

# Modern Slavery Statement 2021



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# Introduction

The following modern slavery statement is made on behalf of Nufarm Limited (Nufarm) as required under the Australian Commonwealth Modern Slavery Act 2018 and the UK Modern Slavery Act 2015. Nufarm is the global parent company of a number of wholly owned crop protection and seed technology businesses.

Nufarm is committed to conducting business honestly, ethically, and responsibly. We uphold human rights, and we seek to partner with suppliers who share our standards. We believe that depriving another individual of their liberty is a violation of the individual's fundamental human rights and have adopted a zero-tolerance to modern slavery practices.

Modern slavery is the most serious form of human exploitation and includes child labour, forced labour, indentured or bonded labour, human trafficking, forced marriage, servitude, slavery and deceptive recruiting for labour or services.

Modern slavery exists throughout the world but is more prevalent in countries or industries where people are more vulnerable to exploitation, and legal and institutional protections are weak. We recognise that modern slavery can potentially enter the supply chain of companies such as Nufarm through our global supply chain or when operating in higher risk locations.

The following statement provides information on the steps we have taken to identify and reduce the risk of modern slavery in our operations and supply chain during our financial year (FY21).

*This statement was approved by Nufarm's Board of Directors on 30th March, 2022 and signed by Nufarm's Managing Director and Chief Executive Officer.*



**Greg Hunt**  
Managing Director and Chief Executive Officer

# About this statement

Nufarm is publicly owned and listed on the Australian Securities Exchange (ASX), with symbol NUF. Our corporate head office is located at 103-105 Pipe Rd, Laverton North in Victoria, Australia. As permitted under the Australian Commonwealth Modern Slavery Act this is a joint statement prepared by Nufarm for the following reporting entities:

- Nufarm Limited (ABN 37 091 323 312),
- Nufarm Australia Limited (ABN 80 004 377 780),
- Medisup Securities Limited (ABN 13 090 761 523); and
- Agryl Holdings Limited (ABN 61 005 968 178).

which all had a consolidated revenue greater than AUD 100 million for the reporting period and conducted business in Australia during the reporting period. Medisup Securities Limited and Agryl Holdings Limited are resident in Australia for income tax purposes, however, operate as holding companies only.

As Nufarm Limited is also the controlling entity, this statement describes the supply chain and operations for reporting and non-reporting entities within the Nufarm Group globally and actions taken to assess and address modern slavery risks including at:

- Nufarm UK Limited (Company Number 02882993)
- Nufarm Crop Products UK Limited (Company number 05158288).

A full list of entities is included in Appendix 1.

Nufarm Limited comprises of both Nufarm's crop protection companies and Nuseed seed technology companies.

On the 23rd of July 2020, Nufarm announced that we would change our financial year end from 31 July to 30 September to better align the half year reporting period with our key sales periods. As directed by Australian Border Force's Modern Slavery Business Engagement Unit, our 2021 modern slavery statement addresses actions taken in the fourteen months between August 2020 to October 2021. Our 2022 modern slavery statement will revert to a twelve-month statement.

This statement was submitted to:

- Australian Border Force's online register for modern slavery statements as required of the Australian Commonwealth Modern Slavery Act; and
- The UK Modern Slavery Statement Register, as required by the UK Government.

It is also published on the home page of our [corporate](#) and [UK websites](#), as required by the UK Modern Slavery Act.

This statement has been internally verified in accordance with *Nufarm's Statement on verifying unaudited periodic corporate reports*, which is available on our corporate website.

# About Nufarm

Nufarm is a global crop protection and seed technology company that has been helping growers get more from their land for more than 100 years. We do this by developing and manufacturing crop protection solutions and VALUE BEYOND YIELD® seed technologies.



We develop, manufacture, and sell crop protection solutions including herbicides, insecticides and fungicides that help growers protect crops against weeds, pests, and disease. We operate primarily in the off-patent market, providing customers with long-standing foundational products and unique formulations. Our business is focused on five core crops across key geographies. Our key crops are cereals; corn; soybean; pasture, turf and ornamentals; and trees, nuts, vines and vegetables (TNVV).

Seed Technologies combines our seed treatment portfolio and the Nuseed business. Our seed treatment products provide protection and treatment for damage caused by insects, fungus, and disease. Nuseed develops unique plant output traits with specific customer and consumer benefits. We call this our VALUE BEYOND YIELD® strategy. Nuseed distributes high yielding sunflower, sorghum, and canola seed, with sales in more than 30 countries.

Our Seed Technology business is an important growth area for Nufarm, but currently the majority of our operational and supply chain footprint is deployed in our Crop Protection business.

Our purpose is to help our customers grow a better tomorrow. Our ambition is to grow our relevance by delivering more sustainable solutions over more acres every year.

## A snapshot of Nufarm

	FY21	Nufarm Crop Protection Business	Nuseed Seed Technologies
<b>Our business</b>	Revenue	\$2,777 million	\$241 million
	Selling countries	100	30
	Products	> 3,100 product registrations	>200 commercial cultivars
<b>Our operations</b>	Employee headcount	2,429	273
	Number of operations	12 crop protection manufacturing facilities	8 Seed technology research and development facilities and seed innovation centres
	Employee location countries	26	9
<b>Our supply chain</b>	Estimated direct and indirect purchasing spend	\$1,960 million	\$75 million
	Suppliers	> 3,000	>400
	Direct and indirect supplier countries	> 60	>20

