to log their volunteer hours following an event. One factor that we have identified, which may be an obstacle in reaching our target is the makeup of our workforce, which has a large percentage of employees working remotely or in a hybrid working capacity.



A Localised Approach To Giving Something Back



Our Community

Historically, volunteer hours required an employee to participate in a team event, whether the event was organised in the community where a Dechra site is based or at a remote meeting location where a team of Dechra employees were gathered. We believe that we have a responsibility to bring our global team together as one with a shared sense of pride and purpose serving communities where our employees live and work. As one, we believe we can achieve our ambitious target, and to address this challenge we ran a pilot programme within our PDRA division to encourage global participation (see case study on page 38) which resulted in a 201% increase in average volunteer hours per person compared to the 2023 financial year.

Dechra has a partnership with Not One More Vet (NOMV), a US based charitable organisation whose mission is to transform the status of mental wellbeing within the profession so that veterinary professionals can survive and thrive through education, resources, and support. We partner with NOMV to raise awareness of this topic and the resources that are available to veterinary professionals. To increase international awareness of NOMV's resources, Dechra agreed during last financial year to sponsor the development of international Chapters; an ambassador programme to create and grow local networks to unite and support the veterinary community. During the 2024 financial year, eight PDRA employees volunteered over 50 hours translating NOMV's marketing collateral in their native language to help support NOMV's efforts to further expand their international reach. We encourage our employees globally to participate in NOMV's Race Around the World, to help raise funds and awareness. Over 700 Dechra employees from 24 countries joined together during September 2023 to walk, run, or cycle in support of NOMV's mission to raise awareness of suicide rates in the veterinary profession and support mental wellness from the veterinary perspective.

A selection of the ways in which Dechra employees made a difference in communities across the globe are below:

Europe

In Denmark, our team spent the day at Dyrenes Beskyttelse in Aarhus and Ejby, two animal shelters which host various animals such as birds, reptiles, dogs and cats. In Finland, colleagues volunteered at Tuulispää, a sanctuary and forever home for farm animals, undertaking spring cleaning of the outside paddocks for horses and cattle. In Norway, the team volunteered at Dyrebeskyttelsen. The team supported the organisation by cleaning the outdoor area for birds and also prepared the cat kennel for the spring. In Sweden, the team had the opportunity to spend the day at a cat shelter, Kattstallet near Stockholm. The team worked at their quarantine section taking care of new cats and also sick cats that needed extra care. In Gothenburg the team also volunteered at Purrfect Café, a combination of a cat shelter and a cafe, which provides a home for cats while trying to find them new loving families.

At our Bladel site (Netherlands), employees helped set up an Easter garden at the Donksbergen, a community near Bladel where 250 residents with intellectual disabilities, young and old, live and work together. The community worked with volunteers to help decorate the auditorium for holidays and themes such as Christmas and Easter. The volunteers assisted with laying grass sods, placing pots with plants, filling ponds with water, and decorating the auditorium with all kinds of flowers and other materials. After Easter, four colleagues returned to help remove all the materials and clean up the area, so the residents can have other activities in this room.



At our Den Bosch office (Netherlands), employees volunteered at the Van Neynse, a local nursing home which focuses on elderly care. Some colleagues took a leisurely walk with the residents, cycled on a duo bike, played games and enjoyed chatting to the residents. The team also prepared and provided a lunch of pancakes, fried eggs and toasted sandwiches for the residents to enjoy.

76 employees from our Northwich office (UK) volunteered over two weeks at Lower Moss Wood, an educational nature reserve and wildlife hospital in Cheshire. The reserve provides a place for schools, disabled visitors, environmental groups and others to go and learn about conservation and the environment and the hospital takes in any orphaned, sick or injured wild animals for care. The volunteers assisted with clearing the peat bog, painting the hospital and clearing pathways around the hospital.

A Localised Approach To Giving Something Back continued



Our Community



North America

The Kansas City PDRA team, joined by the PDRA Leadership Team, volunteered at Wayside Waifs, a Kansas City animal shelter, which has partnered with Dechra for many years. The group of 22 worked hard and undertook gardening projects, general maintenance and made treats for the dogs.

