

STRONG AND EXPERIENCED LEADERSHIP



DR CHRISTOPHER G J RICHARDS

CHIEF EXECUTIVE OFFICER

Appointed August 2012

Dr. Christopher Richards joined the Company as Non-executive Chairman in August 2012. He became Executive Chairman in April 2015 then Interim Chief Executive Officer in November 2018. Chris spent 20 years at Syngenta and its predecessor companies in various strategic management positions in South America, Europe and Asia. He then served as CEO of Arysta LifeScience from 2004 until 2010, leading Arysta LifeScience's transformation into a global agrochemical company with sales above \$1.6 billion. He was then Chairman of Arysta LifeScience until 2015. He serves on the Board of Directors of Origin Enterprises plc, a service provider to farmers for food production solutions, and is Chairman of Nanoco Group plc, a nano-materials technology company carrying out research, development and commercialisation of products based on heavy-metal free quantum dots. Chris farms in Devon, UK.



DR RICHARD H WEBB

NON-EXECUTIVE CHAIRMAN

Appointed September 2013

Richard Webb joined the Company in September 2013 as a Non-executive Director. In January 2015, he was appointed as Executive Director, responsible for leading the New Technology strategy and licensing. In January 2019 he became a Non-executive again, taking over as Chairman in October 2019. Richard held various positions at ICI plc, including, early in his career, managing laboratory, field and commercial development programmes for its public health pesticide business. Later he held corporate strategy roles at the time of ICI's demerger and restructuring. Thereafter he worked as a consultant, mostly with life sciences business. It was in this capacity that he was originally engaged by the Company in 2012 to work on the development of its new business strategy. His doctorate, in pest biology, is from the London School of Hygiene & Tropical Medicine.



MR JEFFREY HOVEY

CHIEF FINANCIAL OFFICER

Appointed November 2019

Jeffrey Hovey joined the Company as Chief Financial Officer in September 2013. He became an Executive Director in November 2019. He drove re-structuring and cost reduction for the Company in 2014. He has over 25 years' financial management experience and is a CPA with IFRS and US GAAP experience. Jeffrey Hovey has held numerous senior financial and accounting roles in private and publicly listed retail, life sciences and technology companies. While with a regional office supply company, he led the accounting and financial due diligence effort which ultimately led to the sale of the company to an international office supply company.

KEY TO COMMITTEE MEMBERSHIP

-  Audit
-  Remuneration
-  Chairman



MR JEFFREY TWEEDY

CHIEF OPERATING OFFICER

Appointed November 2019

Jeffrey Tweedy joined the Company as Commercial Head, Americas in October 2017 and has held the position of Chief Operating Officer since 2018. He became an Executive Director in November 2019. He leads all Commercial activities for the Company globally as well as the PREtec product launches for the New Technology segment of the business. Jeffrey has over 30 years of experience in sales and business development in the US and internationally. He has held senior Commercial North America and global roles in Syngenta, Arysta LifeScience and Horizon Ag.



MR GUY VAN ZWANENBERG

NON-EXECUTIVE DIRECTOR

Appointed November 2019

Guy van Zwanenberg joined the Board in November 2019 as a Non-executive Director. He is the Chair of the Audit Committee, a member of the Remuneration Committee and the Senior Independent Director. Guy has more than 40 years' experience in industry and practice. He qualified as a Chartered Accountant with Grant Thornton and then spent three years working with James Gulliver. Guy subsequently moved to become UK Finance Director of an American computer accessory company which was taken public in 1989. In 1991, he established his own interim financial management business and has since been involved in a number of SME businesses providing strategic and financial help. Guy joined Gamingking plc in 1998 (when listing on AIM) on a part time basis as Finance Director and became Company Secretary and Non-Executive Director in 2006, remaining until May 2013, during which time he helped acquire several businesses and to reverse the company into Sceptre Leisure plc, which was then delisted. He joined Quixant plc as a Non-Executive in March 2013 as part of the float team. In 2015 he joined as a Non-Executive at Coms plc and was part of the team which transformed the business into the SaaS business Smartspace plc and became its Chairman in July 2018. Guy is both a Fellow of The Institute of Chartered Accountants in England and Wales and a Chartered Director.