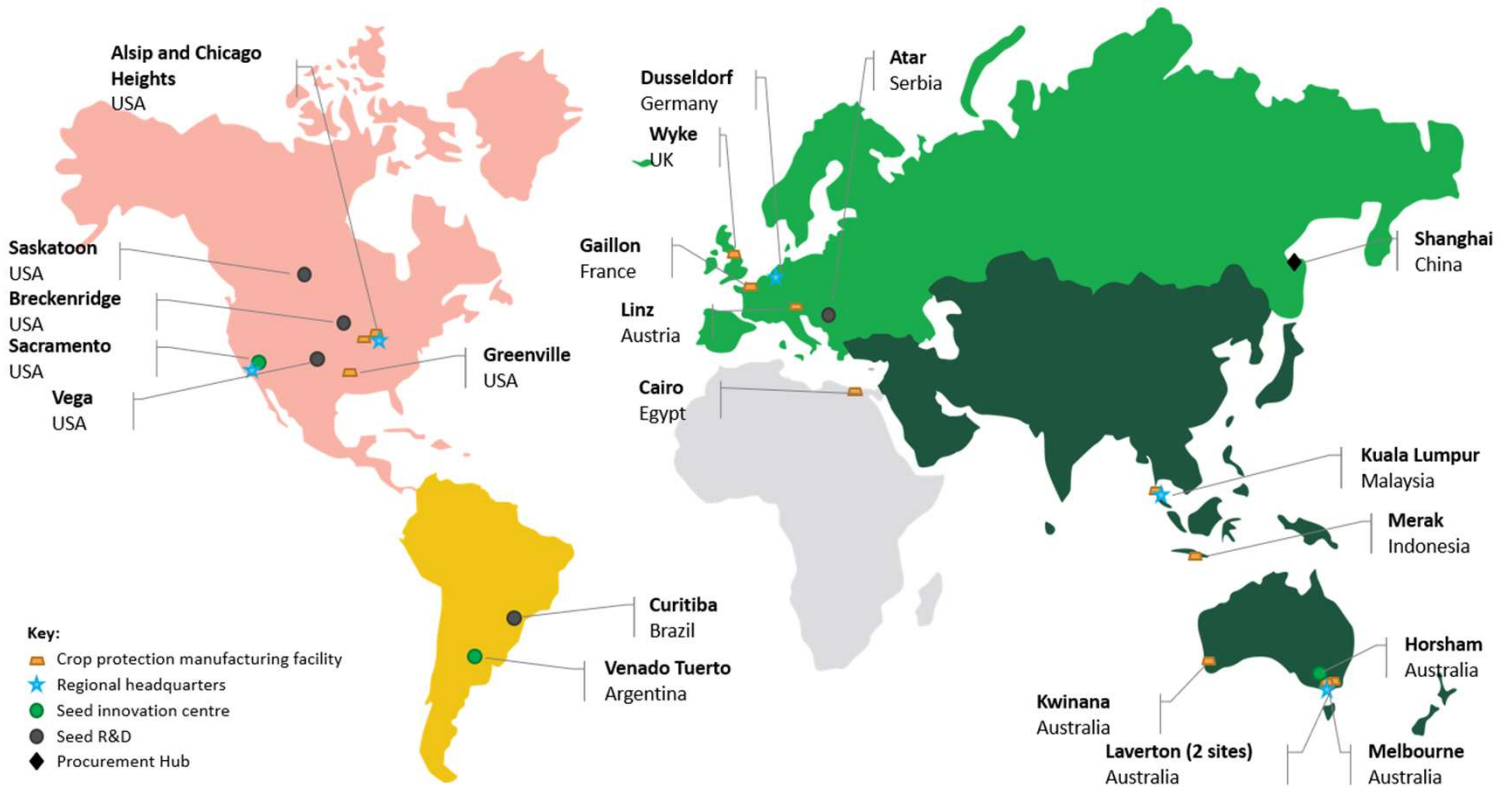
**Notes:**

- We do not have centralised procurement reporting on spending across the entire Nufarm Ltd Group yet. Indirect spending at some of our smaller crop protection businesses is not captured here.

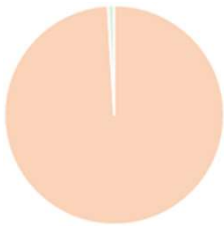
# Our Operations & Supply Chain

## Where are we located?

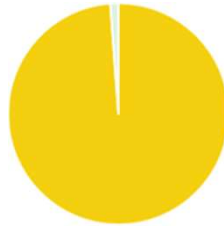
We operate a global manufacturing and distribution platform with an extensive network of local distributors and a strategy to manufacture close to our main customer markets. Our customers are primarily distributors of agricultural inputs and advice.



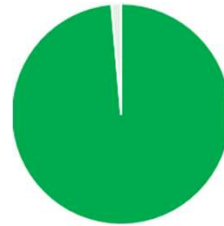
### North America



### Latin America



### Europe



### Asia Pacific



■ Permanent Employees ■ Non-Permanent Employees

#### Notes:

- Our European region includes our manufacturing site in Egypt.

## About our workforce

Both location and type of employment can contribute to a higher risk of modern slavery. People in temporary work, and in particular women, can be more vulnerable workers. Approximately 11 percent of our employees are on non-permanent contracts and 25 of these are women. Non-permanent employees are those on fixed term contracts. Our largest non-permanent workforce is in Indonesia.

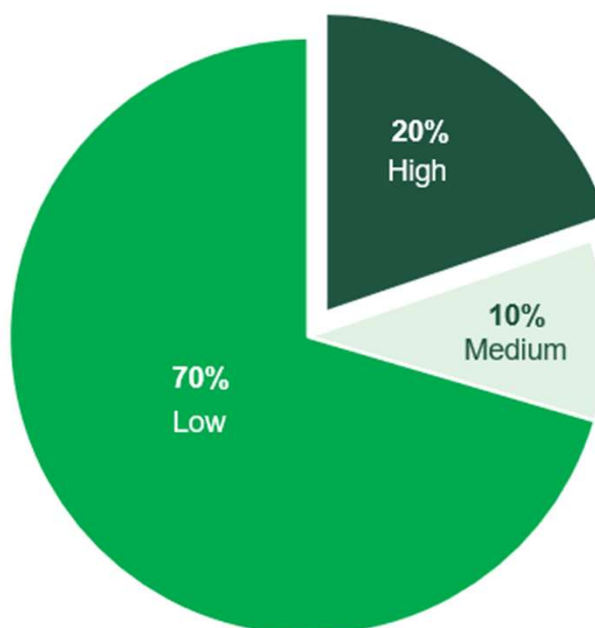
Region	Permanent		Non-Permanent		Total	
	Number of Employees	% Women	Number of Employees	% Women	Total Employees	% Women
Asia Pacific	889	30%	287	6%	1,176	23%
Europe	984	28%	14	64%	998	28%
Latin America	84	19%	1	0%	85	19%
North America	439	31%	4	0%	443	31%
<b>Nufarm Group</b>	<b>2,396</b>	<b>29%</b>	<b>306</b>	<b>8%</b>	<b>2,702</b>	<b>26%</b>

### Notes:

- Measured as head count.
- Percentage of permanent women is the percentage of permanent workers that are women. Percentage of non-permanent women is the percentage of non-permanent workers that are women.
- Non-permanent employees are those on fixed term contracts. In addition to our permanent and non-permanent workers, we employ temporary seasonal workers through labour hire companies which are not captured in the above table. During FY21, we estimate we employed up to 260 temporary seasonal workers at our sites.

## Employee location

The majority of our employees are located in countries that are at low risk of modern slavery practices. However, twenty percent of our employees work in countries that have a higher vulnerability, we have classified Egypt, Mexico, Ukraine, Turkey, Russia, China, and Indonesia as higher risk countries.



Measured as a percentage of total head count.

## Where are our suppliers?

We work to source materials close to our manufacturing sites, however strict regulation in the crop protection industry and our own high-quality standards, limits the availability of suppliers of active ingredients so these are mostly sourced internationally. Our direct suppliers are those that supply the chemicals and packaging we use to make our products. Our indirect suppliers are those that provide the ancillary materials and services that support our business and operations.

### Direct purchasing

Our direct suppliers are our most significant suppliers, comprising over 70 percent of our total procurement spent. While we have a large global network of suppliers, over 90 percent of direct procurement spending is limited to materials from the following countries:

Source Country	Suppliers	Direct purchases
Australia	59	◆ ● ■
Austria	27	◆ ● ■
Belgium	8	◆ ● ■
Chile	1	●
China	86	◆ ●
France	68	◆ ● ■
Germany	22	◆ ● ■
India	18	◆ ● ■
Indonesia	50	◆ ● ■
Italy	16	◆ ● ■
Japan	13	◆ ●
Malaysia	49	◆ ● ■
Netherlands	9	◆
Singapore	8	◆ ●
Spain	9	◆ ● ■
UK	42	◆ ● ■
USA	106	◆ ● ■
Balance	238	◆ ● ■
<b>TOTAL</b>	<b>829</b>	

Key:

- ◆ Chemical inputs for manufacturing
- Finished product ready for sale
- Packaging

Notes:

- Supplier count per country is determined by purchases made from suppliers in those countries during the reporting period (FY21).
- Excludes Nuseed indirect and direct purchasing.