In addition, a cross departmental team from our Kansas office volunteered at a career exploration day at KidsTLC, a charity that focuses on children and youths in crisis. Volunteers prepared two stations, one featuring models of animal health conditions and the second a dog and cat examination station using stuffed animals, stethoscopes, otoscopes and 'medical records'. The team were asked great questions, and the children were very engaged with the wellness activities. The team met children who had dreams of becoming a vet technicians or a veterinarian and were able to discuss the job skills they would need to pursue those careers.



The Veterinary Technical Services Team held their annual meeting in Boulder, Colorado. During the meeting there were two volunteer opportunities for attendees. Approximately 25 people volunteered at Growing Gardens, an organisation that has brought regenerative agriculture education to people of all ages, income levels, and abilities and has donated thousands of pounds of food to over 136,000 local residents. The team worked in the garden to prepare the soil for planting. An activity also took place at the Boulder Shelter for the Homeless, a non-profit that ends homelessness by leveraging resources to effect as many permanent exits from homelessness as possible, as quickly as possible. Ten volunteers organised the basement of the facility and assisted with general maintenance.

Rest Of The World

The Dechra Korea team spent their first community day since its establishment visiting a local animal shelter in Yeosu, Gyung-gi province. The team assisted with cleaning kennels, washing dishes, feeding and walking the dogs at the shelter. Through Dechra's community day, the team were able to participate and spend meaningful time together, whilst supporting a local organisation.

A Localised Approach To Giving Something Back continued



Our Community

Case Study

PDRA Pilot Programme

The PDRA pilot programme, Dechra Days, designated a two week period whereby PDRA employees based at a Dechra site or remotely across 15 countries were encouraged to join their colleagues in service to their community. Much like our decentralised giving programme, we believe that employees are better connected to the needs of their community, and the programme sets out to follow the requirements of serving under one of three pillars: animal welfare, human service, and environmental stewardship. The programme was developed and launched at the start of the second half of the 2024 financial year, when the division's average volunteer hours per person was 0.8. The programme achieved a 464% increase in during the second half the financial year, with the average volunteer hours per person being 4.5 for the 2024 financial year. Across all divisions, the average volunteer hours per person for the 2024 financial year was two, with PDRA achieving the highest average.

Volunteerism not only creates a shared sense of pride and purpose among our employees when serving together as one, but volunteerism is also shown to improve overall wellbeing. Dechra Days is scheduled to launch in the second quarter of the 2025 financial year, with the first global volunteer event taking place over a two week period in May 2025. Beginning in the 2026 financial year, there will be a two week period designated in September and May. From the 2025 financial year, every Senior Executive Team member will communicate, promote, and plan to achieve their division volunteer average hour target. We have created a flexible and more agile approach to volunteering at Dechra that will accommodate our diverse workforce and diverse operations to increase the awareness and expectation for community volunteerism within the Company. In the 2025 financial year, we expect our average volunteer hours per person to increase across all divisions.



Our Approach To Sustainability Governance

During the 2024 financial year, Dechra transferred from public ownership to private ownership following its acquisition by Freya Bidco Limited (subsequently renamed as Dechra Pharmaceuticals Holdings Limited). Dechra's shareholders approved the acquisition in July 2023 and the acquisition completed on 16 January 2024. EQT who led the acquisition have a commitment to sustainability, and focus on investing in a way that not only maximises returns but also benefits society and the planet.

Given the changes to Company ownership and its new Sustainability strategy effective from 1 July 2024, the governance structure has been amended to reflect these changes.

Before Change Of Ownership

The Board of Dechra Pharmaceuticals PLC was ultimately responsible for the Group's sustainability strategy and was committed to developing and implementing appropriate policies that create and maintain long term value for shareholders.

The Board or the relevant Committee reviewed all key policies/handbooks on an annual basis, these included the Code of Conduct, Health and Safety Policy, Travel and Entertainment Policy and How to Raise a Concern Procedure. The Board received six-monthly updates from the Group HSE Director, which included the activities of the Health, Safety & Wellbeing Committee.

The Board was provided with ESG updates at each of its meetings and the Group Sustainability Director presented the strategy and progress on its implementation on a yearly basis. The Board had oversight of the climate related risks and opportunities as part of the wider risk management and internal control framework.

