



Dechra Gender Pay Gap Report 2024

The Veterinary Perspective



At Dechra, our people are our greatest asset and underpin everything we do in the business. We recognise that the diversity of our team and an inclusive culture is beneficial for our business, its processes, and its performance.

Gender pay gap reporting has highlighted to us, and UK businesses as a whole, some of the organisational and societal factors that contribute to the gender pay gap.

We are pleased to report that as a result of our proactive management in relation to our gender pay gap, the gap has reduced from 17.7% in 2017 to 6.3% in 2024, it is something that we are looking to continue to build upon as we continue to make Dechra an increasingly attractive place to work.

As required by the UK legislation the following information is provided for Dechra Limited, the only UK Company within the Dechra Group, which employs more than 250 people.

The data below is based on an assessment of 377 employees (198 males and 179 females) who were employed within Dechra Limited on the snapshot date of 05 April 2024.

What is the 'gender pay gap'?

The reporting requirements relate specifically to separate legal entities within a Group structure in the UK who employ 250 or more employees on the 'snapshot date' each year; this is 05 April each year. For Dechra, this relates only to Dechra Limited (which comprises Dechra Pharmaceuticals Manufacturing and Product Development and Regulatory Affairs).

In this report, we share the gender pay gap data for the 12 months up to April 2024 for Dechra Limited.

The gender pay gap measures the difference between men and women's earnings by expressing women's pay as a percentage of men's pay.

This is different to equal pay. Equal pay refers to men and women receiving the same pay for the same work.

Gender pay gap

Median (<i>middle</i>) Gender Pay Gap; Dechra Limited	6.3%
Mean (<i>average</i>) Gender Pay Gap; Dechra Limited	7.4%
UK's National Gender Pay Gap*	7.0%

*Source: ONS, 2024

The data above shows the gender pay gap within Dechra Limited (which includes several global Group Manufacturing and Supply roles based within the UK). This is a snapshot of the difference between the average hourly pay of women compared to men, irrespective of their job or grade, expressed as a percentage of men's average pay. The hourly pay figure used to calculate the difference includes all items specified in the regulations, such as allowances and shift pay (but excludes overtime, as stipulated in the regulations).

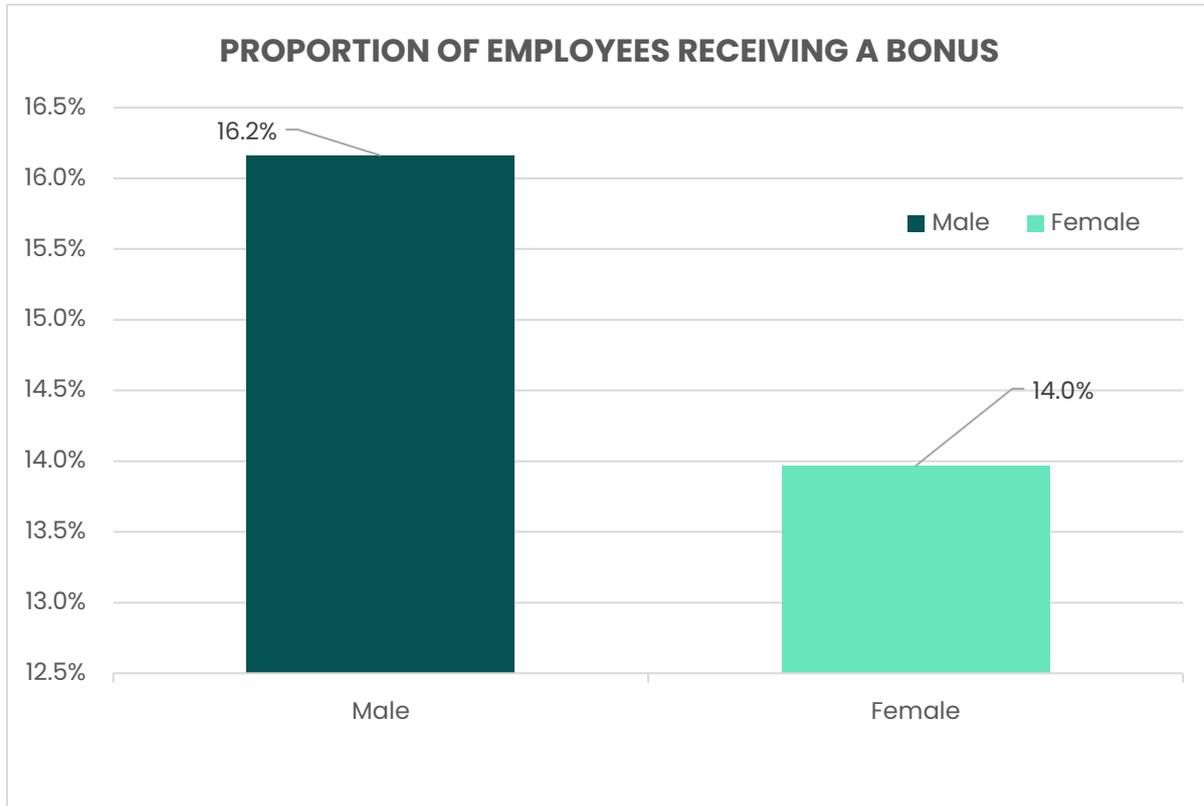
The median gender pay gap within Dechra Limited was 6.3%. For 2024, this is below the UK national average of 7.0%*, with our mean gender pay gap figure at 7.4%. We have witnessed a major improvement on our median gender pay gap from 2017 which stood at 17.7% but understand that there is still work to be done to maintain the lower median gender pay gap figures that we had seen in the few years prior to 2023.