### Indirect purchasing

Our indirect purchases comprise less than 15 percent of our purchasing spend, however represent our largest group of suppliers. Our indirect purchasing system allows reporting of supplier's country only – recognising that the location of the supplier is not always the same as the source country for the materials. A future area of investigation is to the origin of any higher risk indirect materials. Ninety percent of our indirect procurement spend is limited to suppliers of goods and services in the following countries:

Supplier Country	Suppliers	Indirect purchases
Australia	763	▲ ♣ ★ ● ◆
Austria	168	♣ ★ ● ◆
France	185	▲ ★ ● ◆
Germany	57	★ ● ◆
UK	249	▲ ♣ ★ ● ◆
USA	236	♣ ★ ● ◆
Balance	348	▲ ♣ ★ ● ◆
<b>TOTAL</b>	<b>2,006</b>	

Key:

- ▲ Agricultural Services
- ♣ Electronic Equipment
- ★ Manufacturing and office supplies and equipment
- Professional and manufacturing services
- ◆ Uniforms and PPE

Notes:

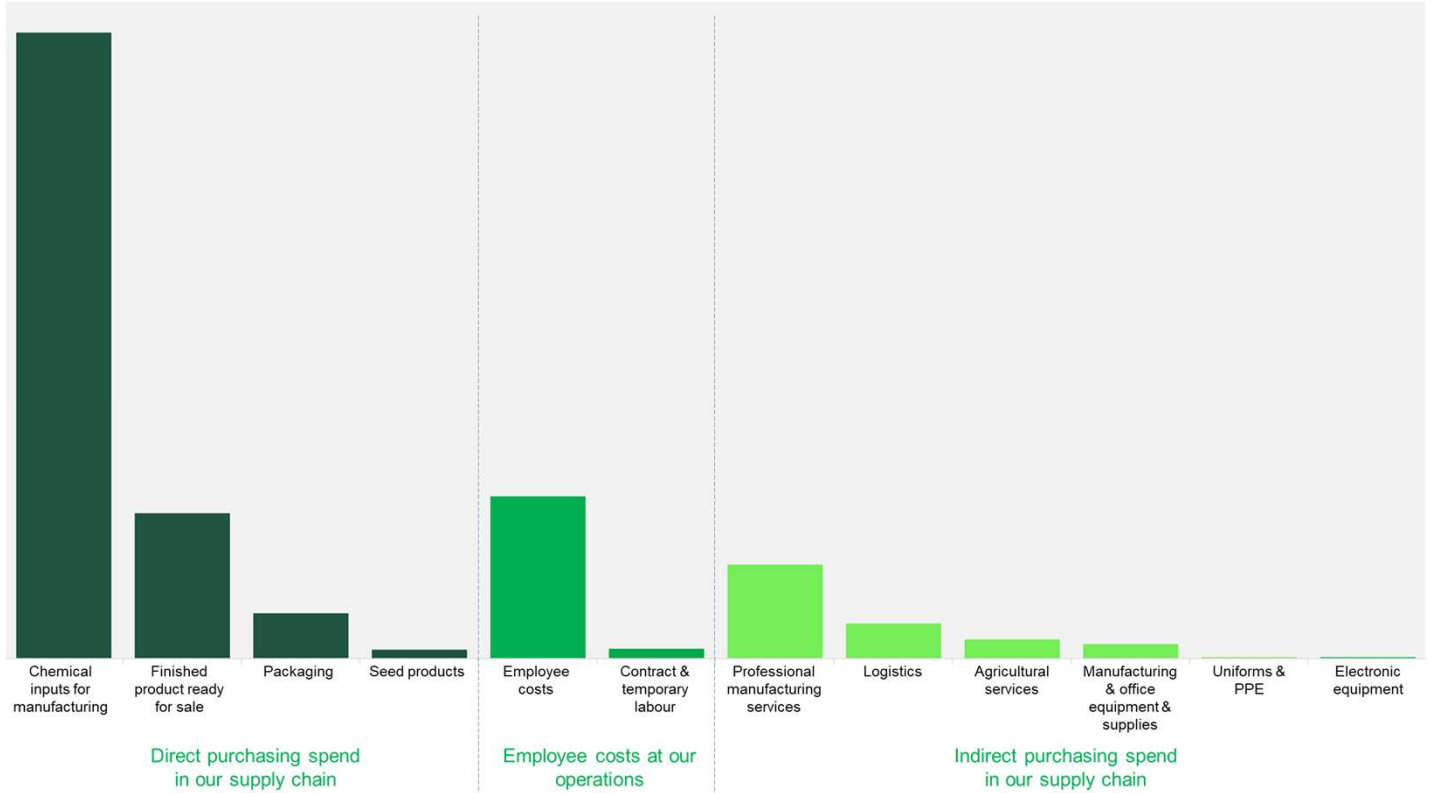
- Supplier count per country is determined by purchases made from suppliers in those countries during the reporting period (FY21).
- We do not have centralised procurement reporting on all indirect suppliers currently as we are in the process of rolling out a procurements system for indirect purchasing. Indirect suppliers for our businesses in Indonesia, Malaysia, Singapore, Spain, Netherlands, Portugal, Germany, Italy and Hungary are not captured in the above graphic.
- Excludes Nuseed indirect purchasing.

The source country can contribute to a higher risk of modern slavery. We consider some countries to be higher risk because those countries have inadequate social governance structures, social protections, vulnerable people present and/or a prevalence of modern slavery practices. The higher risk countries that are our most important sources of chemical inputs for manufacturing and finished products ready for sale are China, India, and Indonesia. We also have materials coming from Philippines, Mexico, Ukraine, South Africa, and Thailand. While we consider these to be higher risk countries as well, the combined value of the materials from these countries comprises less than 1 percent of our purchasing spend.

## Estimated proportional procurement spend and employee costs at our operations and supply chain

A factor that contributes to modern slavery risk is the sector or industry, either by itself or combined with an at-risk source country. Some of the industries that have been found to have modern slavery in them that we use or source materials or services include: electronic equipment manufacture, clothing, agriculture, logistics and cleaning services. These comprise a small percentage of our purchasing spend.

Our direct spending in our supply chain and our employee costs at our operations are our most significant purchasing categories.



**Notes:**

- We do not have central reporting on all indirect suppliers currently as we are in the process of rolling out a procurements system for indirect purchasing. Indirect suppliers for our businesses in Indonesia, Malaysia, Singapore, Spain, Netherlands, Portugal, Germany, Italy and Hungary are not captured in the above graphic.



## Our Crop Protection operations and supply chain

Crop protection is an essential component of sustainable agriculture, preventing significant crop losses due to pests, weeds and disease and improving the quality and quantity of available food to support our growing population. We partner with leading industry and research organisations around the world to develop and offer new synthetic and biological solutions to meet existing and emerging farmer needs across the lifecycle of our chosen crops.

### Our operations

Nufarm has twelve crop protection manufacturing facilities located in eight countries: the USA, the UK, France, Austria, Egypt, Malaysia, Indonesia, and Australia. The largest of our facilities are in Australia, Austria, UK, and the USA. In some regions, we also have sales offices independent of our manufacturing locations.