MR WILLIAM M LEWIS

NON-EXECUTIVE DIRECTOR

Appointed April 2015

William Lewis joined the Company as a Non-executive Director in April 2015. He also currently serves as Chairman of the Remuneration Committee and as a member of the Audit Committee. Since June 2014, William Lewis has served as President and CEO of Summit Agro USA, LLC, a joint venture agrochemicals business between Sumitomo Corporation and ISK Biosciences. He previously held senior roles within Arysta LifeScience, Syngenta Crop Protection and Zeneca/ICI. William Lewis has also been an owner/operator of two John Deere dealerships in GA where he improved the overall operations and value of the business, which led to the successful sale of the businesses.

INTRODUCTION

Plant Health Care plc (the "Company") is committed to maintaining the highest standards of corporate governance throughout its operations and to ensuring that all of its practices are conducted transparently, ethically and efficiently. The Company believes that continual review of all aspects of its business and reflecting, analysing and improving its procedures will result in the continued success of the Company and improve shareholder value. Therefore, and in compliance with the updated AIM Rules for Companies, the Company has chosen to formalise its governance policies by complying with the UK's Quoted Companies Alliance Corporate Governance Guidelines for Small and Mid-Size Quoted Companies (the "QCA Code").

The Company has followed the QCA Code's recommendations in terms of disclosures to be made on its website and in this Annual Report. Specifically, the QCA Code has 10 principles being:

1. Establish a strategy and business model which promote long-term value for shareholders
2. Seek to understand and meet shareholder needs and expectations
3. Take into account wider stakeholder and social responsibilities and their implications for long-term success
4. Embed effective risk management, considering both opportunities and threats, throughout the organisation
5. Maintain the board as a well-functioning, balanced team led by the chair
6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities
7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement
8. Promote a corporate culture that is based on ethical values and behaviours
9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board
10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

Disclosures recommended by the QCA Code to be included on the Company's website, and not in its Annual Report, being principles 2, 3 and 9 may be found on the Company's website. For more details regarding Corporate Governance, including the Company's compliance with the ten principles of the QCA Code, please see the Company's Corporate Governance Statement located at <https://www.planthealthcare.com/investors/corporate-governance>. Consideration of the remaining seven principles are described below.

In assessing its compliance with the QCA Code, the Company's Board of Directors (the "Board") is mindful that in some areas it may not fully comply with the QCA Code. Such non-compliance reflects the size of the Company, its stage of development and the complex scientific/specialist nature of certain of its activities. The Board is alert to the potential risks this may create and has therefore provided the following background and explanation.

Messrs Lewis and van Zwanenberg chair the Company's two key committees and also meet with the Chairman separately on a regular basis. Board meetings have appropriately robust agendas and are held face to face in the US or UK or remotely based on Covid restrictions 5 times a year, with ad hoc meetings as and when the business needs demand. The US is the main centre of activity and management of the Company. Each Board meeting also includes involvement of the key executive leadership not on the Board. Messrs Lewis and van Zwanenberg are satisfied that the current Board has the right mix of skills that are relevant to the Company's current position and stage of development. They are also satisfied that they present effective challenges to the Executive Directors and management team.

The Company has established specific committees and implemented certain policies and practices to ensure that:

- it is led by an effective Board which is collectively responsible for the long-term success of the Company;
- the Board and the committees have the appropriate balance of skills, experience, independence, and knowledge of the Company to enable them to discharge their respective duties and responsibilities effectively;
- the Board establish a formal and transparent arrangement for considering how it applies the corporate reporting, risk management, and internal control principles and for maintaining an appropriate relationship with the Company's auditors;
- there is a dialogue with shareholders based on the mutual understanding of objectives; and
- all aspects of the Company are run in a robust and responsible way.

The Company's overall strategic objective is to be a leading provider of proprietary biological products. The Company's strategy and business model and amendments thereto, are developed by the Executive Committee and approved by the Board. The Executive Committee, led by the CEO, is responsible for implementing the strategy and managing the business at an operational level. A comprehensive budgeting process is completed once a year and is reviewed and approved by the Board. The Company's results, compared with the budget, are reported to the Board at least five times per year. The full strategy and business operations of the Company are set out in the Strategic report section of this Annual Report on pages 2 to 27.

The Company's business is subject to a number of potential risks and uncertainties. The occurrence of any of these risks may materially and adversely affect the Company's business, financial condition, results of operations and future prospects. The Company manages and mitigates these risks by executing its strategy and operational plans as described above.

The Board is responsible for the systems of risk management and internal control and for reviewing their effectiveness. The internal controls are designed to manage rather than eliminate risk and provide reasonable but not absolute assurance against material misstatement or loss. Through the activities of the Audit Committee, the effectiveness of these internal controls is reviewed annually. The Company maintains appropriate insurance cover in respect of actions taken against the Directors because of their roles, as well as against material loss or claims against the Company. The insured values and type of cover are comprehensively reviewed on a periodic basis.