Our analysis of the data shows that the gap, although reduced, remains largely driven by:

- More males occupying the higher paid, technical or senior positions, predominantly within the manufacturing division of Dechra Limited;
- A large proportion of the female workers occupying the lower paid, blue-collar positions.

Bonus pay gap

in preceding 12 months to 05 April 2024

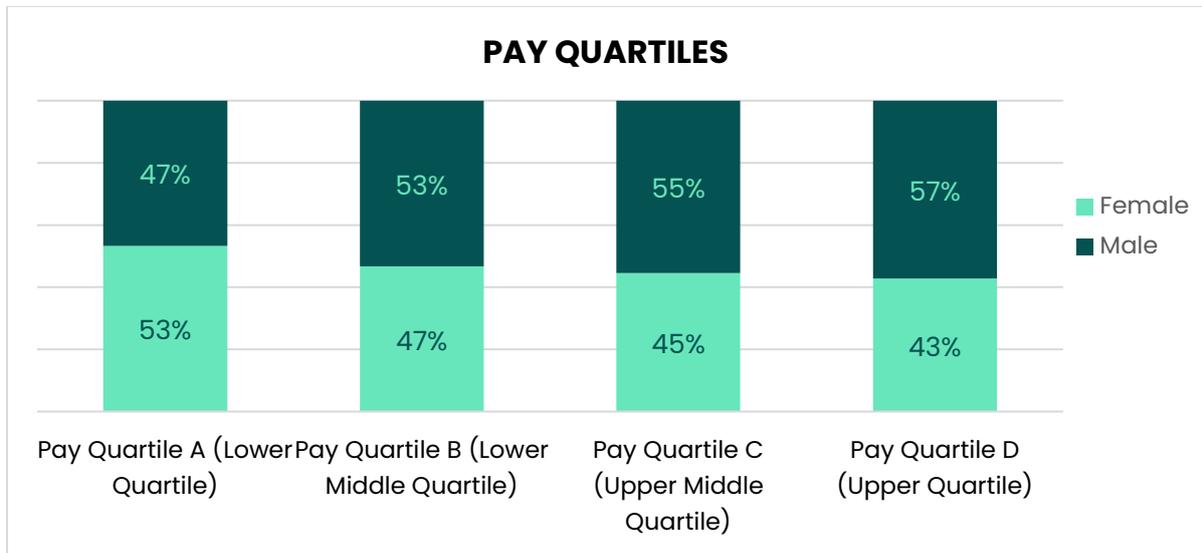


Median (<i>middle</i>) Bonus Pay Gap; Dechra Limited	10.7%
Mean (<i>average</i>) Bonus Pay Gap; Dechra Limited	25.3%