Nufarm synthesises key active ingredients used in crop protection. Using these and other purchased chemicals we formulate our broad range of herbicides, insecticides, and fungicides. Significant active ingredients in our products include Glyphosate, 2,4-dichlorophenoxyacetic acid (2,4-D), 2-methyl-4-chlorophenoxyacetic acid (MCPA), Copper Hydroxide, Acetamiprid and Flumioxazin. We sell these in brands such as Crucial, Gladiator, Credit X-Treme and Weedmaster DST (Glyphosate), Estercide Xtra and Amicide Advance (2,4-D), Polo (MCPA), Champion++ (Copper Hydroxide), Carnadine (Acetamiprid), and Panther SC (Flumioxazin).

We purchase packaging and labelling materials to pack our products into a range of pack sizes to suit on-farm application. We sell and distribute our products to our customers, primarily through third party logistic providers.

More than 2,400 of our people are employed in Nufarm's crop protection business either, working in our manufacturing plants, as a part of our skilled sales team or supporting the business through a range of administrative functions. We also employ some casual, contract labour for short periods of time to support manufacturing activities such as labelling and packing tasks during periods of high seasonal demand. Due to local labour shortfalls, we also employ a small number of foreign workers at our manufacturing facility in Port Klang, Malaysia.

A small portion of our purchasing spend is directed to the ancillary materials and services that support our manufacturing operations and businesses, these include professional and trade services, travel, manufacturing services (e.g., energy, waste management, etc), contract and casual labour, logistics and office equipment.

In June 2020 we announced two significant operational changes with the planned closure of our Raymond Rd site in Laverton North, Australia, and the cessation of synthesis operations at our Linz site in Austria. All production activities ceased at our Raymond Rd site at the end of 2021 and site closure activities will be finalised in 2022 – 2023. The site is undergoing a public sale process. 2,4-dichlorophenoxyacetic acid (2,4-D) synthesis production ceased at our Linz site in March 2021 while other production activities continue at this site.

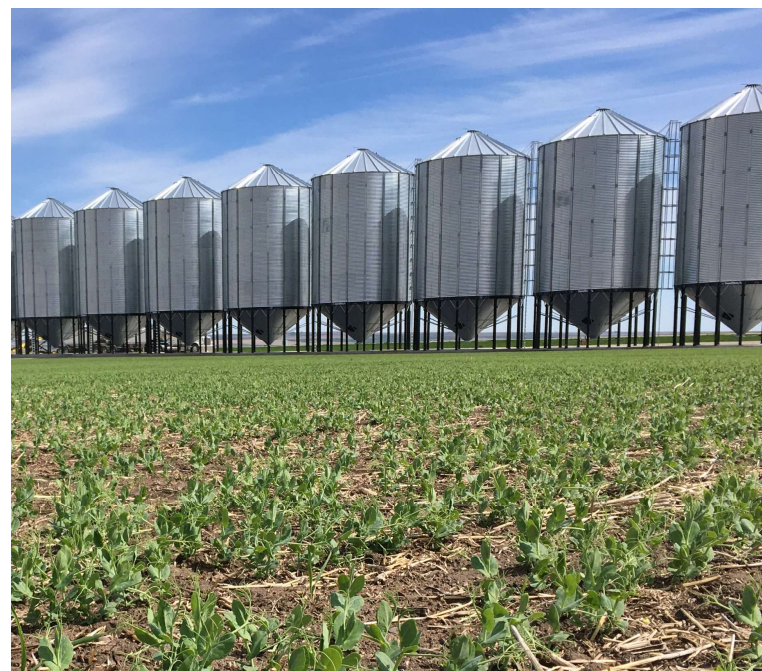
### Our supply chain

We source our materials locally where we can and also have significant suppliers located through Europe, China, India, North America, and Australia, and more than 3,000 suppliers in total spread across 40 countries. However, over 85 percent of our spending in our crop protection business is concentrated on chemical inputs for manufacturing and finished goods ready for sale, these vendors make up approximately 10 percent of our supplier base.

Like us, most of our suppliers are a part of the global chemical industry, a heavily regulated industry that employs a modest sized but skilled workforce to operate sophisticated processing equipment.

The process of registering crop-protection products is long and rigorous and includes a source registration for the active ingredient. To support this, we establish long term relationships with our raw material suppliers and have a low turnover of our supplier base.

In 2021, our global procurement organisation operated out of two key hub locations in Australia and China. It is responsible for sourcing and purchasing activities of our direct materials.



## Our Seed Technologies operations and supply chain

With the world's population increasing in size and prosperity, growers around the world are being called on to produce more food while reducing the impact of agriculture on our precious ecosystems. Nuseed, Nufarm's wholly owned seed business, develops plant input traits with agronomic benefits that ensure we deliver beneficial seed and service in all regions. Through our development of plant output traits, we provide growers with new opportunities to produce sustainable plant-based solutions, with specific consumer benefits, for Nuseed's end-use customers.

Nuseed distributes high yielding sunflower, sorghum, and canola seed, adding a new oilseed crop, carinata, to the portfolio in 2020. Our Nuseed Omega-3 Canola is used to make Aquaterra and Nutriterra, the first plant-based omega 3 source of long chain omega-3 fatty acids. Nuseed Carinata is a sustainable non-food oilseed cover crop used in the production of low-carbon fuel for the aviation industry.

### Our operations

Nuseed produces canola, carinata, sunflower and sorghum seed with a growing team of over 250 employees. Our products are made available to growers through local sales, distribution, and retail networks specific to each Nuseed region in Australia, Europe, North America, and Latin America. Quality Assurance (QA) teams and protocols are in place throughout Nuseed's global supply chain.

We develop seeds using our own inhouse research and development team as well as through collaboration with industry and government agencies. Once seeds are bred, our supply chain advances them through several production stages each of which progressively narrows the seed selection to the best performing seeds and increases their volume. This process takes several years and allows us to grow sufficient quantity of the best quality parent seed, ready for commercial production.



### Our supply chain

Once the parent seed is released from research and development, Nuseed distributes it to Nuseed operations around the globe and contracts with either local growers to use their land to grow or seed producing companies, to grow our seed. These activities are overseen by Nuseed's supply chain team in Australia, United States and Argentina with the support of more than 200 seasonal contract labourers, contracted through reliable local agencies.

Once harvested, the commercial seed is cleaned, sized, treated, and packed at either at our own facilities or at contract locations, ready for sale. The most significant volumes being produced in Argentina, Turkey, and the United States. We establish long term relationships with these seed production companies to ensure reliable, quality supply of seeds.

For our Nuseed Carinata and Nuseed Omega-3 Canola, we operate a closed loop supply chain:

- Nuseed Carinata seed is currently produced in Argentina under contract with a seed producer, then sold to farmers who grow and harvest the cover crop. We organise for the seed to be crushed in Argentina, which we consider a low-risk activity, then send the seed to Europe for processing into a low carbon renewable fuel feedstock. Expansion plans are underway for the seed in other parts of South America, the United States, Australia, and Europe.
- Nuseed Omega-3 Canola is produced in the USA under contract by a small number of seed producers, its then sold to farmers to grow and harvest under contract. Our supply chain is certified by Excellence Through Stewardship (ETS), requiring industry best practices in biotechnology. We contract with third party oil crushing operators to extract the Omega-3 rich oil from the seed.

