



**Dechra**

**CODE OF BUSINESS CONDUCT**

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### Message from the Board

Our businesses delivers high quality products and services to veterinarians worldwide through our employees and the network of third parties that we work with.

We are committed to acting responsibly and with integrity, respecting the laws, regulations, traditions and cultures of the countries within which we operate. This is reflected in the Dechra Values, which define the core principles by which we operate.

The Code of Business Conduct sets out the standards of conduct to be adopted by all Dechra businesses worldwide. In a number of areas the standards in the Code are supported by more detailed Group or local policies and procedures. All employees, temporary staff, contractors and other persons acting on behalf of Dechra must comply with the Code of Business Conduct.







We are also responsible for the actions of the third parties that we engage. Therefore they are subject to principles similar to the Code of Conduct through Dechra's Third Party Code of Conduct.

If you see or suspect something, even if you are not sure, which you believe to be a breach of Dechra's standards of conduct, it is important that you report your concerns so we can correct the problem and learn from it.

If you have any queries in relation to the Code of Business Conduct please speak to your HR Business Partner or the Company Secretary.

**Our Values and Standards**

We believe our values encapsulate our business ethics and set the standards we wish to achieve and ultimately exceed. They outline the type of people we are, the services we provide and the way we aim to do business every day.

 <p><b>Dedication</b></p>	 <p><b>Enjoyment</b></p>	 <p><b>Courage</b></p>
<p><b>Committed to delivering excellence</b></p> <ul style="list-style-type: none"> <li>We are dedicated to delivering products and services that meet the highest level of service and quality to our customers</li> <li>We constantly look for better ways to do things, resulting in a culture of continuous improvement</li> </ul> <p>We encourage people to make decisions</p>	<p><b>Having enthusiasm for everything we do</b></p> <ul style="list-style-type: none"> <li>We provide challenge for our people within their roles to help them be motivated and engaged and encourage learning and development</li> <li>We endeavour to create an environment where our people want to come to work and feel a part of Dechra</li> </ul> <p>We generate enthusiasm and energy through positive thinking and actions</p>	<p><b>Be prepared to leap into the unknown</b></p> <ul style="list-style-type: none"> <li>We want a business where we dare to challenge each other, where innovation and creativity can flourish</li> <li>We encourage each person to be proactive and to take initiatives, creating a strong and competitive spirit</li> <li>We encourage everyone to have confidence in themselves and have the strength and character to question the status quo</li> </ul>
 <p><b>Honesty</b></p>	 <p><b>Relationships</b></p>	 <p><b>Ambition</b></p>
<p><b>Having integrity and trusting those around you</b></p> <ul style="list-style-type: none"> <li>We act with integrity and fairness and treat everyone with respect, in our business every job is important</li> <li>We are honest and open in all interactions</li> <li>Openness is supported at all levels of the organisation</li> </ul>	<p><b>Working together to reach our goals</b></p> <ul style="list-style-type: none"> <li>We see our customers and suppliers as business partners and thereby work together to ensure common success</li> <li>We know that success is built on collaboration and cross-organisational team working to produce better results together</li> </ul>	<p><b>Striving to be the best</b></p> <ul style="list-style-type: none"> <li>We are purpose driven and deliver solid results through our energetic and resilient approach</li> <li>Our ambitions ensure that we deliver the highest possible levels of quality and services to our customers and to each other</li> </ul>





**Who Must Follow The Code of Business Conduct (the Code)?**

The Code applies to all employees, temporary staff, contractors and other persons acting on behalf of Dechra. In particular, line managers have a specific responsibility to lead according to these standards and to help their teams understand and apply them in practice.

Employees are required to read and sign the Code annually, via the Delta e-learning platform, to confirm their compliance with Dechra’s standards of conduct. The consequences of not complying with the Code can be very serious including damage to our reputation, significant fines and penalties, and even criminal liability for individuals or the Company.

**Four Pillars of the Code**

The four pillars of the Code are:

	<p><b>Our Business</b></p> <p>We are committed to acting responsibly and with integrity. We comply with the laws and regulations and respect the traditions and cultures of the countries within which we operate.</p>
	<p><b>Our People</b></p> <p>We value difference and believe diversity of people, skills and abilities is a strength that helps us to achieve our best.</p>
	<p><b>Our Environment</b></p> <p>We are committed to minimising the impact of our operations on the environment by adopting responsible environmental practices and complying with applicable environmental legislation.</p>
	<p><b>Our Community</b></p> <p>We are committed to socially responsible practices within the communities in which we operate.</p>

**The Code summaries of the main policies.**

**It is your responsibility to read and follow the Code.**

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### How Does it Help Me?

The Code sets out the standards of conduct to be adopted by all Dechra businesses worldwide. You are required to read these because:

- we have high values and standards;
- they apply to all our employees;
- we act honestly and fairly in all our business activities;
- business law including anti-bribery, anti-trust, anti-fraud, preventing tax evasion and data security is embedded in how we operate; and
- we treat all people equally, fairly and with respect.

In a number of areas the standards in the Code are supported by more detailed Group policies and procedures.

### Making Decisions Using The Code

The Code cannot cover every situation or replace good judgement. It provides us with the basic ethical principles to guide our business decisions and actions when dealing with our stakeholders. If you have a question about the Code or are unsure about how to apply our standards of responsible business conduct you should:

#### 1. Ask Yourself:

Why are you making this decision and is it aligned with our values and standards?

Have you read the relevant Group or local policies and procedures that apply?

Do you understand the commercial, financial, legal and reputational risks of this decision?

How would you feel if the action you take today is featured in the news tomorrow?

Would this adversely affect our stakeholders?

**2. Ask Your Manager:** Our senior managers are here to help and are responsible for helping you to understand and apply our standards of conduct in practice.

