



MODERN SLAVERY ACT 2015 STATEMENT

INTRODUCTION

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

OUR BUSINESS

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

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

OUR EMPLOYEES

As an employer we are:

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

OUR SUPPLY CHAIN

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

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

OUR POLICIES AND PROCEDURES ON SLAVERY AND HUMAN TRAFFICKING

The Dechra Annual Report, the Dechra Code of Conduct and the Dechra Values set out the Group commitment to acting ethically and with integrity towards our employees and in all our business relationships. Dechra is opposed to slavery and human trafficking in any part of our business or our supply chain. We are committed to ensuring that we have adequate procedures in place to identify and prevent these practices.

In keeping with Dechra's commitments to act with integrity in all its business dealings, Dechra's policy entitled "Third Party Principles Policy – A Guide to Working with Dechra" includes a commitment to upholding and respecting human rights both within our business and from our third parties. It states Dechra's position on modern slavery, child labour, non-discrimination, fair treatment, wages, benefits and working hours.

Our Code of Conduct provides important guidelines for interactions with customers, suppliers and one another. The Dechra Values are integrated into the Code of Conduct and are central to every decision we make. The Dechra whistleblowing policy encourages employees to raise concerns, including any breaches of Dechra Values, policies or the laws of the countries in which we operate.

RISK AND DUE DILIGENCE PROCESSES

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

- We will undertake a supply chain risk assessment of modern slavery risks within Dechra. This will assist us to develop a list of high risk suppliers in respect of modern slavery issues using key information such as supplier type and geographical location. The results will enable us to assess the potential risk areas in our supply chain and to prioritise future due diligence within our supply chain;
- Dechra shall continue to roll out anti-slavery compliance clauses in its commercial contracts with third party suppliers and all future contracts will, where relevant, also include appropriate clauses regarding supplier compliance with the Act; and
- Dechra shall review its Code of Conduct and whistleblowing policy in order to maintain the highest standards of employee conduct and ethical behaviour throughout its business and in managing its supply chain.

MEASURING EFFECTIVENESS

In order to monitor the effectiveness of the steps we take to prevent modern slavery and human trafficking taking place in our business and supply chain we will circulate the Third Party Principles Policy to high risk suppliers globally. The confirmation from the suppliers to this policy will be reviewed and evaluated for any further action that may be required. In addition, we continue to monitor modern slavery concerns raised via the whistleblowing process.

BOARD APPROVAL

This statement has been approved by the Chief Executive Officer of Dechra on behalf of the Board of Directors. This policy will be reviewed and updated as appropriate on an annual basis.

Ian Page, Chief Executive Officer, 30 March 2017