As a naturally grown product our seed production uses few purchased inputs; crop protection products, which are manufactured by our own operations or purchased from other producers; laboratory supplies and equipment, packaging materials to pack seeds for transport and sale and seed treatment chemicals to protect the seeds once they are planted.



# Modern slavery risk in our operations and supply chain

Our approach to identifying modern slavery risk has been to identify, at a high level, the areas in our operations and supply chain that could be at risk of modern slavery due to country risk factors, sector and industry risk factors, product factors, or inadequate internal controls and due diligence.

Having identified these, our initial focus is on the most significant areas of our supply chain and operations, being our direct spend and employees in higher risk countries. We will progressively expand our assessment and risk management across all areas of modern slavery risk identified below. In assessing our risks, we have also considered our existing mitigating controls.

In identifying relevant modern slavery risk factors, we have consulted sources such as the International Labour Organisation (ILO), U.S. Customs and Border Protections, U.S. Department of Labour, Australian Government – Australian Institute of Criminology (AIC), Australian Border Force, UK Government - Gangmasters and Labour Abuse Authority, the Walk Free Foundation, Verité, Anti-slavery International, International Finance Corporation, Responsible Sourcing Tool and other various non-government organisations and public media sources.

The categorisation of our relationship to modern slavery risk has been guided by the *UN Guiding Principles on Business and Human Rights*:

- **Caused by:** the risk that activities at Nufarm’s operations could directly result in modern slavery practices.
- **Contribute to:** the risk that activities at Nufarm’s operations or in its supply chain could lead to other parties engaging in modern slavery practices.
- **Directly linked to:** the risk that Nufarm could be linked to third parties who are engaged in modern slavery practices through its business relationships (excluding customers).

## Modern slavery risk in our operations

Activities at risk of modern slavery practices	Nufarm’s relationship to modern slavery risk	High Level Risk assessment	Nufarm’s ability to influence modern slavery risk in our operations and supply chain
<p><b>1. Operations in higher risk countries</b></p> <p>Some countries are at higher risk of modern slavery due to inadequacies in legal frameworks and social protections and the presence of vulnerable people. This can result in the exploitation of workers by some employers.</p> <p>We have manufacturing and seed operations in countries we consider to be higher risk of forced labour practices; 530 of our people are located in Egypt, Mexico, Ukraine, Turkey, Russia, China, and Indonesia.</p>	Caused by	Low	High
<p><b>2. Foreign workers</b></p> <p>Incidents of debt bondage, forced labour and abuse of labour rights have been found to occur in both the recruitment and employment practices of overseas workers in Malaysia. We employ 19 foreign workers from Nepal and Indonesia at our operations in Malaysia who have been working for Nufarm for several years.</p>	Caused by	Low	High
<p><b>3. Low skilled temporary and contracted third party labour at our operations</b></p> <p>Low skilled workers, people without appropriate work visas or limited local knowledge and language can be forced to take on temporary or non-permanent work and be more vulnerable to exploitation in the form of forced labour or debt bondage. We use third-party companies to provide temporary labour for low skilled activities, such as cleaning and seasonal manufacturing at our operations.</p>	Contribute to	Medium	Medium

## Modern slavery risk in our supply chain

Activities at risk of modern slavery practices	Nufarm's relationship to modern slavery risk	High Level Risk assessment	Nufarm's ability to influence modern slavery risk in our operations and supply chain
<p><b>4. Agricultural workers in our supply chain</b></p> <p>We also contract third party companies and growers to undertake agricultural work such as growing seed. Modern slavery has been found to occur in agriculture in countries where we carry out these activities.</p>	Directly linked to	Not yet assessed	Medium
<p><b>5. Materials purchased from higher risk countries</b></p> <p>Raw materials sourced from higher risk countries, such as China, Indonesia, and India, may be exposed to an increased risk of modern slavery compared to materials purchased from lower risk countries. In 2021 we procured over AUD 1.7 billion in chemical raw materials and packaging from over 800 suppliers in 40 countries. We have approximately 170 suppliers in higher risk countries, over 150 are in China, Indonesia, and India.</p>	Directly linked to	Medium to low	Medium
<p><b>6. Workers in third party logistics</b></p> <p>In some countries workers in logistics industries have been found to be at risk of modern slavery practices. We use third-party shipping, distribution, and storage services for bringing raw materials to our sites and distributing our products to our customers.</p>	Directly linked to	Not yet assessed	Medium to low
<p><b>7. Higher risk industry – products containing copper</b></p> <p>Copper mining is known to be at risk of modern slavery practices in certain countries and we purchase finished products made by third party suppliers, that contain copper. These products represent approximately 1.0 percent of our purchasing spend.</p>	Directly linked to	Not yet assessed	Medium
<p><b>8. Higher risk industry - products containing palm oil</b></p> <p>Palm oil is used by our suppliers to manufacture some of our surfactants and solvents. Palm oil is at risk of modern slavery practices in some countries; however, we buy from global producers who operate sustainability programs and are a very small customer in the global market.</p>	Directly linked to	Low	Very low
<p><b>9. Higher risk industry - clothing and personal protective equipment</b></p> <p>Uniforms and personal protective equipment purchased from local suppliers but potentially originating from at risk countries, such as India. Purchases of these items are an immaterial portion of Nufarm's total spending at &lt; 0.2 %.</p>	Directly linked to	Medium	Very low
<p><b>10. Higher risk industry - electronic goods</b></p> <p>Electronic goods purchased from local suppliers but sourced from at risk countries such Malaysia. Purchases of these items are an immaterial portion of Nufarm's total spending at &lt; 0.1 %.</p>	Directly linked to	Medium	None

# Risk management and governance framework

Modern slavery risk is the risk of people being forced into slavery or slavery like conditions through undermining or depriving them of their freedom. Nufarm has risk management and governance frameworks which encompass modern slavery risk.

## Modern Slavery Governance

Nufarm's Board Risk and Compliance Committee has been tasked with assisting the Board in relation to the oversight of financial and non-financial risk management and compliance at Nufarm. The committee have oversight of Nufarm's response to Environmental Social and Governance (ESG) responsibilities and reporting, which includes modern slavery and are also responsible for receiving reports on material breaches of the Whistle-blower Policy.

This year we also formed a Modern Slavery Steering committee to progress actions to assess and address modern slavery risk in our operations and supply chain. The committee has representatives from our Global Human Resources, Global Supply, Group Legal and Global Sustainability teams.

## Risk management framework

We have a risk management framework, policies and procedures which are based on concepts and principles identified in the Australia/New Zealand standard on Risk Management (AS/NZ ISO 31000:2009). The risk framework, policies and procedures set out the roles, responsibilities, and guidelines for managing financial and non-financial risks associated with the Company's business. Our [Risk Management Policy](#) is available in the Corporate Governance Section of Nufarm's website.

Nufarm is committed to continuing to improve its enterprise risk management practices to protect and enhance shareholder value. During FY2020 an Executive Risk, Health, Safety and Environment Committee was established. This committee reports to our Board Risk and Compliance Committee and has oversight of modern slavery risk. Its role is to assist with overseeing, directing, and supporting the implementation and operation of the risk management framework and internal compliance and control system across our company.