Senior Executive Team

The Senior Executive Team (SET) was and continues to be responsible for delivering on the climate-related objectives within their functional areas and business units. Each SET member had an ESG objective as part of their personal objectives within the 2024 financial year annual bonus plan. The SET own the risk management process and is responsible for managing specific Group risks. Climate risk has been identified as a principal risk and has been discussed with each SET member.

ESG Committee

The ESG Committee was made up of representatives from across the Group. The ESG Committee met five times during the year. Its last meeting was held in April 2024.

The key duties of the Committee were to:

- oversee the development of and to make recommendations to the Board regarding the Group's ESG strategy;
- establish objectives and targets for the Group's ESG activities and oversee the measurement and reporting of performance against these targets;
- review and approve any ESG related policies and their implementation and to monitor and review their ongoing relevance and effectiveness;
- make recommendations to the Group in relation to projects, or elements of a project, that will or may have significant ESG impact;
- identify the ESG matters that do, or are likely to, affect the Group and/or its overall strategy;

- monitor current and emerging ESG trends and relevant regulations and review their impact on the strategy, operations and reputation of the Group and, where necessary, update ESG strategy and policies; and
- work with the Head of Internal Audit and Risk Assurance to identify and mitigate ESG risks.

Group Sustainability Director

The Group Sustainability Director reports directly into the Chief Financial Officer, and is responsible for advising the Group on Sustainability issues and strategy.

Governance Structure Prior To Acquisition

The Dechra Board

The Board is responsible for the oversight of Dechra's material sustainability impacts, risks and opportunities

Board Committees

Audit

The Audit Committee reviews certain Group systems and controls in relation to our business ethics (Fraud, ABC, etc) and the adequacy and security of the company's arrangements for its employees, contractors and external parties to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters.

Remuneration

The Remuneration Committee reviews Dechra's Executive Directors and the SET's performance in relation to meeting sustainability goals in relation to the achievement of their bonus targets.

Board Committees

ESG

Oversee the development of and to make recommendations to the Board regarding the Group's Sustainability strategy, establish objectives and targets for the Group's ESG activities and oversee the measurement and reporting of performance against these targets. Oversee the activities of the committees that it has delegated authority to.

Health, Safety & Wellbeing Committee

Recommend and monitor the implementation of priorities to management and employees to achieve Zero Harm across the Group; actively monitor, measure, review and report on Health, Safety and Wellbeing compliance and performance.

The ESG committee has delegated authority to the Health, Safety & Wellbeing Committee and the following:

ActNow Ambassadors

(Over 90 employees from across the business)

Responsible for the acceleration of sustainable development within Dechra.

Sustainable Packaging Committee

This committee looks at each stage of the packaging life cycle from cradle to grave, to understand how Dechra can reduce its environmental impact when sourcing packaging materials through to the post-consumer choices during disposal.

Global Transport Logistics

Responsible for optimisation and improvement of warehousing, logistics and distribution at Group level through sustainable and smart solutions including reduction of emissions, alternatives to fossil fuel, sea transportation and volume optimisation.

Regional Giving Committees

(17 Committees)