**3. Ask the Relevant Policy Owner:** Where more detailed Group or local policies and procedures are in place then the policy owners and their teams can also help with your questions.

**The consequences of not complying with the Code can be very serious including damage to our reputation, significant fines and penalties, and even criminal liability for individuals or the Company.**

### Line Managers

It is the responsibility of line managers to lead by example and to encourage acting responsibly and with integrity. We expect line managers to foster a culture of ethical behaviour and an environment where anyone can raise a concern without fear of retaliation. If we discover that any line manager is stopping any team member(s) from raising a concern, disciplinary action may be taken.

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### Raising Concerns When Something Goes Wrong

People and companies make mistakes and it is important that we correct and learn from such incidents. If you see or suspect something, even if you are not sure, which you believe to be a breach of Dechra's standards of conduct, it is important that you report your concerns so we can correct the problem and learn from it. You can make a report orally or in writing. You can report your concerns via any of the channels listed below:

- 1. Your Line Manager/Senior Manager:** You should report a concern to your line manager/senior in the first instance. This is the preferred reporting mechanism as it supports an open culture where issues and mistakes can be raised and addressed promptly.
- 2. Human Resources, Legal or Finance Business Directors/Partners:** If you are uncomfortable with raising a concern with your line manager, you can report it to your Human Resources, Legal or Finance Business Director/Partner.
- 3. Senior Executive Team:** If you prefer to raise your concern with someone outside of your business function you can contact a member of the Senior Executive Team.
- 4. Email Reporting:** You can report via email to [ComplianceConcerns@dechra.com](mailto:ComplianceConcerns@dechra.com). This mailbox is managed by the Compliance Manager and all correspondence will be treated confidentially.
- 5. Confidential External Hotline:** You can report an issue by telephone or via a secure web portal. A list of freephone numbers is available at: [www.safecall.co.uk/freephone](http://www.safecall.co.uk/freephone) or report online at: [www.safecall.co.uk/report](http://www.safecall.co.uk/report). Safecall is an independent third party, and is available 24 hours a day, seven days a week, with operators available in multiple languages.

We will fully investigate reports of non-compliance with the Code and take appropriate actions to address these. The actions taken will depend on the circumstances and the severity of the issues identified. These actions may include process improvements, training and coaching, or formal disciplinary action up to and including termination of employment for the most severe issues.

We recognise that setting out a concern in writing is not easy, especially for those whose first language is not English or who may have difficulty expressing themselves on paper. In these circumstances you can seek help from a work colleague. In addition, the secure web portal ([www.safecall.co.uk/report](http://www.safecall.co.uk/report)) offers a facility whereby you can report your concern in writing in your first language.

Every effort will be made to protect your confidentiality to encourage reporting whilst protecting our employees. Dechra will not tolerate retaliation against anyone who makes a report in good faith. Further details can be found in the Group Policy on How to Raise a Concern.

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### Our Business

#### Anti-Bribery and Anti-Corruption (ABC)

##### **Our Principle:**

We do not give or receive bribes or participate in corruption.

##### **What do we mean?:**

It is our policy to conduct all business in an honest and ethical manner. We take a zero tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and to implement and enforce effective systems to counter bribery and corruption.

##### **What we must do:**

1. Refuse to accept any bribes, offers of bribes, or offers to engage in corrupt behaviour with any third parties, including customers, suppliers, government employees or other external parties;
2. Report all breaches, or suspected breaches of the ABC Policy or any local ABC laws, whether committed personally or by others without delay to the Compliance Manager;
3. Only engage and remunerate Third Parties for legitimate services that cannot reasonably be provided by our own people;
4. Conduct Due Diligence for all new third party relationships;
5. Complete additional ABC due diligence procedures where required by the ABC risk assessment process.

##### **What we must not do:**

1. Solicit, accept, agree to receive, promise, offer or give a bribe, facilitation payment, kickback or other improper payment (including gifts and entertainment) or advantage in order to obtain or retain business, or a business advantage; or
2. Use Dechra funds to make any contributions to candidates for public office, political parties or other political organisations.

##### **Why is it important:**

Anyone who is found to be giving or receiving bribes or engaging in any other act of corruption, or otherwise breaching the ABC policy will be subject to disciplinary action which may result in dismissal.

In addition, failure to comply with the ABC policy, or any of the applicable anti-bribery laws in the jurisdictions in which we operate could result in a serious criminal offence which carries a significant fine for Dechra and/or imprisonment for any Dechra staff involved.

##### **Procedures and Forms:**

1. Anti-Bribery and Anti-Corruption Policy
2. Third Party Risk Management Platform
3. Third Party Code of Conduct



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### **Competition/Anti Trust**

#### **Our Principle:**

We conduct our business in a manner which is consistent with fair competition and in compliance with applicable anti trust rules.

#### **What do we mean?:**

We comply with the applicable antitrust laws in the countries where we operate. Antitrust laws differ by country but are designed to protect free and open competition in the marketplace, by preventing or correcting anti-competitive behaviour. Anti-competitive behaviour includes:

- Entering into any arrangement with competitors on sales prices;
- Agreeing the prices at which our distributors or wholesalers sell Dechra products;
- Determining not to compete in certain markets, territories or therapy areas;
- Discussing competitive bids with other bidding companies (bid rigging);
- Market sharing, for example agreeing not to approach a competitor's customer;
- Sharing confidential information that might reduce competition for example prices, production, our suppliers, customers or contractors, the markets we sell or plan to sell to; or
- Abusing a dominant position.

#### **What we must do:**

1. Think before you write or speak. Avoid opinions, be accurate and clear, do not over exaggerate and avoid language which could be misinterpreted to suggest a violation of antitrust laws;
2. Report any concerns to Group Legal; and
3. Notify Group Legal immediately if you receive confidential information that we should not have obtained (such as competitor information from an industry contact);

#### **What we must not do:**

1. Share confidential information with competitors;
2. Discuss setting prices, margins and rebates with competitors;
3. Discuss or actively divide or allocate markets or customers with competitors; or
4. Discuss or take joint action against a customer, supplier or distributor.