Our Board Risk and Compliance Committee has been tasked by the Board to assess the effectiveness of our risk management framework, including whether it is operating within the risk appetite set by the Board and whether Nufarm's management is taking corrective actions for risks that fall outside the agreed risk appetite level. These risks include those arising from relevant economic, environmental, and social impacts.

## Our Code of Conduct

Nufarm has a Board approved [Code of Conduct](#) which guides employees' decision-making and behaviour to carry out their duties in an honest and ethical manner. Our Code requires employees to:

- Abide by all safety rules and procedures.
- Act in accordance with Nufarm's values and behaviours.
- Adopt Nufarm's growth mindset leadership principles.
- Avoid conflicts of interest.
- Protect company assets.
- Comply with the letter and spirit of applicable rules and regulations.
- Maintain privacy and confidentiality.
- Deal fairly with Nufarm's shareholders, customers, suppliers, competitors, and employees and any other Nufarm stakeholders.
- Uphold Human Rights.
- Report and support the investigation and enforcement of material breaches of the Code of Conduct.
- Speak up if something is not right.

Our Code of Conduct has executive ownership through the Nufarm leadership team, it is communicated to all employees through our online learning system and new employees are inducted into the code when they join Nufarm. It is supported by a number of policies, the most relevant policies to our governance of modern slavery are our Human Rights Policy, our Equal Employment Opportunity Policy and Guidelines, our Inclusion and Diversity Policy, our Whistle-blower Policy, and our Supplier Code of Conduct.



## Human Rights at Nufarm

Nufarm established a Board approved Human Rights Policy during FY21, committing to the protection of Human Rights in our business, supply chain and communities. Our policy establishes our commitment to workplaces free from harassment, violence, or threats of violence, in keeping with our goal of zero harm to our employees.

We respect the rights and freedom our employees to join or not join organisations of their choosing, to associate freely and bargain collectively and to do so free from any discrimination or harassment. Where we operate in countries that restrict these rights by law, we facilitate open communication and engagement between workers and management.

Nufarm promotes a culture of inclusion, diversity, and equity, fostering workplaces free from discriminatory activities and practices. We work towards providing an inclusive work environment where individuals are valued for their diversity, can bring their whole self to work and be empowered to reach their full potential. Nufarm's policy is to take all reasonable measures to ensure equal opportunity for all employees, making merit-based decisions on employment matters at all of our locations around the world.

Women and girls are disproportionately affected by modern slavery, and we recognise that we have a role to play in helping to break down the systematic gender inequalities that exist in society and contribute to making women more vulnerable to exploitation. We actively work to progress gender diversity and have set a target to increase gender diversity in our own organisation to no less than 35% of either gender by 2025.

Depriving another human being of their liberty is one of the worst violations of a person's fundamental human rights and our Human Rights Policy explicitly establishes our zero tolerance for modern slavery in our operations and supply chain. We have committed to:

- Employing workers who have freely given their consent to employment, who are of legal age and status to work; and
- To undertake business with suppliers and contractors who share this goal.

## Supplier Code of Conduct

Our [Global Supplier Code of Conduct](#) prohibits our suppliers from engaging in any form of modern slavery and the use of any child labour must conform to national laws and the International Labour Organisations (ILO) standards on workers age. This code is communicated to our key direct suppliers as a part of our procurement process and is approved by our Global Strategic Procurement Manager.

Our Supplier Code of Conduct also extends our broader position on human rights to our suppliers, and we require all suppliers to comply with regulatory requirements in relation to employees and workplaces and in particular:

- Provide workplaces free of harassment and discrimination.
- Treat their employees fairly and abide by all local labour laws with regard to minimum pays, working hours, benefits, etc.
- Provide a safe and healthy workplace, with processes in place to identify and manage risks, investigate injuries, and implement effective preventative actions.
- Provide employees basic necessities, such as potable drinking water, adequate restrooms, first aid and fire suppression equipment.
- Provide employees with the appropriate safety equipment required for each job function.

## Whistle-blower Policy

Our [Whistle-blower Policy](#) supports our code of conduct, providing a mechanism for current and former employees or their family, suppliers and other third-party service providers to anonymously report unethical, illegal or unsafe activity or misconduct to any officer or senior manager at Nufarm. We also have an independently operated [Integrity Helpline](#) where employees can confidentially raise these types of concerns for resolution. Concerns raised are taken very seriously, they are formally investigated, and substantiated claims acted upon.

# Steps taken to identify and action modern slavery risk

To progress modern slavery risk assessment and actions during FY21, our approach has been to focus our efforts on:

- The areas of our operations where our employees are located in higher risk countries,
- The most significant purchasing spend in our supply chain in higher risk countries, and/or
- Where we are at risk of causing or contributing to modern slavery.

The following outlines the steps taken to expand our knowledge of modern slavery risk in our operations and supply chain and act upon these risks for each of the activities identified to be at risk of modern slavery:

## 1. Operations in higher risk countries where we have the potential to cause modern slavery

We have due diligence processes and controls in place to prevent modern slavery entering our business. These processes and controls include recruitment practices such as verification of age, identification and legal work status and the provision of employment contracts or terms of employment for all employees. Where we use third party labour hire, we require them to comply with the local regulations, employment standards and awards through the contractual terms of their engagement.

We have 245 non-permanent employees in Indonesia, the majority of which are sales personnel working remotely from our main operations. With the exception of their employment contract, these employees have the same employment conditions as our permanent employees.

In 2018 and 2019 we undertook self-assessment of employment controls and conditions at all of our entities to provide assurance that our people are of legal age and status to work and had freely accepted to work with Nufarm. During FY21 we revised this assessment to comprehensively examine:

- Legal status and age of employees is verified.
- Employees identification and/visas are returned to employees once verified.
- Employees are fully informed of their legal labour rights and working conditions when first engaged.
- Employees are not required to work in excess of legal overtime limits.
- Employees are able to terminate their positions and are free to leave their place of work.
- Employees are paid at least a minimum wage, that all legal entitlements are paid on a regular basis and that employees are compensated monetarily.
- And where labour hire companies are used that they also ensure the same requirements are met for their staff.

We launched these assessments to our companies operating in the higher risk countries of, Egypt, Mexico, Ukraine, Turkey, Russia, China, and Indonesia, where 500 of our people are employed. We plan to complete these reassessments at all of companies during FY22 and the learnings will be acted upon. The assessments are an important tool for identifying areas for further investigation and informing improvements to the control measures that prevent modern slavery risk at our operations.

## 2. Foreign workers at our operations where we have the potential to cause or be directly linked to modern slavery

We employ foreign workers in Malaysia and apply the same employment terms and conditions as for our permanent Malaysian employees, for example annual leave entitlements, annual salary review, promotion opportunities, etc. The only difference between our local and foreign employees is that local regulation requires foreign workers to be non-permanent employees and to hold a work visa. The visas are renewed annually, subject to the employee wishing to continue employment with Nufarm and government approval. If an employee chooses to cease employment and return home, Nufarm pays for and organises their return flight.

Due to COVID-19, the Malaysian government has suspended work visas for new foreign workers, hence we have not employed any new foreign workers since 2019.

