



Pro Cam UK Limited

Year ended 31 December 2020

Statement required in connection with Section 172 Companies Act 2006

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole. In doing this section 172 requires a director to have regard, amongst other matters, to the:

- likely consequences of any decisions in the long-term;
- interests of the Company's employees;
- need to foster the Company's business relationships with suppliers, customers and others;
- impact of the Company's operations on the community and environment; and
- desirability of the Company maintaining a reputation for high standards of business conduct and need to act fairly between members of the Company.

The purpose of this statement is to explain how the directors have discharged their duties under section 172 of the Companies Act 2006. This requires them to promote the success of the Company for the benefit of the shareholders as a whole, whilst also having regard to broader matters including the interests of other stakeholders.

The directors have identified the following principal stakeholder groups who are integral to our “Agronomy that delivers” business model:

- Shareholders
- Employees
- Customers
- Suppliers.

Each of these stakeholder groups is considered in turn below.

Shareholders

Pro Cam UK Limited is a subsidiary of Pro Cam Europe Limited which is a private limited company where the majority of the shares are still held by the founders of the business or their families. These shareholders have provided the capital which has enabled the business to grow, and it is appropriate that they receive an appropriate return on their investment through a combination of dividends and increased capital value.

Statement required in connection with Section 172 Companies Act 2006 (*continued*)

Shareholders (continued)

The growth of ProCam over its 40-year history owes much to it being a business where the owners always retained a day-to-day connection with all of the other principal stakeholder groups. This continues with two members of the board of directors also being shareholders.

The shares held by Tony White, our founder, will be transferred into a family trust once the administration of his estate is completed. The board maintains a close dialogue with both the Trustees and the White family to ensure that they are kept up to date with developments in the business and their views are taken into consideration when planning for the future.

Employees

Our success is built up the commitment of all of our people: senior management, agronomists, logistics teams together with the support staff working from both our head offices and depot locations.

As is normal for large businesses, the Company's board of directors has delegated authority for day-to-day management of the UK business to a Managing Director who works closely with the Chairman of Pro Cam Europe Limited overseeing execution of the business strategy and related policies. The UK business has an established senior management team which covers the delivery of agronomy services together with the commercial, technical, and administrative aspects of our operations.

In addition to formal management meetings, regular meetings are held with our agronomy and logistics teams around the country to share our strategic objectives and to seek constructive feedback as to how these may be adapted to fit their local trading conditions.

The Company operates a defined contribution pension scheme, arranged through Aegon, which all UK employees are invited to join. Employees are also provided with the opportunity to consult with an Independent Financial Advisor to help plan their long-term financial security. Pro Cam CP Limited previously operated a final salary pension scheme which was formally wound-up in 2020 after all members' pension entitlements had either been transferred out in personal pension schemes or secured by the purchase of deferred annuities with Aviva.

Customers

Our objective is to deliver customer satisfaction through a combination of expert advice from our agronomists and supplying the products they need to optimize returns from their crops.

The relationship between the grower and their agronomist is fundamental to the success of most farming businesses. For that reason, our agronomists will typically look after fewer customers than the typical independent agronomist enabling them to spend more time inspecting each grower's crops and providing immediate feedback and advice on how to optimize yields. This focus will become even more important as we help customers navigate the replacement of existing farm support schemes with the proposed Environmental Land Management Scheme.

Suppliers

Our product suppliers include the World's leading research and development-based crop protection businesses as well as a number of smaller specialist producers. We represent an important part of their distribution channel to growers.

The Company is committed to being a reliable business partner and distributor of choice for our product suppliers. We meet with our key suppliers throughout the year to provide feedback on each other's performance and to identify opportunities for further improving collaboration.

Statement required in connection with Section 172 Companies Act 2006 (*continued*)

Engagement with other stakeholders and the wider community

The debate about the future of food, both in the UK and globally is continuing to evolve. There is now an increased focus on the sustainability of both current production methods and diet choices as the World's population grows beyond seven billion people and climate change becomes a reality. We consider that ProCam has an important role to play:

- Feeding the World's ever-expanding population requires the efficient use of the resources available to mankind. Our "Agronomy that delivers" business model, supported by "ProCam4Cast" helps our customers increase productivity and optimize returns from their crops;
- Through our membership of bodies such as the Agricultural Industries Confederation, we maintain a dialogue with government: focusing on promoting the importance of efficient food production in the United Kingdom and stressing the importance that the decision-making is based science-based evidence rather than well-meaning but often mistaken emotion;
- We have long-established relationships with the leading agricultural universities and colleges in the UK which enables us to contribute to both research projects and the training of the next generation of growers and their professional advisers;
- We engage with the wider community through participation in wide range of national and local agricultural shows open to the general public. This provides us with the opportunity to connect with people who otherwise may only have limited opportunities to appreciate the importance of scientific innovation to food production. Inevitably these opportunities have been severely limited during 2020 and the current year because of restrictions required to cope with the Covid19 pandemic, however, we look forward to being able to recommence these activities.

Principal decisions during the year

The Company operates in a highly regulated environment and the crop protection products we sell require authorisation for use which are subject to periodic review. Our customers rely upon us to provide them with recommendations which are both fully legally compliant and commercially viable for them. During recent years a number of important products have had their authorization for use revoked, including chlorothalonil in 2020 and epoxiconazole in 2021.

When we become aware of upcoming the revocation of key products, it is essential for us to develop new product portfolios incorporate the best available chemistry. This requires close co-operation between the senior management team, our technical experts, and our suppliers to develop technically and commercially robust strategies which our agronomists can confidently recommend to growers. This process includes undertaking a number of carefully targeted trials to provide assurance on the technical efficacy of the proposed product portfolios. We are also conscious that we need to demonstrate that we are a reliable business partner for our suppliers, recognizing that they will have invested significant amounts into the development of new products. Following this robust process, Diane Heath and her senior management team presented the Company's revised product strategy for 2021 and beyond to the full Pro Cam Europe Limited board during autumn 2020.

By order of the board

DJ Parish
Director

7 June 2021