A summary of the principal risks and uncertainties facing the Company are set out on pages 26 and 27 of this Annual Report. The Executive Committee meets at least twice annually to review the Company's risk register, along with potential causes and impact, controls and actions to minimise the probability of those risks materialising, and consider new risks and opportunities presented to the Company, making recommendations to the Board as appropriate at least once annually.

BOARD OF DIRECTORS

The Board of directors is responsible for the proper management of the Company by formulating, reviewing and approving the Company's strategy, budgets, and corporate actions. In order to achieve its objectives, the Board adopts the ten principles of the QCA Code. Through successfully implementing these principles, the Company believes it is able to deliver long-term growth for shareholders and maintain a flexible, efficient and effective management framework within an entrepreneurial environment.

It is important that the Board itself contains the right mix of skills and experience in order to deliver the strategy of the Company. As such, the Board is currently comprised of:

- Dr Richard Webb, Non-executive Chairman
- Dr Christopher G J Richards, Executive Director and CEO
- Mr Jeffrey Hovey, Executive Director and CFO
- Mr Jeffrey Tweedy, Executive Director and COO
- Mr Guy van Zwanenberg, Senior Independent Director; and
- Mr William M. Lewis, an independent Non-executive Director.

The backgrounds and relevant experience of these Directors is set out on the website.

The Company Secretary assists the Chairman and Committee Chairmen in preparing for and running effective Board meetings and Committee meetings, including the timely dissemination of appropriate information prior to meetings and minutes following the meetings. The Company Secretary provides advice and guidance to the extent required by the Board on the legal and regulatory environment.

Each Director serves on the Board from appointment until the next annual general meeting at which he or she stands for election. Thereafter he or she stands for re-election in accordance with the Company's Articles of Association which is no less than once every three years.

COMMITTEES

In compliance with UK best practice, the Board has established the following committees.

AUDIT COMMITTEE

The purpose of the Audit Committee is to monitor the integrity of the financial statements of the Company.

Some of the Audit Committee's duties include:

- reviewing the Group's accounting policies and reports produced by internal and external audit functions;
- considering whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor;

- reporting its views to the Board of Directors if it is not satisfied with any aspect of the proposed financial reporting by the Company;
- reviewing the adequacy and effectiveness of the Company's internal financial controls and internal control;
- reviewing the adequacy and effectiveness of the Company's anti-money laundering systems and controls for the prevention of bribery and receive reports on non-compliance; and
- overseeing the appointment of and the relationship with the external auditor.

The Audit Committee has two members, each of whom is an independent Non-executive Director and at least one member who has recent and relevant financial experience. The current members of the committee are Guy van Zwanenberg as the Chairman and William Lewis.

REMUNERATION COMMITTEE

The purpose of the Remuneration Committee is to determine and agree with the Board regarding the framework or broad policy for the remuneration of the Company's chairman and the Executive Directors as well as the composition of the Board itself.

Some of the Remuneration Committee's duties include:

- reviewing the pay and employment conditions across the Company, including the Executives on the Board
- approving targets and performance related pay schemes operated by the Company and all share incentive plans and pension arrangements;
- regularly reviewing the structure, size, and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes, succession planning and vacancies; and
- identifying suitable candidates from a wide range of backgrounds to be considered for positions on the Board.

The Remuneration Committee has two members, each of whom is an independent Non-executive Director. The current members of the committee are William Lewis as the Chairman and Guy van Zwanenberg.

In light of the current composition of the executive leadership and the Board, the Board as a whole has retained overall responsibility for the review of the overall risk management processes and principles. The Board as a whole constitutes the Nomination Committee and will appoint a subcommittee if considered appropriate; the Board also determines remuneration for the Non-executive Directors.

The Board made the decision not to form a separate HSE committee. Matters of HSE are treated with the up most importance and considered by the Board as a whole. HSE is a standing agenda item considered at every scheduled Board meeting.

EXECUTIVE COMMITTEE

The Company's Executive Committee is the main decision-making body of the Company and ensures that key decisions are made in a timely manner with the best information available. The Executive Committee meets on a monthly basis and has six members: Christopher Richards chairs the Executive Committee and is joined by Zhongmin Wei (Chief Science Officer), Jeffrey Tweedy (Chief Operating Officer), Jeffrey Hovey (Chief Financial Officer) and Mark Turner (Director, Technology Licensing).