### 3. Low skilled temporary and contracted third party labour at our operations where we have the potential to contribute to modern slavery

We engage temporary and third-party labour to support our manufacturing and business operations, some of this labour carries out low skilled work such as office cleaning. This year we identified all small, indirect suppliers of these types of services across all regions of our business and communicated our Global Supplier Code of Conduct. Each supplier has been requested to acknowledge receipt of the code of conduct in our procurement system to review and formally accept our Supplier Code of Conduct. So far, we have received positive responses from a number of suppliers and our regional procurement teams actively following up on those who have yet to confirm acceptance. Raising awareness of our Human Rights expectations of these suppliers is a first step towards minimising risk to their workers.

### 4. Agricultural workers in our supply chain where we may be directly linked to modern slavery through a supplier relationship

We engage farmers and agricultural companies to undertake farming activities for us, such as growing our seed products. There is a risk that these farmers or companies either directly or through third party recruiters, use forced or debt bonded agricultural workers. This year our key seed partners were formerly advised of and committed to conducting business in manner consistent with our Corporate Social Responsibility policies, including our Code of Conduct and Human Rights policy.

### 5. Materials purchased from higher risk countries where we may be directly linked to modern slavery through a supplier relationship

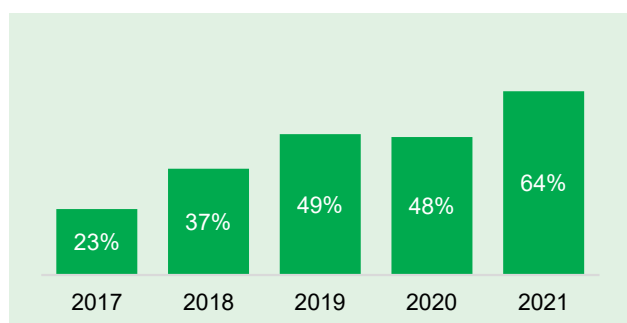
We have a supplier corporate social responsibility (CSR) assessment program to target our direct suppliers of chemical inputs for manufacturing and packaging. We engage EcoVadis, a global leader in this field, to support us in this activity. Our supplier CSR assessments cover a comprehensive range of environmental, corporate governance and human rights topics, including modern slavery. EcoVadis undertakes an independent assessment of our suppliers policies, actions and outcomes, providing us with insight into our supplier's potential risks and impacts. While this program is broader than modern slavery, modern slavery is an important element of the assessment.

We use a risk-based approach to determine supplier priority for CSR assessment; our risk assessment considers a range of factors, including the supplier's country of operation and industry. Direct suppliers with higher CSR risk are given high priority for CSR assessment, in FY21, we had 166 suppliers in higher risk countries. Each year we progressively expand our program to include more suppliers, in FY21 we completed 155 CSR assessments, up from 135 in FY20; this is equivalent to 64 percent of our direct purchasing spend.

We also have a second and more targeted supplier management program which we implemented in 2019. This is an improvement process that focusses on our lowest performing suppliers. We have an internal hurdle rate for our suppliers based on both their CSR assessment score and our quality standards. Where a supplier falls short of our expectations, our global supply team actively works with the supplier to improve their performance and reduce their environmental and social risk. We partner with the supplier to establish mutually agreed upon corrective action plans. We undertake quarterly reviews and audits with each of these suppliers to help keep them on track with their improvement commitments. This year we expanded our improvement process to include modern slavery and human rights in the supplier audit in our targeted supplier management program.

We work to build long term relationships with our direct suppliers and do not have a significant turnover in our major supplier base. All suppliers are subject to our [Global Supplier Code of Conduct](#) and an ongoing evaluation process. We communicate our code to our direct suppliers when commencing a relationship with them.

#### Percentage of all direct suppliers in our CSR assessment program



Direct suppliers of chemical inputs to manufacturing and finished goods ready for sale in higher risk countries, (China, India, Indonesia, Mexico, Philippines, South Africa, Thailand, Ukraine) make up 56 percent of our total direct purchasing spend, 35 percent of this spend was in our CSR assessment program in FY21.

#### Notes:

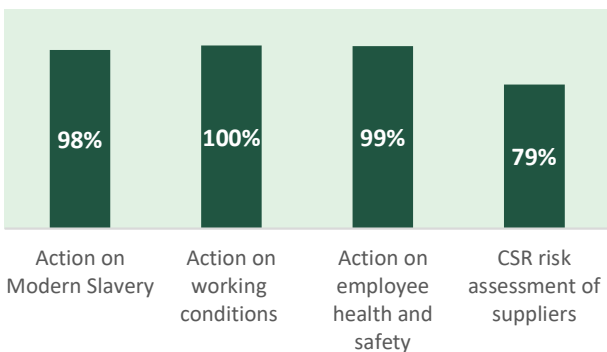
- Measured as a percentage of total direct spend in Australian dollars.
- In 2020 we changed our financial reporting year. 2021 is the 12 month period from October 2020 to September 2021, all prior years are the 12 month period from August to July.



**5. Materials purchased from higher risk countries where we may be directly linked to modern slavery through a supplier relationship continued...**

Through EcoVadis we also assess whether our suppliers are able to demonstrate that they are addressing modern slavery risk and broader human rights issues in their own operations and supply chain. Ninety-eight percent of our assessed suppliers were able to demonstrate they were taking action to address modern slavery.

**Percentage of assessed suppliers addressing human rights matters in their operations and supply chain**



**Notes:**

- Measured as a percentage of our FY21 procurement spend on all assessed suppliers (low, medium and high risk).

**Other steps taken to reduce modern slavery risk**








We also commenced work on an corporate standard that aligns with the requirements of the International Labour Organisations Standards, this will set the minimum employment standards for all of our operations globally. As a global organisation, each of our businesses has employment standards that align with local regulatory requirements. Our first step is to undertake a gap analysis to understand all existing standards. This work is in progress, and we expect it will take several years to implement such a broad reaching standard across all of our companies.

This year we also provided training in modern slavery risk factors to our regional human resources teams at our operations located in higher risk countries and to our regional management teams as well as preparing training material for our procurement teams. Modern slavery training for more of our senior leaders, human resource teams and procurement teams will be continued in FY22.



# Effectiveness of our approach to modern slavery

We measure the effectiveness of our approach to modern slavery through several leading and lagging metrics.

KPI	Description	Performance
<b>Supplier Participation</b>	Supplier participation in our CSR assessment program. <i>Up from 136 in FY20 or 48% of our direct crop protection procurement spend.</i>	155 suppliers or 64% of our direct procurement spend 
<b>Supplier Performance</b>	Supplier CSR assessment score on social themes (including human rights and modern slavery) benchmarked against 60,000 suppliers assessed by EcoVadis globally. <i>Up from 20% in FY20.</i>	22% above global average 
<b>Supplier action on modern slavery</b>	Suppliers in higher risk countries, who have undertaken CSR assessment and demonstrated they are working to modern slavery risk. <i>Up from 27% in FY20.</i>	63% of our procurement spend in these countries 
<b>Evidence of supplier modern slavery practices</b>	An review of media, non-government organisations and human rights organisations' reports for claims of potential modern slavery or modern slavery like practices amongst our assessed suppliers. <i>No change from FY20.</i>	None 
<b>Employee modern slavery education</b>	Senior leadership team engaged in modern slavery education activity. <i>Up from 0% in FY20.</i>	24% 
	Human resources talent acquisition and business partners engaged in modern slavery education activity. <i>Up from 0% in FY20.</i>	66% 
	Procurement team engaged in modern slavery education activity. <sup>1</sup> <i>No change from FY20.</i>	0% 

Notes:

1. Our procurement leadership team received a modern slavery briefing at the beginning of FY22 and we will continue to expand this training across the broader procurement team.