#### **Why is it important:**

Anti-competitive behaviour can lead to criminal or civil prosecutions for both Dechra and individuals. It can also result in very large fines against Dechra. For example, breach of European competition law can result in fines of up to 10% of the Dechra Group global revenue.

#### **Procedures and Forms:**

1. Delegation of Authority Policy
2. Anti-Trust & Competition Policy

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### **Gifts and Hospitality**

#### **Our Principle:**

Gifts and hospitality, whether given or received, should not be lavish or excessive nor should it improperly influence business decisions.

#### **What do we mean?:**

The provision of gifts and hospitality is relatively common when doing business and is generally acceptable provided that they are modest and incidental to legitimate business meetings and activities. However, gifts and hospitality can amount to bribery if they are perceived to be lavish or are given or received with the intention of improperly influencing business or regulatory decisions.

When deciding whether to offer, promise, give, or receive gifts and hospitality, always consider the underlying purpose. If the purpose is to improperly influence the recipient in order to obtain or retain business or a business advantage, it is probably illegal. When considering the giving of a gift or hospitality to a veterinary professional, you should first familiarise yourself with the local veterinary specific laws and any supporting guidance or code of conduct issued by local trade associations. As a general rule, no gifts, pecuniary advantages or benefits in kind may be supplied, offered or promised to such individuals unless they are inexpensive and relevant to the practice of prescription supply of medicinal products

Hospitality and entertainment can mean many things and it is not possible to give an exhaustive list, but it can include tickets to the theatre, a dinner, or an invitation to a golf tournament or other sporting event.

#### **What we must do:**

1. Register all gifts and hospitality that you give or receive on your gifts and hospitality log in Diamond; and
2. Obtain prior approval from your line manager for any proposed gifts that are between £75 and £100 or hospitality that is between £150 and £250 per person.
3. Obtain prior approval from your respective Senior Executive Team member for any proposed gifts that are between £101 and £200 or hospitality that is between £251 and £350 per person.
4. Obtain prior approval from the Compliance Manager for values exceeding the above thresholds, including large scale events hosted by Dechra to which customers and/or suppliers are invited, and which exceed the per person hospitality value limit approved by SET.

***Please refer to the ABC Policy for the Local Gifts and Hospitality Expenditure Limits***

#### **We must not do:**

1. Solicit or ask for gifts or hospitality;
2. Give or receive cash gifts;
3. Give or receive gifts or hospitality secretly;
4. Give or offer gifts to, or accept gifts from, government officials; or
5. Offer, give, or accept gifts or hospitality that are illegal under local laws, lavish or excessive, provided as a reward or incentive, or that may create or imply an obligation or business advantage.

#### **Why is it important:**

Failure to comply with the ABC policy may result in internal disciplinary action. It may also mean that the individual has committed a civil and/or criminal offence.

**Procedures and Forms:** Group ABC Policy & Annual Gift and Hospitality Log

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**Product Communication and Promotional Activities****Our Principle:**

We advertise and promote our products fairly using promotional materials which contain balanced, accurate and truthful information. We do not make false or misleading claims about our products.

**What do we mean?:**

To maintain the trust of veterinarians and the public, it is important that we provide accurate, fair and objective information on our products and medicines to support their safe and effective use.

**What we must do:**

1. Comply with local country laws and industry codes of practice on product promotion;
2. Train all customer-facing staff so that they have sufficient product and disease area knowledge to present information on our products accurately and responsibly;
3. Check that promotional activities and materials are fair, accurate and balanced and all claims are consistent with the approved product label;
4. Obtain approval for all written and electronic communications containing promotional information from an appropriately qualified regulatory, technical product manager or veterinarian; and
5. Only promote our products to veterinary professionals, using approved promotional materials.
6. Where local laws allow promotion to other people, such as pet owners, horse owners, farmers, pharmacists and suitably qualified personnel, using approved promotional materials where the anticipated recipient is identified in the approval process.

**What we must not do:**

1. Promote to members of the public unless permitted by local laws;
2. Use unapproved, home-made or out-of-date promotional materials;
3. Exaggerate benefits or downplay product risks or limitations in promotional materials;
4. Promote 'off-label' use of our products;
5. Make false or unapproved statements or disparaging comments about another company's products; or
6. Send promotional communications or materials to veterinarians who have asked not to receive such information (opt-out); or
7. Use methods of promotion which bring discredit upon, or reduce confidence in, the animal health and medicines industry.

**Why is it important:**

Appropriate disciplinary action may be taken against any employee who breaches this policy.

**Procedures and Forms:**

1. Local country procedures for the preparation, approval and use of promotional materials

**Sponsorships****Our Principle:**

The Group supports the work of other organisations who are committed to improving animal health and welfare through sponsorships.

**What do we mean?:**

Sponsorships are typically monetary payments that are made to support the activities of another organisation, where Dechra receives something in return. Examples include sponsorship of events in return for commercial exhibition space, sponsorship of meetings in return for advertisement of our support or advertising space in the meeting programme, or sponsorship of scientific congresses. The financial limits for sponsorships are detailed in the Delegation of Authorities.

**What we must do:**

1. Only give sponsorships to recognised and reputable animal welfare organisations for educational, scientific, or other legitimate business purposes that seek to improve or promote animal health and welfare;
2. Check for any potential conflicts of interest (actual and/or perceived);
3. Complete a written sponsorship agreement, including clear provisions relating to the amount and purpose of the sponsorship, use of Dechra intellectual property (e.g. brand images and logos) and confidentiality and have it signed by both parties before the activity takes place or any monies are paid;
4. Require sponsorship recipients to publish an appropriate declaration of Dechra's contribution on all printed materials related to the event or activity; and
5. Check with Group Legal if we are in any doubts as to how to proceed.