BOARD COMPOSITION

The Company's Board is currently comprised of 3 Non-executive Directors and 3 Executive Directors. The Chairman is non-independent.

Directors' biographies are set out on pages 28 and 29. The Board is responsible to its shareholders for the proper management of the Company and meets at least five times a year to set the overall direction and strategy of the Company, to review scientific, commercial, operational and financial performance and to advise on management appointments. All key operational and investment decisions are subject to Board approval. A summary of Board and Committee meetings held in the year ended 31 December 2020, and Directors' attendance records, is set out on page 38.

The Board considers itself to be sufficiently independent. The QCA Code suggests that a board should have at least two independent Non-executive Directors. Two of the Non-executive Directors who currently sit on the Board of the Company are regarded as independent under the QCA Code's guidance for determining such independence. Non-executive Directors receive their fees in the form of a basic cash fee.

Concerns relating to the executive management of the Group or the performance of the Directors can be raised in confidence by contacting the Senior Independent Director, Guy van Zwanenberg, through the Company Secretary.

BOARD EXPERIENCE

The Board considers that all of the Non-executive Directors are of sufficient competence and calibre to add strength and objectivity to its activities, and bring considerable experience in scientific, commercial, operational and financial development of products and companies.

The Board regularly reviews the composition of the Board to ensure that it has the necessary breadth and depth of skills to support the ongoing development of the Company.

The Chairman, in conjunction with the Company Secretary, ensures that the Directors' knowledge is kept up to date on key issues and developments pertaining to the Company, its operational environment and to the Directors' responsibilities as members of the Board. During the course of the year, Directors receive updates from the Company Secretary and various external advisers on a number of corporate governance matters. Furthermore, the key commercial executives and the New Technology team regularly present at Board meetings and attend dinners with Board members. Also the Board periodically visits the Research and Development centre in Seattle and are briefed by the team.

In early 2020, the Board received a refresher from its Nomad on the requirements of the UK market Abuse Regulations and disclosure requirements of the FCA.

Directors' service contracts or appointment letters make provision for a Director to seek personal advice in furtherance of his or her duties and responsibilities, normally via the Company Secretary.

The Board seeks advice from its external advisers as needed in the ordinary course of business and for exceptional circumstances, including its Nominated Adviser and outside counsel in the UK and USA as well as globally. There is an agreed procedure for Directors to take independent professional advice, if necessary, at the Company's expense. This is in addition to the access which every Director has to the Company Secretary, who is charged by the Board with ensuring that Board procedures are followed. Directors' service contracts or appointment letters make provision for a Director to seek personal advice in furtherance of his or her duties and responsibilities, normally via the Company Secretary.

PERFORMANCE OF THE BOARD

The Board has a process for evaluation of its own performance, that of its committees and individual Directors, including the Chairman. This process is conducted on a regular basis and last took place in January 2020, with no substantive issues arising. Evaluation criteria include Board Composition, Strategy, Board Meetings, Training and Development, Governance, Risk, Company Secretary and Leadership. The Board may utilise the results of the evaluation process when considering the adequacy of the composition of the Board and for succession planning.

CORPORATE CULTURE

The Board seeks to maintain the highest standards of integrity and ethics in the conduct of the Company's operations. These values are exhibited in the written policies and working practices adopted by all employees in the Company. An open culture is encouraged within the Company, with regular communications to staff regarding progress and staff feedback regularly sought. Employees are expected to behave and to execute the Company's strategy and objectives in an ethical, compliant manner as well as to ask questions and raise concerns openly. The CEO and senior management team monitors the Company's cultural environment and seeks to address any concerns that may arise, escalating these to Board level as necessary.

GUY VAN ZWANENBERG

Senior Independent Director

22 April 2021

AUDIT COMMITTEE REPORT



The Audit Committee is a formally constituted sub-committee of the Board. The Audit Committee comprises Guy van Zwanenberg as chairman and William Lewis. The Committee meets separately with the external auditors without management present. The Secretary to the Committee is the Company Secretary.

MAIN ACTIVITIES OF THE AUDIT COMMITTEE

The Audit Committee meets formally three times a year: in September, to review and consider the half year results announcement; in December, together with the external auditors, it considers and approves the nature and scope of the annual audit; and then in late March or April it will receive reports from the external auditor on the conduct of their audit, and their review of the accounts, including accounting policies and areas of judgement, and their comments on risk management and control matters. The external auditor also present their fee proposals for the forthcoming annual audit at the December meeting.