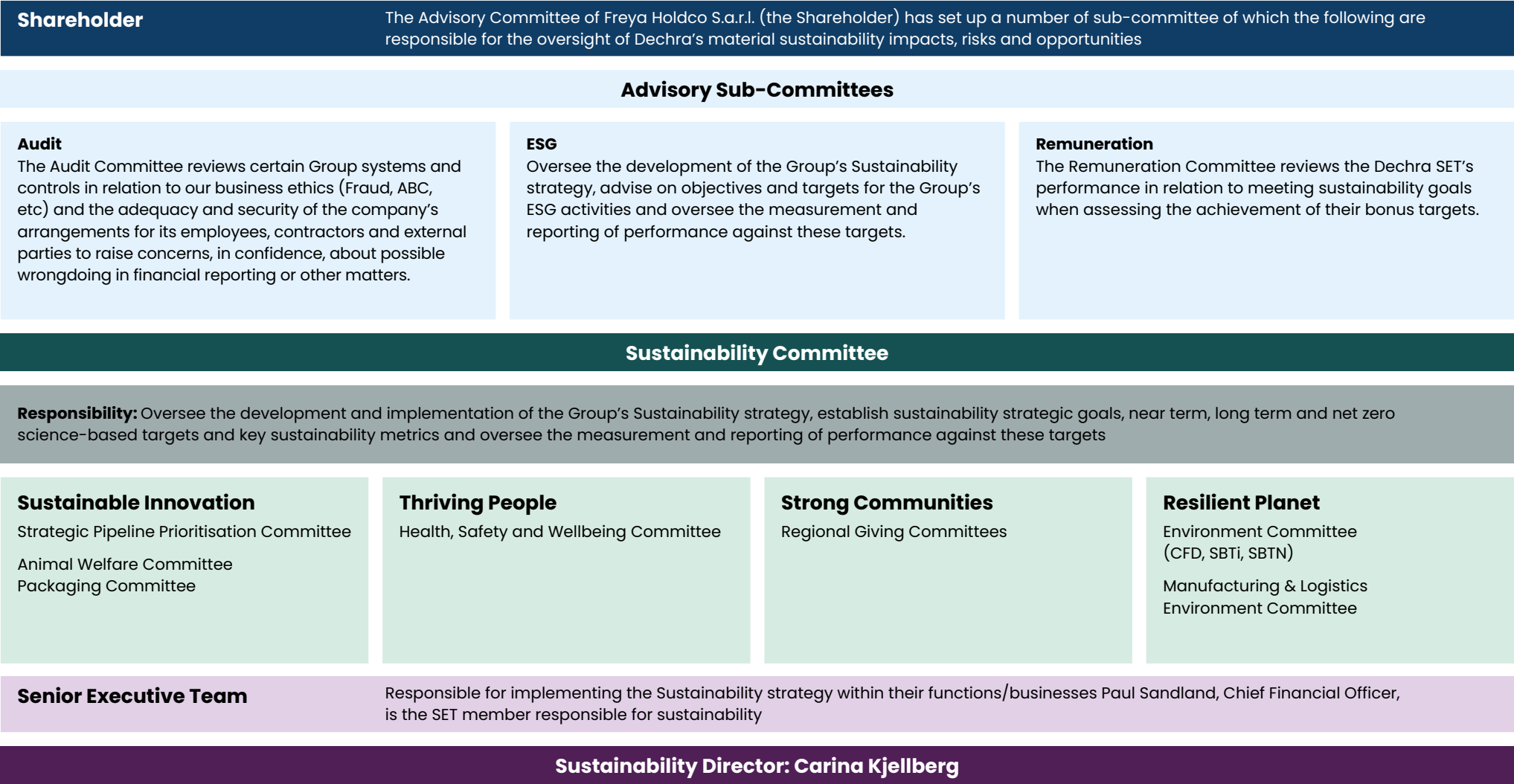
Responsible for the allocation of their allotted funds to charities that meet Dechra guidelines throughout the year, whether this be to one charity or a number.

Senior Executive Team (SET)

Responsible for implementing the ESG strategy within their functions/businesses.

Governance Structure Post Acquisition

Following the acquisition of Dechra by EQT, and the implementation of Dechra’s new Sustainability strategy the governance structure in relation to the committees has changed as follows:



Index Of Further Information

	Topic	Covered By	Location Of Additional Information
Environmental	Emissions	Our Pathway To Net Zero Scope 1, 2 And 3 Emissions KwH Energy Consumption	Sustainability Report & Annual Report*
	Effluents And Waste	Waste Fate And Hazardous Waste Circularity	
	Land, Water And Biodiversity	Water Consumption FSC Paper Strategy	
	Climate Strategy	Climate Governance Climate Financial Disclosures	
Social	Human Capital	Talent Management And Engagement Talent Attraction, Development And Retention Diversity, Inclusion & Equality Fair Employment Practices And Freedom of Association Safe Working Practices	Human Rights Policy, Code of Conduct & Annual Report*
	Communities	Donations Beyond The Value Chain	
Governance	Business Ethics	Code Of Business Conduct Third Party Code Of Conduct Modern Slavery Anti-Bribery and Anti-Corruption Tax Policy Risk And Internal Controls	Annual Report*, Website
	Corporate Governance	Board Leadership Advisory Committee SET Stakeholders	
	Product Governance	Product Development Product Promotion Product Safety	

*Annual Report of Dechra Topco Limited



The Veterinary Perspective