



Performance



Our Business

Providing Sustainable Products, Education and Technical Support

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:

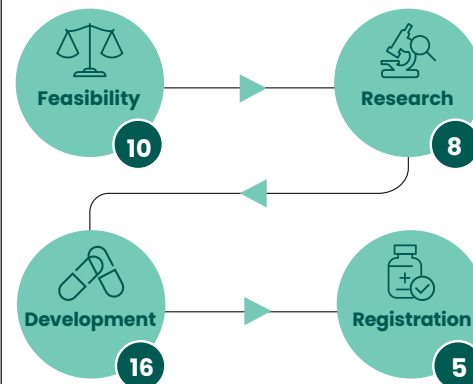
- 7.6% of revenue invested in R&D
- 205,012 of CPD hours provided globally
- Value chain sustainability assessment ongoing

Linkage to 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 is one of the Group's strategic objectives. In order to meet this objective, last year we committed to invest between 7% and 8% of revenue on product development per annum for the next three financial years.

We are pleased to report that we have made good progress on our pipeline again this year and, following the acquisition of Piedmont Animal Health, Inc in July 2022, our investment in R&D has increased significantly to £57.5 million this year, representing 7.6% of revenue.

Most of this spend relates to the development of existing molecules, many of which have already been developed for use in humans and for which we are now exploring possible use cases in animals. This contrasts with the speculative, early stage research performed by many other pharmaceutical companies in both human and animal healthcare.

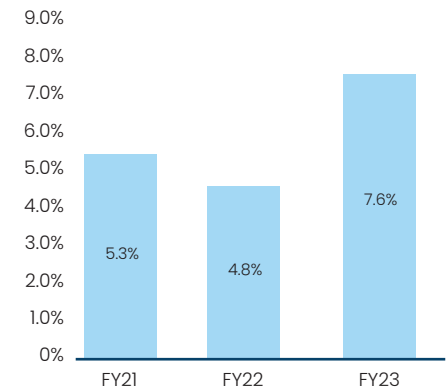
We have a proven track record of successful pipeline delivery and our pipeline is currently the strongest it has been at any point in our history.

Several global product approvals have been achieved during the year, most notably Zycosan®, a novel treatment for equine

lameness for use in the US market, and a number of developments with regards to Tri-Solfen®, a welfare product for use in food producing animals that has many possible applications.

We have also made good progress with our partnership with Akston Biosciences to develop a breakthrough long acting insulin for dogs and cats. This remains on track for a calendar year 2026 approval of the dog product and, if successful, would represent a significant milestone within the animal healthcare industry.

R&D Investment





Performance continued



Our Business

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 many veterinarians in the therapeutic areas in which we operate.

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 109,691 registered users (2022: 97,192) and 945 individual courses (2022: 730) on the Dechra Academy, which is available in 24 markets.

During the year, we provided 20,196 hours of CDP via our Dechra Academy and a further 184,816 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.

For further information on our Technical Support read our 2023 Annual Report.

Act with Honesty and Integrity

As part of our commitment to acting with honesty and integrity, we are working towards a full value chain sustainability assessment by financial year 2030.

This involves engaging with employees from across the Group, bringing together different departments and functions to build a clear picture of how we work with suppliers, partners and customers.

Given the scope of this work, it is another good example of how sustainability is being integrated in to our broader business strategy.

Although this is a long term project, we have made further progress over the past year. The Group Sustainability Director is responsible for overall delivery of the project and provides regular updates to the Chief Financial Officer, the Board and the ESG Committee to ensure that we remain on track with meeting our target date, whilst at the same time progressing our other Sustainability initiatives.



Case Study

Tri-Solfen®

One of our key focus areas is to develop and promote innovative, ethical, and sustainable products that improve animal health and welfare. A recent product launch in the UK which upholds this strategy is Tri-Solfen®.

Tri-Solfen® is an innovative anaesthetic and antiseptic gel for local application during and following castration of piglets, which also helps prevent infection around the wound. It was originally developed and launched in Australia and is now used in a number of countries for a variety of treatments. The gel is easy to administer, fast acting (effective in just 30 seconds) and has successfully treated more than 100 million animals in Australia, New Zealand and Portugal, where it is licensed for disbudding, dehorning, castration and general wound treatments in cattle, sheep, pigs, and horses.

The presence of Tri-Solfen® in our extensive anaesthesia and analgesia range helps provide veterinarians with new options for local anaesthesia and pain management. We continue to work on developing a sterile application for EU registration and pursue authorisations in other territories as we seek to help improve animal welfare globally.