INDEPENDENCE OF EXTERNAL AUDITOR

Both the Board and the external auditor have safeguards in place to avoid the possibility that the auditor's objectivity and independence could be compromised. The policy in respect of services provided by external auditor is as follows:

- Audit related services - the external auditor is invited to provide services which, in their position as auditor they must or is best placed to undertake. This includes formalities relating to shareholders and other circulars or any other regulatory reports or work in respect of acquisitions or disposals.
- Tax consulting - in cases where they are best suited, we will use the external auditor's tax advisers. However, in the current year and prior years, the Group has not used the auditors tax advisers for tax consultant services.
- General consulting - recognising the public concern over the issue of auditor's independence, our policy is that the external auditor would not be used for general consulting work.

INTERNAL MANAGEMENT ACCOUNTING

The Audit Committee considered the performance of the internal accounting function and the resource requirements available taking into account the size and complexity of the Group's activities. Given the small size of the Board, the Board as a whole reviews the internal budgets and they are formally approved by the Board. The Board has concluded as a whole that these budgets are both properly prepared and based upon realistic assessments of the market opportunities in the context of the Group's ambitions.

This report was approved by the Audit Committee and presented on its behalf by:

GUY VAN ZWANENBERG

Chairman of the Audit Committee

22 April 2021



The Remuneration Committee has two members, each of whom is an independent non-executive director. The current members of the Committee are William Lewis as the Chairman and Guy van Zwenberg. The Committee is responsible for determining the contract terms, remuneration and other benefits of the Executive Directors including the Executive Chairman, and for monitoring the remuneration of first-line executive management. The Committee may call on outside compensation experts as required.

REMUNERATION POLICY

It is Group policy to set Directors' remuneration levels to attract, incentivise and retain the quality of individuals that the Group requires to succeed in its chosen objectives. It is also Group policy to ensure that there is a strong link between the level of Executive Directors' remuneration and the performance of the Group in achieving its goals.

ELEMENTS OF REMUNERATION – EXECUTIVE DIRECTORS CHIEF EXECUTIVE OFFICER

The following comprised the principal elements of the Group's Executive Directors remuneration during 2020:

- basic salary and benefits;
- annual bonus (performance-related and discretionary); and
- long-term share-based incentives

In lieu of additional salary for his role as Interim Chief Executive Officer, Christopher Richards was granted share options in 2020 which were tied to certain performance conditions.

(A) 2004 UNAPPROVED SHARE OPTION SCHEME

In July 2004, the Board adopted the Plant Health Care plc Unapproved Share Option Scheme 2004. Under this scheme, the Board could grant options at an exercise price of not less than the market value of a share on the date of award. Options may normally be exercised between three and 10 years from grant. In most cases, vesting is also dependent upon the option holder remaining an eligible employee. In 2014, the scheme reached the 10th anniversary of its approval by shareholders; no further options may be granted. The Company was authorised to award options and shares under these plans up to the greater of 3% of its issued share capital or such number as, when aggregated with any outstanding options converted from the Plant Health Care, Inc. option plans from 1996 and 2001, amounts to no more than 10% of the issued share capital of the Company.

(B) 2015 EMPLOYEE SHARE OPTION PLAN

On 16 June 2015, the Company adopted the Plant Health Care plc 2015 Employee Share Option Plan, or the EMI Plan, which provides for the grant of options to acquire the Company's ordinary shares. Under the EMI Plan, the Company may grant enterprise management incentive options, known as EMI options, to eligible bona fide employees who qualify under applicable United Kingdom ("UK") tax law, as well as options that do not qualify as EMI options, or NQOs. Vesting of options is subject to the performance conditions set out in the applicable option agreement and pursuant to the EMI Plan. The Board has the discretion and authority to set and measure the satisfaction of the performance conditions, which under the EMI Plan must be linked to the achievement of challenging financial performance over a period of at least three years, but no more than 10 years, from the date of grant and the enhancement of shareholder value. Performance conditions may be amended, relaxed or waived by the Board provided that any varied performance conditions would be a fairer measure of performance than the original performance conditions and are no more or no less difficult to satisfy than prior to the amendment. At any time, the total market value of the shares that can be acquired upon the exercise of all EMI options under the EMI Plan may not exceed £3 million.

