

# **Plant Health Care plc**

## **Terms and conditions of appointment of non-executive directors**

### **Services**

The Director agrees with the Company to provide services as a non-executive director of the Company.

Under the Company's Articles of Association (the "Articles"), the Director will hold office until the conclusion of the next annual general meeting and then vacate office unless (as the Board naturally expects) the Director is re-elected at that meeting.

### **Appointment**

The Director will hold office in accordance with the Company's Articles of Association as varied from time to time (the "Articles") and in particular the appointment is subject to the provisions of the Articles dealing with retirement of directors by rotation and vacation of office in certain circumstances. Nothing in this letter shall be taken to exclude or vary the terms of the Articles as they apply to the Director of the Company. Further information about the Articles or advice on their application is available from the company secretary. The appointment under the terms of this letter is subject to termination on not less than one month's written notice, to expire at any time. Notwithstanding the aforementioned notice provisions the Company may terminate the appointment with immediate effect if the Director has:

- (a) committed any serious breach or (after warning in writing) any repeated or continued material breach of any obligations to the Company (which include an obligation not to breach the Director's fiduciary duties to the Company);
- (b) been guilty of any act of dishonesty or serious misconduct or any conduct which (in the reasonable opinion of the Board) tends to bring the Director or the Company into disrepute; or
- (c) been declared bankrupt or made an arrangement or composition with or for the benefit of his creditors.

### **Duties and time commitment**

Overall a time commitment by the Director of approximately three days per month is anticipated. This will include attendance of the Director at Board meetings, each AGM and, as requested, at EGMs of the Company which may be located in the United Kingdom, the United States or elsewhere. In addition, the Director will be expected to consider all relevant papers and devote appropriate preparation time ahead of each meeting.

By accepting this appointment, the Director confirms that he will allocate sufficient time to meet the expectations of the role. The agreement of the chairman of the Remuneration Committee of the Board and the Chief Executive Officer (the 'Authorised Directors') should be sought before accepting additional commitments that might impact on the time the Director is able to devote to discharge his obligations as non-executive director of the Company.

The Director will be required to:

- (a) exercise relevant powers under the Company's memorandum and Articles;
- (b) perform his duties to the Company faithfully, efficiently and diligently and use all reasonable endeavours to promote the interests and reputation of the Company;
- (c) comply with his fiduciary duties;
- (d) report the wrongdoing (including any acts of misconduct, dishonesty, breaches of contract, fiduciary duty, company rules or the rules of the relevant regulatory bodies) whether committed, contemplated or discussed by any other director or member of staff of the Company of which the Director becomes aware to the Board immediately irrespective of whether this may involve some degree of self-incrimination;
- (e) serve on committees of the Board as requested and attend all meetings of any such committees;
- (f) consider all relevant papers in advance of each meeting in order to ensure that he can play a full part in the work of the Board and its committees;
- (g) bring independent judgment to bear on issues of strategy, policy, resources, performance and standards of conduct;
- (h) make himself available (on reasonable notice) to provide ad hoc advice to individual directors of the Company and to take on such activities as disciplinary meetings; and
- (i) share responsibility with the other directors for the effective control of the Company and with the non-executive directors for the supervision of the executive directors.

The Company seeks to adhere to the UK Corporate Governance Code issued by the Financial Reporting Council. The Director will be expected to carry out his duties in accordance with the principles set out in the Code.

## **Role**

Non-executive directors have the same general legal responsibilities to the Company as any other director. The Board as a whole is collectively responsible for the success of the Company. The Board:

- provides entrepreneurial leadership of the Company within a framework of prudent and effective controls which enable risk to be assessed and managed;
- sets the Company's strategic aims, ensures that the necessary financial and human resources are in place for the Company to meet its objectives, and reviews management performance; and
- sets the Company's values and standards and ensures that its obligations to its shareholders and others are understood and met.

All directors must take decisions objectively in the interests of the Company.

In addition to these requirements of all directors, the role of the non-executive director has the following key elements:

- **Strategy.** Non-executive directors should constructively challenge and help develop proposals on strategy;
- **Performance.** Non-executive directors should scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- **Risk.** Non-executive directors should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible; and
- **People.** Non-executive directors are responsible for determining appropriate levels of remuneration of executive directors and have a prime role in appointing, and where necessary removing, executive directors and in succession planning.