The figures above show the bonus pay gap for bonuses paid to employees within Dechra Limited, between 06 April 2023 and 05 April 2024, as per the regulations. The differences between the median and mean averages can be explained by the fact that there are a higher proportion of the larger bonus amounts having been paid to males (as the senior management roles within Group Manufacturing and Supply have a higher bonus opportunity in percentage terms, and within 2024 there was an increase in the number of males holding these positions) when compared with females. This therefore increases the mean average.

We are committed to doing more to support and encourage women into our senior Manufacturing and Supply roles.

Pay quartiles



The graph above shows the gender distribution across Dechra Limited in four equally sized hourly pay quartiles. For example, within the lower quartile 53% (lower than 2023) of employees are women and 47% (higher than 2023) are male.

Overall, there is an almost equal proportion of men and women within Dechra Limited, with 48% of the Dechra Limited population being women. The lower quartile however, the lower paid roles, are heavily occupied by women, we have made significant headway within this quartile compared with prior years. We have seen a significant increase in the number of women, when compared with 2023, in the Lower Middle Quartile (+10%), a slight decrease in the number of women within the Upper Middle Quartile (-3%) and a significant increase in the number of women within the Upper Quartile (+10%).

We remain focussed in our efforts to attract women into the upper quartiles of the pay distributions and in the last 12 months have witnessed additional growth within our Manufacturing and Supply organisation, which has resulted in the introduction of some new, senior, higher paid roles within the division being introduced and having been filled by women.

Moving towards an equal distribution of men and women across all levels is very important to Dechra and something we are continuing to strive towards.

We recognise that the diversity of our team and an inclusive culture is beneficial for our business, its processes, and its performance. We have highlighted below our key actions over the last 12 months which has helped us reduce our gender pay gap further. We acknowledge and accept that we still have more to do, and we remain committed to tackling our gender pay gap.

A year in review – measurement against our actions

In our first gender pay gap report, which was published in April 2017, we prioritised three areas for action to reduce our gender pay gap. Here we report on our progress for each area and how we are building on our plans in order to build on our greatest asset, our people, and further enhance our progress towards reducing our gender pay gap.

Manufacturing makes up the largest proportion of workers within Dechra Limited and traditionally this sector has a talent pool available externally that is predominantly male, however we are pleased that our male/female split remains at almost 50/50, largely reflective of the UK population. At Dechra we pride ourselves on our fair and honest recruitment process.

Despite this, we acknowledge that we need to do more to support our females into technical and senior positions and at Dechra we believe in growing our own talent. Over the last 12 months, we have focussed on our internal development, engagement, and communication.

Our year in review

Our action: Internal Development

Our progress:

As in previous years, internal progression and promotion has been a key focus area. We implemented a key performance indicator linked to internal promotions to encourage and drive this behaviour wherever possible and we are seeing an increasing trend.

We have implemented a global recognition programme to ensure that discretionary effort is also recognised and fed into talent reviews and talent planning.

Our action: Engagement & Communications

Our progress:

We continue to maintain our Real Living Wage accreditation, ensuring our teams receive a fair pay for the work that they do.

We have embedded the 9 day fortnight into our Skipton Manufacturing facility giving our employees a better work life balance, as well as attracting new talent to the business who desire this level of flexibility with no impact to pay.

For our populations where there is more flexibility in their schedule, we have implemented flexible Fridays where employees are encouraged to reduce scheduled meetings and log off early to enjoy a longer weekend.

We have also further developed our communication routines across our diverse population, ensuring that all employees, whether shop floor based or PC users, are connected to our business plans and opportunities for progression.

All of this is underpinned by an increased focus on embedding diversity and inclusion into our culture to create innovative and high performing teams making Dechra a great place to work, now, and in the future.

I confirm that our data has been calculated according to the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Ajay Gandhi

Chief Financial Officer