As part of the EMI Plan, the Board has adopted rules governing options awarded to the Company's US employees, or the US Sub-plan to the EMI Plan. The US Sub-plan to the EMI Plan provides for grants of both incentive stock options qualifying under section 422 of the Internal Revenue Code of 1986, as amended, and non-statutory stock options. The term of an incentive stock option may not exceed 10 years (subject to certain limitations with respect to any employee who owns more than 10% of the voting power of all classes of the Company's outstanding ordinary shares). In the event the option holder ceases to be an employee before he or she exercises the vested portion of the option for any reason other than death, disability or by the employer for cause, the option shall expire three months after the date on which the option holder ceases to be an employee. In the event the option holder ceases to be an employee because of death or disability, the option holder, or his or her personal representative in the event of death, may exercise the vested portion of the option during the 12-month period following the date the option holder ceases to be an employee. In the event that the option holder's employment is terminated for cause by the employer, the option will expire immediately upon the date employment is terminated.

On 16 June 2015, the Company also adopted the Plant Health Care plc 2015 Non-Employee Share Option Plan, or the Non-Employee Option Plan, that provides for the grant of options to acquire ordinary shares to eligible option holders who are not employees. As part of the Non-Employee Option Plan, the Board has adopted rules governing options awarded to individuals who are not employees, or the US Sub-plan to the Non-Employee Option Plan.

This sub-plan provides for grants of non-statutory stock options. No further awards will be granted under the 2015 Employee Share Option Plan.

(C) 2017 EMPLOYEE SHARE OPTION PLAN

On 19 May 2017, the Company adopted the Plant Health Care plc 2017 Employee Share Option Plan, or the 2017 ESOP, which provides for the grant of options to acquire the Company's ordinary shares. Under the 2017 ESOP, the Company may grant enterprise management incentive options, known as EMI options, to eligible bona fide employees who qualify under applicable United Kingdom ("UK") tax law, as well as options that do not qualify as EMI options, or NQOs. Vesting of options is subject to any performance conditions set out in the applicable option agreement and pursuant to the EMI Plan. At any time, the total market value of the shares that can be acquired upon the exercise of all EMI options under the 2017 ESOP may not exceed £3 million.

As part of the 2017 ESOP, the Board has adopted rules governing options awarded to the Company's US employees, or the US Sub-plan to the 2017 ESOP. The US Sub-plan to the 2017 ESOP provides for grants of both incentive stock options qualifying under section 422 of the Internal Revenue Code of 1986, as amended, and non-statutory stock options. The term of an incentive stock option may not exceed 10 years (subject to certain limitations with respect to any employee who owns more than 10% of the voting power of all classes of the Company's outstanding ordinary shares).

(D) OPTIONS GRANTED OUTSIDE OPTION SCHEMES

The Company has granted options to acquire shares pursuant to separate unapproved option agreements to William Lewis and Dr Richard Webb. Generally, the options may only be exercised while the option holder is a service provider to the Company. In the event that the option holder ceases to be a service provider as a result of injury, ill health or disability, upon the company for which the option holder works ceasing to be a member of the Group, or the transfer of the business that employs the option holder to a person that is not in the Group, the option may be exercised during the six-month period beginning on the date upon which the option holder is no longer a service provider to the Company. Shares allotted under these options rank equally with all other shares in the same class in issue at the date of allotment. If and for so long as the allotted shares are listed or traded on any stock exchange, the Company shall apply for the shares allotted under these options to be admitted to the relevant exchange. In the event of any capitalisation issue, rights issue, consolidation, sub-division, reduction or other variation of the Company's share capital, the number and description of the shares subject to each option or the exercise price of each option shall be varied as the Board determines, provided that it considers such adjustment to be fair and appropriate. Limitations apply to the extent to which any such adjustment may reduce the price at which shares may be purchased pursuant to the exercise of an option and the exercise price for a share to be newly issued on the exercise of an option shall not be reduced below its nominal value.

PENSION BENEFIT

United States employees were entitled to participate in the Plant Health Care, Inc. 401(k) Plan. This is a defined contribution plan approved by the US Internal Revenue Service. The main features of the plan are:

- participation is open to all US-based employees who have completed a probationary period after initial employment;
- employees may contribute a percentage of salary to the plan through a payroll withholding scheme;
- in 2020, the Group made matching contributions of up to 4%. In 2019, the Group made matching contributions of up to 3%;
- beginning in 2014, Group contributions vest immediately; and
- the plan is subject to various statutory non-discrimination tests to ensure that it does not favour highly-compensated employees.

ELEMENTS OF REMUNERATION – NON-EXECUTIVE DIRECTORS

During 2019 and 2020, the remuneration for Non-executive Directors consisted of stock options under the 2017 Employee Share Option Plan scheme and fees for their services in connection with the Board and Board committees. The Non-executive Directors receive their fees wholly in cash.

SERVICE CONTRACTS

During 2019 and 2020, the Company had service contracts with all Executive and Non-executive Directors.