# The impact of COVID-19 on our modern slavery response

As an essential supplier of inputs to global food supply, Nufarm has continued operating throughout the COVID-19 pandemic. The health and safety of our people was the key priority for our business when the pandemic started, and we implemented safe working plans for those at our manufacturing sites as well making appropriate working at home arrangements for non-manufacturing staff.

Some industries have been forced to lay off employees due to the impacts of COVID-19 on their business, potentially making those people more vulnerable to poor labour practices. However, being an essential industry has meant that our production output has not been significantly affected by the pandemic, which required the retention of our employees and continued purchasing from our main suppliers. We have continued to employ non-permanent workers and sustain conditions of employment through the pandemic, such as for our foreign workers in Malaysia.

Due to COVID-19 restrictions, we were unable to continue with some face-to-face visits with our overseas suppliers, so instead reverted to online options to continue implementing our supplier continuous improvement program.

With the 'new normal' way of working brought on by the first year of the pandemic now being the 'normal' way to work, we have continued to progress our modern slavery actions mostly to plan and with limited COVID-19 related disruptions.

## Engagement with entities covered by this statement

We have taken the following steps to consult with the entities covered by this statement this year:

- Regional leadership teams and regional human resource teams in higher risk countries were briefed on modern slavery risk in Nufarm's supply chain and operations and steps to be taken to reduce the risk.
- It was prepared in consultation with senior global supply chain and human resources managers who have corporate responsibilities for the policies and procedures implemented at the entities covered by this statement.
- It was reviewed by Nufarm's Group Executive Manufacturing and Supply Chain and Group Executive People and Performance.
- It was communicated to the Regional General Managers of the entities covered by this statement; and
- It was endorsed by our Board Risk and Compliance Committee and approved by our Board of Directors.

# Our next steps

We recognise that identifying addressing modern slavery risk in our operations and supply chain requires an ongoing focus and commitment to continuous improvement. The below summaries our progress in FY21 and our focus for 2022:

Activities at risk of modern slavery practices	FY21 Action Plan	Status	FY22 Action Plan
Operations in higher risk countries	<ol style="list-style-type: none"> <li>1. Develop a plan to formalise the minimum corporate employment standards to be applied to all entities with embedded expectations for managing potential exposure to modern slavery risk.</li> <li>2. Review our modern slavery entity self-assessment process and commence a reassessment of entities operating in higher risk countries.</li> </ol>	<p>✓</p> <p>✓</p>	<ol style="list-style-type: none"> <li>1. Progress the development of a corporate employment standard to be applied to all entities globally.</li> <li>2. Complete the modern slavery self-assessment of all entities.</li> </ol>
Foreign workers			<ol style="list-style-type: none"> <li>3. Investigate overseas recruitment practices and procedures for foreign workers in Malaysia.</li> </ol>
Low skilled temporary and contracted third party labour at our operations	<ol style="list-style-type: none"> <li>3. Develop a methodology to carry out an in-depth review of contracting practices across our business for implementation in 2022.</li> </ol>	In progress.	<ol style="list-style-type: none"> <li>4. Develop an internal survey into contracting practices and procedures across the business.</li> </ol>
Agricultural workers in our supply chain	<ol style="list-style-type: none"> <li>4. Communicate Human Rights expectations to key agricultural suppliers.</li> </ol>	✓	
Materials purchased from higher risk countries	<ol style="list-style-type: none"> <li>5. Continue to expand our CSR assessment of our suppliers in higher risk countries.</li> <li>6. Extend our high-risk supplier audit process to include human rights and modern slavery items.</li> </ol>	<p>✓</p> <p>✓</p>	<ol style="list-style-type: none"> <li>5. Maintain current CSR assessment program and continue to assess and identify high risk suppliers for further investigation</li> </ol>
Higher risk industry – products containing copper			<ol style="list-style-type: none"> <li>6. Investigate supply chain for copper used by our suppliers of finished goods containing copper.</li> </ol>
Modern Slavery Governance	<ol style="list-style-type: none"> <li>7. Establish Modern Slavery KPI's for measuring the effectiveness of our actions within our operations.</li> <li>8. Review our Human Rights Policy and Supplier Code of Conduct and obtain Board approval for both.</li> </ol>	<p>✓</p> <p>Partially complete</p>	
Modern Slavery Training	<ol style="list-style-type: none"> <li>9. Commence education of our Senior Leadership Team in modern slavery risks and controls.</li> <li>10. Commence education of our Human Resources teams in modern slavery risks and controls.</li> </ol>	<p>✓</p> <p>✓</p>	<ol style="list-style-type: none"> <li>7. Continue education of our Senior Leadership, our Human Resource and Procurement teams in modern slavery risks and controls.</li> </ol>

# Appendix 1 – Entities Covered by this Statement

Entity	Place of Incorporation
<b>Company</b>	
Nufarm Limited – ultimate controlling entity	Australia
<b>Subsidiaries</b>	
Agryl Holdings Limited	Australia
Atlantica Sementes SA	Brazil
Croplands Equipment Ltd	New Zealand
Croplands Equipment Pty Ltd	Australia
Medisup Securities Ltd.	Australia
Nufarm Agriculture Inc	Canada
Nufarm Americas Inc	USA
Nufarm Australia Ltd	Australia
Nufarm BV	Netherlands
Nufarm Chemical (Shanghai) Co., Ltd	China
Nufarm Crop Products UK Limited	United Kingdom
Nufarm Deutschland GmbH	Germany
Nufarm España SA	Spain
Nufarm Europe GmbH	Germany
Nufarm GmbH & Co KG	Austria
Nufarm Hungária Kft	Hungary
Nufarm Italia srl	Italy
Nufarm KK	Japan
Nufarm Korea Limited	Korea
Nufarm Malaysia Sdn Bhd	Malaysia
Nufarm Mexico	Mexico
Nufarm Middle East Operations	Egypt
Nufarm Polska SP.Z O.O	Poland
Nufarm Portugal LDA	Portugal
Nufarm Romania SRL	Romania
Nufarm s.a.s	France
Nufarm Services (Singapore) Pte Ltd	Singapore
Nufarm Services Sdn Bhd	Malaysia
Nufarm Turkey Import & Trade of Chemical Products LLP	Turkey
Nufarm UK Limited	United Kingdom
Nufarm Ukraine LLC	Ukraine
Nuseed Americas Inc	USA
Nuseed Canada Inc	Canada
Nuseed Europe Ltd	United Kingdom
Nuseed Global Innovation	United Kingdom
Nuseed Global Management USA Inc	USA
Nuseed Nutritional Australia Pty Ltd	Australia
Nuseed Nutritional US Inc	USA
Nuseed Pty Ltd	Australia
Nuseed Russia LLC	Russia
Nuseed SA	Argentina
Nuseed Serbia d.o.o	Serbia
Nuseed Ukraine LLC	Ukraine
PT Nufarm Indonesia	Indonesia
Richardson Seeds	USA