**What we must not do:**

1. Give sponsorships to:
  - Individuals, or to organisations for the personal benefit of individuals;
  - Political organisations or candidates for public office;
  - Organisations that discriminate on the basis of race, religion, age, colour, sex, disability, national origin, ancestry, marital status, sexual orientation, or veteran status; or
  - Organisations with the primary focus of providing religious instruction;
2. Seek to direct or influence the content or design of the event or activity being sponsored;
3. Offer or make sponsorships which bring discredit upon, or reduce confidence in, the animal health and medicines industry; or
4. Offer or make a sponsorship payment as an incentive or reward for obtaining or retaining business or for any other improper purpose.

**Why is it important**

Inappropriate payments to other organisations can amount to bribery if our payments are perceived to be excessive or are made with the intention of improperly influencing their decisions or activities. Failure to comply with this policy may result in disciplinary action being taken. It may also mean that the individual has committed a civil and/or criminal offence.

**Procedures and Forms:**

1. Sponsorship agreement and payment form

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### Engaging Veterinarians as Key Opinion Leaders

#### **Our Principle:**

The Group engages veterinarians as key opinion leaders (KOLs) for scientific advice on the development of new products to deliver education on therapy areas and products and share best practice and knowledge.

#### **What do we mean?:**

Our engagements with veterinarians must be professional exchanges, designed to improve animal health products and treatment practices. Our activities must never compromise the independence of decisions taken by veterinarians in prescribing, recommending or administering our products or undermine the relationship between the veterinarian and animal owners.

The financial limits for KOL consulting agreements are detailed in the Delegation of Authorities.

#### **What we must do:**

1. Only select KOLs where we have a legitimate need for their services that cannot be provided by our own people;
2. Only select KOLs who can demonstrate that they have the necessary experience, knowledge and skills to deliver the services we require;
3. Check for potential conflicts of interest and obtain confirmation from the KOL's employer that they are permitted to undertake this work and that there is no conflict of interest between this activity and their work for their employer;
4. Enter into a written contract with the KOL which sets out a clearly defined scope of services and the associated fees, as well as details of travel and accommodation expenses to be paid to the KOL;
5. Only pay normal market rates for services that have been delivered and expenses that are in line with Dechra's Travel and Entertainment Policy;
6. Check with Group Legal if we are in any doubts as to how to proceed; and
7. Request sight of any presentation in advance to check it meets local regulatory requirements and aligns with our marketing guidelines. It must not contain anything which we would not condone as part of our commitment to ethical conduct and animal welfare.

#### **What we must not do:**

1. Use KOL's to improperly influence KOLs to prescribe our products;
2. Pay excessive or disproportionate fees or expenses to KOLs which could be perceived as an attempt to inappropriately influence the KOL; or
3. Make disproportionate or excessive use of an individual KOL for consulting services.

#### **Why is it important**

Inappropriate use of KOLs can amount to bribery if our payments are perceived to be excessive or are made with the intention of improperly influencing the KOL's decisions or activities.

Failure to comply with this policy may result in disciplinary action being taken. It may also mean that the individual has committed a civil and/or criminal offence.

#### **Procedures and Forms:**

1. KOL agreement and statement of work

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### **Animal Welfare**

#### **Our Principle:**

We are committed to the responsible use and humane treatment of animals.

#### **What do we mean?:**

Animal research remains a vital component of the research, evaluation and regulatory 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.

We carefully consider the use of animals and promote good practices for the care, welfare and treatment of any animals used. This code applies to all Dechra colleagues, contractors or third parties who undertake any activity on behalf of Dechra that involves animals. For as long as 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 non-animal experiments such as mathematical models, computer simulations, and in-vitro biological systems wherever appropriate.
- 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.

To maintain compliance with our code and government regulations each activity involving animals in the research or development of our products 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.

#### **What we must do:**

1. Consider whether the number of animals can be reduced, replaced or the procedure refined to minimise distress before undertaking animal studies;
2. Maintain high standards of animal care and welfare in our scientific research;
3. Contact Dechra's AWC if you are planning to conduct, or know of a study being planned, that has not had an ethical review by an appropriate review board as soon as possible; and
4. Hold third party research organisations to the same high standard to enable all animals to be treated in a humane and ethical manner.

#### **What we must not do:**

1. Engage with third party Contract Research Organisation who do not meet the core concepts of animal welfare.

#### **Why is it important:**

Dechra's purpose is the sustainable improvement of animal health and welfare globally. As such the responsible use of any animals for any purpose is not only at the core of what we stand for, it is also essential to our reputation as a global animal health company.

### **Product Quality and Security**

#### **Our Principle:**

We are committed to delivering high quality products to veterinarians and customers worldwide through our employees and the network of third parties that we work with.

#### **What do we mean?:**

We are dedicated to acting responsibly and with integrity, respecting the laws and regulations in the regions within which we operate. This commitment starts in early product development and continues throughout the life of our products.

We are also committed to working only with third parties whose standards of quality compliance are consistent with our own.

#### **What we must do:**

1. Comply with all applicable laws and regulations pertaining to our product ranges across their life-cycle;
2. Challenge the status quo and foster an environment where solutions and innovation can flourish enabling us to achieve industry best practice in quality and compliance;
3. Openly and continually appraise the effectiveness of our systems and processes, support a culture of continuous improvement and have data integrity at the heart of what we do; and
4. Work together with customers, suppliers and business partners to enable the development and manufacture of high quality compliant products..

#### **What we must not do:**

1. Encourage others or engage in activities ourselves that would result in products that could harm the users or those that administer; or
2. Wilfully and knowingly act in a manner that is not in compliance with the laws and regulations in the regions we operate.