Provisions in the service contracts of other Executive Directors (including the Executive Chairman/Chief Executive Officer) include:

- termination may be initiated by the Company or the Director at any time with three months' written notice;
- the Company may also terminate the agreement with immediate effect by paying a sum in lieu of notice equal to the basic fixed salary the Director would have been entitled to receive during the notice period; and
- the Company may also terminate the agreement with immediate effect at any time without notice or payment in lieu of notice for certain circumstances including gross misconduct affecting the business.

Provisions in the service contracts of Non-executive Directors include:

- each Director's appointment may be terminated with no less than three months' prior written notice; and
- each Director's appointment may also be terminated with immediate effect for certain circumstances including serious breach or repeated breach of any obligations to the Company; any act of fraud or dishonesty; or a declaration of bankruptcy.

REMUNERATION COMMITTEE REPORT CONTINUED**DIRECTORS' REMUNERATION**

For the years ended 31 December 2019 and 31 December 2020, the table below sets forth the audited compensation paid to the Directors.

	Base salary and fees \$'000	Performance- related bonus \$'000	Other benefits \$'000	Share option benefit \$'000	Total 2020 \$'000	Total 2019 \$'000
Executive:						
Dr C Richards	150	—	—	171	321	159
J Hovey***	213	20	31	62	326	264
J Tweedy***	277	33	13	78	401	331
Non-executive:						
M Higgins**	—	—	—	—	—	58
Dr R Webb*	95	—	—	77	172	67
W Lewis	51	—	—	—	51	32
G van Zwanenberg***	49	—	—	—	49	8
	835	53	44	388	1,320	919

* Dr Webb, who was previously Executive Director for New Technology, reverted to a Non-executive role with effect from 1 January 2019 and became Chairman from 1 October 2019.

** M Higgins appointment terminated 30 September 2019.

*** G van Zwanenberg, J Hovey and J Tweedy were appointed 1 November 2019.

OTHER BENEFITS

In 2020, the Group incurred \$44,000 (2019: \$36,000) of medical, dental and life insurance and pension expense on behalf of two Directors.

OTHER INFORMATION

During the year, the Company's share price on AIM ranged between 5.0 and 15.25p. At 31 December 2020, the share price was 13.45p. At 22 April 2021, the last working day prior to the approval of this annual report, the share price was 16.40p.

This report was approved by the Remuneration Committee and presented on its behalf by:

WILLIAM LEWIS

Chairman of Remuneration Committee

22 April 2021

REPORT OF THE DIRECTORS

The Directors present their annual report together with the audited financial statements for the year ended 31 December 2020. See note 20 for discussion of financial risk management objectives and policies, exposure to price, credit, liquidity and cash flow risk.

RESULTS AND DIVIDENDS

The results of the Group for the year are set out on page 47 and show a loss for the year of \$3,224,000 (2019: loss of \$3,684,000).

The Directors recommend that no dividend be paid at this time (2019: nil).

DIRECTORS

The beneficial interests of the Directors in the ordinary share capital of the Company and options to purchase ordinary shares of the Company as of 31 December 2020 were as follows:

	At 31 December 2020	
	Shares	Options
Dr C Richards	2,733,015*	5,941,022
Dr R Webb	1,265,264	1,658,981
J Tweedy	66,364	4,116,469
J Hovey	29,076	3,150,910
W Lewis	630,463	—

* Includes a beneficial interest of William Richards, a minor child of Dr Christopher Richards, of 34,578 ordinary shares.

None of the Directors have any holding in any subsidiary company, nor any material interest in the transactions of the Group.

SUBSTANTIAL SHAREHOLDERS

On 22 April 2021, the Directors are aware of the following persons who, directly or indirectly, are invested in 3% or more of the Company's existing ordinary share capital:

Name	Shares held	% of issued share capital*
Richard Griffiths	64,697,432	21.39
Ospraie AG Science	64,154,361	21.21
1798 Volantis	27,533,547	9.10
Scobie Ward	16,848,280	5.57
Boulder River Capital Corporation and its affiliates	15,365,253	5.08
Spreadex Limited	10,831,858	3.58

* The percentages shown are based on the most recent share register analysis or notification.

RESEARCH AND DEVELOPMENT

The Group continues to invest in R&D activities with an emphasis on the improvement of existing technologies, the formulation of products to meet specific customer needs and the development of proprietary Group's biostimulants based on the Company's Harpin platform technology. For further details of the Group's R&D activities, see the Chairman's statement and Strategic report on pages 2 to 27.