As an independent director, the Director is expected to bring an objectivity and independence of view to discussions, and to help the Board to provide the Company with effective leadership, as well as ensuring the continuing effectiveness of the management team and high standards of financial probity and corporate governance.

## **Fees**

The Director will initially be paid a fee of £[XXXXXX] gross per annum, which will be paid half in cash and half in ordinary shares of the Company. The cash element of the fee will be paid quarterly in arrears in equal instalments

on 31 March, 30 June, 30 September and 31 December, and the balance of the fee shall be paid as follows.

Immediately following the announcement of the half year results and the full year results or such later date if the Company is restricted from making payment because of a close period, the fee then accrued as due but unpaid will be aggregated and divided by the middle market price, taken from the Official List, of a share on the date of the announcement. The payment obligation will be satisfied by issue to the Director of that resulting number of ordinary shares in the Company (ignoring fractions).

The Company will reimburse the Director for all reasonable and properly documented expenses incurred in performing the duties as a non-executive director.

The Company shall operate PAYE in respect of any monies paid and any shares issued to the Director under this Agreement to the extent required by law. Beyond the Company's obligation to operate PAYE, the Director shall be wholly responsible for his own tax affairs, and the Director shall fully indemnify and hold the Company harmless against all costs, claims, expenses or proceedings arising out of his failing to discharge such responsibility, within 30 days of being asked to do so by the Company.

The Company shall be entitled to deduct from any payable fee amount due to the Director, or the value of any shares to be issued to the Director, in satisfaction of any amount of fees due an amount equal to any sums that the Director may owe the Company at any time (including under the indemnity referred to above).

### **Outside interests**

It is accepted and acknowledged that the Director has business interests other than those of the Company and that he has declared any conflicts that are apparent at present. The Director shall disclose any potential conflicts of which he becomes aware to the Authorised Directors and the company secretary as soon as apparent.

The Board of the Company have determined that the Director is independent according to provision A.3.1 of the Combined Code.

### **Confidentiality**

All confidential information acquired during the Director's appointment is confidential to the Company and must not be used by the Director or disclosed other than for the benefit of the Company either during the Director's appointment or following termination (by whatever means) to third parties without prior clearance from the Authorised Directors.

The Director's attention is also drawn to the requirements under both legislation and regulation as to the use or disclosure by the Director jointly of

price sensitive information. Consequently the Director should avoid doing anything or making any statements that might risk a breach of these requirements without prior clearance from the Authorised Directors.

### **Review process**

The performance of individual directors and the whole Board and its committees is evaluated annually. If, in the interim, there are any matters which cause the Director concern about the role he should discuss them with the Authorised Directors as soon as is appropriate.

### **Insurance**

The Company has directors' and officers' liability insurance and it intends to maintain such cover for the full term of the Director's appointment. The indemnity limit will be notified to the Director.

### **Independent professional advice**

Occasions may arise when the Director considers that he will need professional advice in the furtherance of his duties as a director. Circumstances may occur when it will be appropriate for the Director to seek advice from independent advisers at the Company's expense.

### **Committees**

This letter refers to the Director's appointment as a non-executive director of the Company. In the event that the Director is also asked to serve on one or more of the Board committees the terms will be covered in a separate communication setting out the committee's terms of reference, any specific responsibilities and any additional fees that may be involved.

### **Compliance**

The Director must comply in all respects with any rule of law or code of best practice applicable to the role as non-executive director of the Company, including the "AIM Rules for Companies" issued by the London Stock Exchange plc (as those rules are amended from time to time) and any regulations or rules made by the Board from time to time.

### **Relationship**

The relationship of the Director to the Company shall at all times be that of an independent contractor. At no time shall the Director hold himself out as being an employee of the Company.

The enclosed copy of this letter should be signed and returned to the company secretary to signify the parties' agreement to these terms.

### **Data protection**

By signing this agreement the Director consents to the Company holding and processing information about him which he or any referees may provide or which the Company may acquire during the course of this agreement, providing such use is in accordance with the Data Protection Act 1998. In particular, the Director consents to the Company holding and processing:

- (a) personal data relating to him for administrative and management purposes; and
- (b) “sensitive personal data” relating to him (as defined in the Data Protection Act 1998).