#### **Why is it important:**

Failure to comply with the laws and regulations could cause harm which can result in penalties for the company or individuals involved in some cases. Appropriate disciplinary action may be taken against any employee who breaches this policy.

#### **Procedures and Forms:**

1. Group Quality Policy

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### **Trade Controls and Sanctions**

#### **Our Principle:**

We observe trade regulations, boycotts and sanctions imposed by recognised national and international authorities.

#### **What do we mean?:**

We are required by law to comply with all United Nations (UN), United States (US), European Union (EU) and United Kingdom (UK) sanctions measures. Where stricter legal requirements apply in any country in which we operate, then those stricter requirements must be adhered to.

Where there is a conflict between different applicable sanctions laws (e.g. where an activity is permitted by the EU but not by the US) you should contact the Compliance Manager for advice and support before taking any business decision.

#### **What we must do:**

1. Work with the Compliance Manager to complete a Sanctions Search of any third parties which are assessed as high risk. The Compliance Manager will provide advice on what additional steps to take upon completion of the search. The searches will be carried out during the onboarding process using the Third Party Risk Management Platform.

#### **What we must not do:**

1. Enter into, or maintain an ongoing trading relationship with any Third Party or related persons who are subject to sanctions measures.

#### **Why is it important:**

Failure to comply with the Sanctions Policy may result in disciplinary action being taken. Failure to comply with international sanctions laws is a criminal offence which carries significant penalties for both the Company and individuals. Breaches of sanctions laws could also result in the withdrawal of our banking facilities.

#### **Procedures and Forms:**

1. Group Sanctions Policy
2. Sanctions Risk Assessment Checklist
3. Sanctions Search



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### **Modern Slavery**

#### **Our Principle:**

We do not use forced, bonded or indentured labour or involuntary prison labour or take part in human trafficking.

#### **What do we mean?:**

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, child labour, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. We have a zero-tolerance approach to modern slavery and we are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to prevent modern slavery from taking place anywhere in our own business or in that of any of our supply chains. The minimum age for employment is 16 years of age, which is complied with globally. However, if the local minimum age law stipulates a higher age for work or mandatory schooling, then the higher age will apply.

#### **What we must do:**

1. Conduct a modern slavery risk assessment for new third party supplier relationships that identify Modern Slavery Risks
2. Undertake further due diligence on any identified high risk suppliers and ask them to confirm that they will adhere to our Third Party Code of Conduct;
3. Continuously screen any identified high risk suppliers;
4. Cease to source items from suppliers or sub-suppliers that fail to show the minimum standards of transparency following a formal warning from the Independent Anti Slavery Commissioner; and
5. Before appointing any new employee we undertake a right to work check.

#### **What we must not do:**

1. We do not use forced, bonded or indentured labour or involuntary prison labour or take part in human trafficking;
2. We do not use child labour. We comply with international standards on the minimum age for employment; and
3. We prohibit the imposition of any financial burdens on workers in our own operations, suppliers, and recruitment agencies.

#### **Why is it important:**

Failure to comply with this policy may result in disciplinary action being taken.

#### **Procedures and Forms:**

1. Modern Slavery Risk Assessment
2. Modern Slavery Search

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### **Company Records and Reports**

#### **Our Principle:**

We keep complete and accurate business and financial documents and records and ensure our business and financial reporting is fair, accurate and balanced.

#### **What do we mean?:**

All our Company documents, books, records and reports should accurately reflect the underlying business transactions or activities and present a true and fair view of the state of the business.

This includes all information that we provide to external stakeholders such as clinical trial reports, regulatory dossiers and submissions, promotional materials and communications, and financial reports and accounts.

It also includes all internal management information used for business decision making such as operational performance reports, management reports and accounts, project status reports, capital expenditure and investment proposals, and information used to make pay and bonus decisions.

#### **What we must do:**

1. Maintain and present fair and accurate business records and reports;
2. Produce all documents and reports for external stakeholders in accordance with the relevant legal, regulatory and/or financial reporting requirements;
3. Comply with internal financial controls and only process transactions in accordance with our delegated authority limits after the appropriate approvals have been received;
4. Record transactions accurately in the proper accounting period, supported by appropriately detailed evidence; and
5. Comply with all legal and regulatory document retention and disposal requirements.

#### **What we must not do:**

1. Present records and reports that are misleading because of inaccurate information or omission of pertinent information;
2. Omit to record transactions or expenditure or record these in a misleading way; or
3. Destroy or alter business information that must be kept for legal, regulatory or financial purposes.

#### **Why is it important:**

Failure to comply with this policy may result in disciplinary action being taken. It is a legal requirement to maintain accurate company records and reports, and we also expect employees to do this in line with our Honesty value.

#### **Procedures and Forms:**

1. Group Finance Manual
2. Internal Financial Controls Standards

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### **Fraud, Dishonesty and Deception**

#### **Our Principle:**

We will not defraud or deceive anyone, act dishonestly or misuse Company property or resources.

#### **What do we mean?:**

Fraud is when you try to deceive someone or act dishonestly to gain any kind of commercial, financial or personal advantage or use or involve anyone to do so. Fraud is usually related to money or property, but can also include providing false or misleading information about business activities or products. Property can include both tangible assets, for example equipment, office supplies, and intangible assets such as intellectual property. It can involve the Company or a third party.

#### **What we must do:**

1. Act honestly, fairly and openly;
2. Make sure our books and records are accurate, complete and not misleading;
3. Make sure that we provide fair, balanced and accurate information on our business activities and products to both internal and external stakeholders;
4. Base all invoices on clear and complete information and check that they comply with contractual arrangements;
5. Take great care when spending the Company's money or making financial commitments on its behalf; and
6. Report any suspicion of fraud immediately, either to a manager who is not believed to be involved or via Dechra's How to Raise a Concern procedure.

