

# COVID-19 Update

## Ian Page | Chief Executive Officer



### Overview

We are pleased to report that the business has continued to perform strongly and remained fully operational throughout the COVID-19 pandemic influenced financial year. We reported in our 2020 Annual Report the governance structures we put in place to mitigate the impact of COVID-19 on our people and our business. We are pleased to report that we have:

- not furloughed any of our employees;
- not taken advantage of, or utilised, any government assistance in any country; and
- not undertaken any redundancy programmes related to the pandemic.

Once the consequences of COVID-19 on the global economy began to be understood, we introduced various measures that preserved cash which gave us all security in the financial strength of the business. We decided to delay the annual pay review process, normally effective from 1 September, until 1 January 2021. This allowed us to measure the ongoing impact of the pandemic, which along with other measures, were acts of caution to preserve cash until we got a better understanding of what the new 'normal' business would look like. We have now conducted a full review of our global remuneration policies and from 1 January 2021 no individual within Dechra will work below their respective nationally recognised living wage or equivalent. This was a year ahead of when we originally planned in the UK and even earlier in the rest of the world.



Read more about Remuneration on pages 119 to 146.



### Our People

I would like to thank all our employees for their hard work, dedication and innovation throughout the year. Our employees have responded positively during the pandemic and have adapted to new ways of working demonstrating the agility that is a core part of our culture.

The measures that were put in place to enable all front line employees to operate safely in our 2020 financial year have remained; this has allowed all manufacturing and logistic sites and laboratories to remain open and continue to function effectively. All employees who can work from home have done so successfully. Our employees are now slowly returning, where it is safe to do so, to our offices, initially on a cohort basis, and in the field.

We have paid all of our site based employees (majority of our lowest paid staff work in manufacturing or logistics) a bonus to reward their commitment during the COVID-19 period. In March 2021, we were pleased to be accredited as a Living Wage Employer in the UK.

We have also benchmarked individuals within all levels of the Group, and have implemented above inflationary salary increases to numerous employees, to continue to provide a competitive and fair level of remuneration throughout the whole organisation, in line with our commitment to the remuneration policies we adopted in 2019.



### Our Community

For the last 10 years we have operated a Group Donations scheme, whereby we encourage all employees to nominate a charity or non-commercial organisation for a charitable donation. We decided that we would give the 2021 financial year's donation to charities related to the effects of COVID-19. All the money this year was allocated to each country in which we have a manufacturing organisation in memory of Simon Francis, Group Manufacturing and Supply Director, who sadly passed away from COVID-19 last year. Please refer to our Corporate Social Responsibility section on pages 74 and 75 for further information.