BUSINESS REVIEW

For a discussion of the Group's 2020 performance and future developments, see the Chairman's statement and Strategic report on pages 2 to 27.

POST-BALANCE SHEET EVENTS

For detail on post-balance sheet events, see note 25 on page 73.

BOARD MEETINGS AND ATTENDANCE

The following table shows the attendance of Directors at meetings of the Board, Audit Committee and Remuneration Committee held during the 2020 financial year:

	Board	Audit Committee	Remuneration Committee
Number of meetings held	11	4	3
Dr C Richards	11	1	3
Dr R Webb	11	2	3
W Lewis	10	4	3
G van Zwanenberg	11	4	3
J Tweedy	10	—	—
J Hovey	10	4	3

AUDITOR

All of the Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditor for the purposes of its audit and to ensure that the auditor is aware of that information. The Directors are not aware of any relevant audit information of which the auditor is unaware.

BREXIT

The United Kingdom ('UK') formally left the European Union ('EU') on 31 January 2020. This was followed by a transition period until 31 December 2020, during which trade and border arrangements, citizens' rights, and jurisdiction on matters such as dispute resolution, remained broadly unchanged, in accordance with the UK-EU Withdrawal Agreement and the EU (Withdrawal Agreement) Act 2020. Shortly before the expiry of the transition period, on 24 December 2020, the UK and the EU agreed upon a comprehensive Trade and Cooperation Agreement, which incorporated a free trade agreement, a partnership for citizens' security and a horizontal agreement on governance.

The directors currently deem that the effects of the UK's withdrawal from the EU and entering into the Trade and Cooperative Agreement with the EU will not have a significant impact on the group and company's operations, due to the global geographical footprint of the business and the nature of its operations. However, the directors and management continue to monitor the situation to manage the risk of the return of volatility in the global financial markets and impact on global economic performance.

COVID-19

The directors have continued to monitor and respond to the effects of the global Covid-19 pandemic on the Group and took prompt steps to ensure there was no material impact on the company's operations and working capital. In particular, the board implemented travel restrictions for Group business units and remote working arrangements for most of the Groups global workforce and instituted safety protocols for all business segments based on local Covid guidelines.

Future working practices after the pandemic has receded are expected to include a blend of home and office working. Some limited rationalisation of office space has already been undertaken as leases permit, but we do not currently anticipate a major reduction in the near future.

GOING CONCERN

In consideration of the Group's current resources and review of financial forecasts and projections, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the approval of this annual report.

The Covid-19 pandemic has so far had limited impact on our business and the Board believes that the business is able to navigate through the continuing impact of the pandemic due to the strength of its customer proposition, its balance sheet and net cash position of the Group. This is supported by the Company successfully completing an equity raise which generated \$4.4 million (net of costs) from new and existing investors in March 2020 and the \$9.1 million fund raise in March of 2021.



As further detailed in note 2 to the financial statements, the Group's going concern assessment is based on forecasts and projections of anticipated trading performance. The assumptions applied are subjective and management applies judgement in estimating the probability, timing and value of underlying cash flows. The directors confirm that they have a reasonable expectation that the group will have adequate resources to continue in operational existence for the next 12 months from approval of these financial statements and accordingly these financial statements are prepared on a going concern basis, with no material uncertainty over going concern.

GREENHOUSE GAS EMISSIONS

The 2018 Regulations introduced requirements under Part 15 of the Companies Act 2006 for an enhanced group of companies, which are defined as large by the Companies Act 2006, to disclose their annual energy use and greenhouse gas emissions, and related information. Under the 2018 Regulations, the Group is not currently defined as large and is considered a low energy user, with annual energy consumption less than 40 MWh. Based on Plant Health Care's dedication to reducing the planet's carbon footprint and addressing climate change, Plant Health Care plc, itself consumes less than 40MWh and therefore is a low energy user, and the Group has chosen to include a sustainability section on page 19.

ANNUAL GENERAL MEETING

At the forthcoming annual general meeting of the Company, resolutions will be put forward to re-elect Richard Webb and William Lewis as Directors and to re-appoint BDO LLP as the auditor of the Company.

By order of the Board

AMBA SECRETARIES LIMITED

Company Secretary

22 April 2021

The directors are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and company financial statements in accordance with International Financial Reporting Standards (IFRSs) in conformity with the requirements of the Companies Act 2006. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period. The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WEBSITE PUBLICATION

The directors are responsible for ensuring the annual report is made available on a website. Annual reports are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the annual reports contained therein.