#### **What we must not do:**

1. Falsify Company expenses or claim from the Company for expenses that have not been properly incurred in carrying out Company business;
2. Use the Company's money or resources for non-work related activities or an improper purpose;
3. Ignore something that we suspect might involve fraud, theft, deception or dishonesty;
4. Make payments when we do not honestly believe we are entitled to do so; or
5. Make false claims about our business activities or products.

#### **Why is it important:**

Appropriate disciplinary action may be taken against any employee who breaches this policy.

In some countries you can be prosecuted just for being careless or reckless in letting fraud happen, even though you did not deliberately set out to commit fraud yourself.

#### **Procedures and Forms:**

1. Group Anti-Fraud Policy

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### **Tax Evasion**

#### **Our Principle:**

We do not evade taxes and will not help any third parties evade their taxes.

#### **What do we mean?:**

Tax evasion is an illegal activity where measures are taken to fraudulently make a non-payment or underpayment of taxes, for example by understating taxable revenue and profits or overstating costs and deductions. This does not include legitimate tax planning and management which is governed by our Tax Strategy and Policy Framework.

This policy applies to all taxes including, corporate and income taxes, sales taxes, payroll and employment taxes, customs duties and tariffs, withholding taxes, stamp duty, and taxes on corporate transactions that have a tax impact.

#### **What we must do:**

1. Act honestly, fairly and openly;
2. Make sure our books and records are accurate, complete and not misleading;
3. Manage all our taxes in accordance with our Tax Strategy and Policy Framework;
4. Follow our ABC Third Party risk assessment procedures and communicate our Third Party Code of Conduct to our higher risk Third Parties;
5. Require all external tax advisers, who are engaged to provide tax advice, prepare tax calculations and file tax submissions, to comply with our Third Party Code of Conduct and provide us with details of the procedures they have in place to prevent tax evasion; and
6. Comply with the applicable baseline financial and tax control processes when preparing tax submissions and payments.

#### **What we must not do:**

1. Engage in tax evasion, for example by falsifying or misstating company documents and records; or
2. Assist anyone else to engage in tax evasion, for example by allowing Third Parties to misstate invoices or making Third Party payments to offshore bank accounts so that they can evade their tax liabilities.

#### **Why is it important:**

Failure to comply with this policy may result in disciplinary action being taken. Tax evasion is illegal and is a criminal offence in all the countries in which we operate. Under UK law it is also a criminal offence if we fail to prevent employees, agents, subcontractors, or other third parties from evading taxes in the countries in which we operate.

#### **Procedures and Forms:**

1. Tax Strategy and Policy Framework
2. Baseline Financial Controls relating to tax submissions and payments
3. Third Party Code of Conduct

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### **Conflicts of Interest**

#### **Our Principle:**

We avoid or declare situations where our personal actions or interests could conflict with those of the business.

#### **What do we mean?:**

A conflict of interest is a situation where we have competing interests or loyalties which could potentially compromise our judgement or independence. Usually the conflict is about individuals benefiting at the expense of the Company or another employer. Very often, perceptions of a conflict of interest can be just as damaging as an actual conflict of interest.

We recognise that conflicts of interest are sometimes unavoidable. As soon as we realise there is a potential conflict, we must disclose it and seek approval or guidance. If you are in doubt, consult your manager, a member of the Senior Executive Team, Compliance Manager or the Company Secretary for further guidance.

#### **What we must do:**

1. Avoid direct and indirect conflicts of interest;
2. Make sure that conflicts of interest are disclosed, managed, recorded and follow any advice or recommendation provided; and
3. Discuss with your manager any personal or professional relationships that could give rise to a conflict of interest.

#### **What we must not do:**

1. Place business with a firm owned or controlled by an employee of Dechra or their family, unless authorised in advance;
2. Engage or be concerned or interested in any other business except by way of investment in shares not exceeding 3% of the equity of a company listed on a stock exchange without prior consent of the Chief Executive Officer or Chief Financial Officer;
3. Hire or supervise a family member, close personal friend, or someone with whom you are having a sexual relationship;
4. Provide any services to a competitor or potential competitor; or
5. Serve as an officer or member of a board of directors of another business without the approval of your manager.

#### **Why is it important:**

Appropriate disciplinary action may be taken against any employee who breaches this policy. Where breaches of the law take place, it may lead to criminal proceedings against the individual or individuals concerned.

#### **Procedures and Forms: 1. Conflicts of Interest Notification**

**Data Protection and Confidentiality**

**Our Principle:**

We keep confidential business information safe. We collect, use, retain and dispose of personal data in a legal, transparent and secure manner.

**What do we mean?:**

Data protection laws cover the collection, processing, storing and disposal of Personal Data. Personal Data is any information, such as name, address, date of birth, email address, telephone number, nationality, identification number, which can be used to identify a living person. We collect, hold and process Personal Data relating to our employees, customers, suppliers and other individuals.

There are special categories of Personal Data that are considered to be more sensitive, and these require additional measures. Sensitive Personal Data includes information about a person’s health, racial or ethnic origin, sexual life or orientation, religious or philosophical opinions, political opinions, trade union membership.

**What we must do:**

1. Manage Personal Data in compliance with our internal procedures, data protection principles and the regulations of the countries in which we operate and process data;
  2. Only collect, hold and process Personal Data for legitimate reasons;
  3. Protect the security and confidentiality of both electronic and hard copy Personal Data and promptly report the loss of any personal data the Data Protection Officer
  4. Rectify, destroy or delete any Personal Data which is inaccurate or is no longer needed; and
- Design our business processes and systems to support the Data Protection principles.

**What we must not do:**

1. Transfer Personal Data from either the UK or inside the European Economic Area (EEA) to a third party, without the prior approval of the Data Protection Officer, Group IT and Group Legal (especially if the third party is based or will transfer the data outside the EEA); and
2. Use Personal Data for marketing unless we have specific consent, including the use of Cookies, from the individual who the information relates to.

**Why is it important:**

Failure to comply with this policy may result in disciplinary action being taken. Dechra could face fines and enforcement action taken from the data protection authorities, which will have financial and reputational impact on the business.

**Procedures and Forms:**

Data Protection Policy	Record of processing activities (ROPA)	Employee Privacy Policy
CCTV Handbook	Data Breach Notification Handbook	Data Protection Impact Assessment
Subject Access Request Handbook		

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**Computer Security and Usage****Our Principle:**

We maintain secure information technology and systems and use these for business purposes. However, reasonable and appropriate personal use is permitted. We are all responsible for protecting passwords, keeping supplied devices safe and secure (including utilising applicable security measures) and not accessing, downloading or sharing inappropriate or malicious material.

**What do we mean?:**

Our information technology and systems (IT Resources) includes:

- Desktops, laptops, tablets and other handheld IT devices;
- Servers and network equipment hosted at our business premise or in 'cloud' data centres;
- Fixed and portable storage devices and platforms;
- Telephones, mobile phones (cell phones), printers and scanners; and
- IT applications, for example ERP, CRM and financial systems.

The inappropriate use of IT Resources can have personal, operational and financial implications. The incorrect use of equipment and systems increases cyber security risk. It could lead to the transmission of malware and viruses, the loss or theft of data (personal or business) or, failures or breaches of the Group's computer network and IT applications.

All Company information stored or communicated on IT Resources is the property of the Company. Dechra does not routinely monitor the content of messages or other communication formats, however it may analyse communications individually or collectively for legitimate business purposes.

Occasional personal use of Dechra's communication systems and the internet is permitted, however, this must be limited and is restricted to break times and out of normal working hours. Personal usage of devices can be suspended or revoked should any action impede the performance of business operations or present risk to the organisation.

**What we must do:**

1. Comply with the IT Resources Policy and Data Protection Policy;
2. Keep IT Resources and information safe and protect them against loss, damage or theft; and
3. Raise any concerns immediately with your line manager or IT representatives.

**What we must not do:**

1. Use IT Resources for activities that are illegal, create cyber risk, or may harm Dechra's reputation; or
2. Use unapproved software solutions or services to capture, store or share information internally or externally.

**Why is it important:**

Failure to comply with this policy may result in disciplinary action being taken. Failure to comply with this policy may result in the failure of IT applications, loss of business or personal data, fines by multiple external entities, and in the most severe instances criminal proceedings.

**Procedures and Form:**

1. IT Resources Policy
2. Data Protection Policy

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### Our People

#### Equal Opportunities

##### **Our Principle:**

We recruit and promote people based on their ability, performance and potential. We are committed to ensuring that we promote, develop and maintain a culture of fairness, respect and equal opportunity for all.

##### **What do we mean?**

Equal opportunity means that all people will be treated fairly and not disadvantaged by prejudices or bias. This means that the person for a job or a promotion has gained that position based on how they meet the requirements of the role.

We embrace the business and local communities in which we operate and strive to reflect their diverse nature including aspects such as gender, race, disability and religion but also diversity of thought, social background and experience.

We believe that everyone should have the right of access to employment and, when employed by Dechra, to fair pay, and access to training and career development.

We are committed to providing a culture free from any direct or indirect discrimination, harassment, or bullying.

We acknowledge that we must continue to promote diversity, equity and inclusion to maintain an organisation that attracts, supports, and promotes the broadest range of talent.

##### **What we must do:**

1. Recruit and promote based on ability, performance and potential.
2. Make suitable opportunities for training, development, and progress available to all.
3. Promote, develop and maintain a culture of fairness, respect, and opportunity for all.
4. Take seriously complaints of bullying, harassment, victimisation and unlawful discrimination by fellow employees, customers, suppliers, visitors, the public and any others; and
5. Comply with all employment laws.

##### **What we must not do:**

1. Treat anyone unfairly or accept any form of discrimination.

##### **Why is it important**

Appropriate disciplinary action may be taken against any employee who breaches this policy. Where breaches of the law take place, this may lead to criminal proceedings against the individual or individuals concerned.

##### **Procedures and Forms:**

1. Diversity Policy
2. Dignity at Work Policy



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### **Health and Safety**

#### **Our Principle:**

We provide a safe working environment for those who work for us or with us. We reinforce good safety management practices, develop and implement safe ways of working and promote safe behaviours.

#### **What do we mean?:**

Dechra commits to providing a safe place of work and communicating any procedures, resources and behaviours which are needed to work safely. We all have an obligation to follow any requirements that are put in place to keep us safe and healthy.

#### **What we must do:**

1. Understand and follow all Health and Safety rules, standards or procedures for the location or type of work, whether at a Dechra location or when working with customers or suppliers;
2. Take responsibility for our own safety and that of others. Stepping in when we see something unsafe, whether actual or potential, and accept challenge from others in a positive way;
3. Report all health and safety incidents, including accidents, near misses, non-compliance with regulations or anything else posing a risk to Health and Safety;
4. Understand the hazards associated with our own jobs and our colleagues' jobs;
5. Always complete any Health and Safety training required for our role and never attempt tasks for which we are not trained or competent;
6. Be aware of emergency procedures that apply to our place of work whether on Dechra premises or when out and about, and always follow these when required;
7. Wear appropriate protective equipment correctly whenever required, to protect our immediate safety and long term health; and
8. Make all contractors or visitors aware they must follow all Health and Safety requirements applicable to the location.

#### **What we must not do:**

1. Never turn away if we see an unsafe condition or someone in danger;
2. Breach any safety procedure or tamper with any safety devices provided to keep us safe;
3. Use any defective equipment or do any job for which we are not trained; or
4. Conceal accidents, incidents or work related ill health.

#### **Why is it important:**

Failure to comply with this policy may result in injury or harm to you or your colleagues, ill health or damage to property. Disciplinary action may be taken where breaches of Health and Safety requirements put people and property at risk.

#### **Procedures and Forms:**

1. Group Health and Safety Policy
2. Safety Principles
3. Life Saving Rules

**Dignity at Work (bullying, harassment and discrimination)****Our Principle:**

We treat people fairly and do not tolerate bullying and harassment. We do not discriminate for reasons such as, but not limited to. age, gender, sexual orientation, marital status, race, colour, ethnicity, disability, religion, political affiliation or union membership.

**What do we mean?:**

Discrimination is being treated unfairly because of your age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, marriage or a civil partnership. These are referred to as 'protected characteristics'.

Harassment occurs when a person engages in unwanted conduct which violates your dignity or creates an intimidating, hostile, degrading, humiliating or offensive environment for that person. The harassment must relate (but not exclusively) to the protected characteristics.

Bullying is unreasonable behaviour from a person or group which could reasonably be regarded as undermining the individual's right to dignity at work and / or conduct which undermines, ridicules, threatens, intimidates or is physically abusive to an individual or group.

**What we must do:**

1. Treat everyone fairly and with courtesy;
2. If you feel that you have been harassed, sexually harassed, bullied, victimised or treated in a way that breaches our Company policy, if you are able to do so, immediately tell the individual(s) responsible. If you feel uncomfortable in doing so, you should speak to your line manager or local HR representative; and
3. Encourage and support colleagues if they challenge inappropriate behaviour.

**What we must not do:**

1. Raise malicious complaints;
2. Spread a false rumour about a colleague;
3. Humiliate, make inappropriate jokes or exclude a colleague;
4. Tolerate any action or behaviour that could be viewed as bullying, harassment or victimisation;
5. Treat anyone unfairly or accept any form of discrimination; and
6. Be violent or threaten to be violent (physical or verbal).

**Why is it important**

Appropriate disciplinary action may be taken against any employee who breaches this policy. Where breaches of the law take place this may lead to criminal proceedings against the individual or individuals concerned.

**Procedures and Forms:**

1. Dignity at Work Policy (to be extended to rest of Group)

### Our Environment

#### Environment

##### **Our Principle:**

We are committed to minimising the impact of our operations on the environment by adopting responsible environmental practices and complying with applicable environmental legislation.

##### **What do we mean?:**

We recognise that achieving a high standard of environmental care goes beyond legal compliance. Therefore we will work to develop effective ways to identify, assess, monitor and minimise the environmental impacts of our activities. Our Sustainability Strategy is aligned with the United Nations Sustainable Development Goals.

##### **What we must do:**

1. Always follow the Environmental rules, standards or procedures for our location or type of work, whether at a Dechra location or off site;
2. Comply with relevant laws and regulations in each of the countries in which we operate at all times;
3. Integrate environmental considerations and minimise any adverse environmental impacts into our business decisions at all stages of our products' lifecycle, including transport and distribution;
4. Select suppliers and business partners who agree to comply with the environmental principles in our Third Party Code of Conduct;
5. Conserve energy and reduce carbon emissions through the selection of energy efficient equipment and prevention of excessive energy consumption;
6. Use natural resources in a responsible way by selecting sustainable materials where appropriate, avoiding unnecessary consumption and preventing waste;
7. Segregate all unavoidable waste and dispose of this according to the waste hierarchy, selecting the best environmental options for each waste stream;
8. Complete all training and education to understand our role in reducing our environmental impacts, including prevention of environmental accidents and emergencies; and
9. Seek opportunities to continually reduce our impact on the environment.

##### **What we must not do:**

1. Conceal any environmental risk, hazard or incident.

##### **Why is it important:**

Appropriate disciplinary action may be taken against any employee who breaches this policy. We must adopt responsible environmental practices and comply with applicable environmental legislation to conserve natural resources. Dechra can face fines for non-compliance of environmental regulations.

##### **Procedures and Forms:**

1. Group Environmental Policy
2. Third Party Code of Conduct

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### Our Community

#### Charitable Donations (and Political Donations)

##### **Our Principle:**

The Group encourages the promotion of engagement between our employees and the community and in particular the support of local community groups and charities. As a business we do not make political donations to political organisations or candidates, nor any other type of political expenditure.

##### **What do we mean?:**

Charitable donations can be monetary or in-kind, and can be made either to local community groups, an employee nominated charity, or an animal welfare charity. A donation-in-kind can be in the form of obsolete and/or short dated products, damaged products and consumables.

Senior Managers (that is Senior Executive Team (SET) minus one) have the discretion to allocate funds each year up to £5,000 from their own budget to charitable donations with the approval of their respective SET member. This allocation can be used to fund charitable donations throughout the year whether this be to one charity or a number.

##### **What we must do:**

1. Check that the donation is appropriate and properly approved in accordance with the Delegation of Authority Limits;
2. Keep records about information relating to donations, such as the monetary value of the donation, type of donation and beneficiary;
3. Check that product donations are only provided to charities for their own use;
4. Check for potential conflicts of interest; and
5. Check that the charity is a bona fide charity with the appropriate registrations.

##### **What we must not do:**

1. Give charitable donations to:
  - Individuals;
  - Political organisations or candidates for public office;
  - Organisations that discriminate on the basis of race, religion, age, colour, sex, disability, national origin, ancestry, marital status, sexual orientation, or veteran status;
  - Organisations with the primary focus of providing religious instruction;
2. Make political contributions or be involved in any political activity in the name of the Company; or
3. Offer or make a charitable donation as an incentive or reward for obtaining or retaining business or for any other improper purpose, or to organisations we have had a commercial connection within the last two years without the prior approval of Group Legal.

##### **Why is it important:**

Appropriate disciplinary action may be taken against any employee who breaches this policy.

##### **Procedures and Forms:**

1. ABC Policy