

**Nufarm Limited**  
**ACN 091 323 312**

**Board Charter**

Arnold Bloch Leibler  
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## **BOARD OF DIRECTORS**

### **D G (Donald) McGauchie, AO (Chairman)**

D G (Donald) McGauchie AO, (11/2/1950), joined the Board in 2003 and was appointed Chairman on 13 July 2010. He has wide commercial experience within the food processing, commodity trading, finance and telecommunication sectors. He also has extensive public policy experience, having previously held several high-level advisory positions to the government including the Prime Minister's Supermarket to Asia Council, the Foreign Affairs Council and the Trade Policy Advisory Council. He is a former member of the Board of the Reserve Bank of Australia.

Donald is Chairman of Australian Agricultural Company Limited and a Director of Graincorp Ltd. In the past 3 years, Donald was a Director of James Hardie Industries plc.

Donald is Chairman of the Nomination & Governance Committee and a member of the Human Resources Committee.

### **G A (Greg) Hunt (Managing Director)**

G A (Greg) Hunt, (2/7/1959), joined the Board in 2015.

Greg joined Nufarm in 2012 and was Group Executive Commercial Operations prior to being appointed acting Chief Executive Officer in February 2015. Greg has considerable executive and agribusiness experience. Greg had a successful career at Elders before being appointed Managing Director of Elders Australia Limited, a position he held between 2001-2007. After leaving Elders, Greg worked with various private equity firms focussed on the agriculture sector and has acted as a corporate advisor to Australian and international organisations in agribusiness related matters.

### **A B (Anne) Brennan**

A B (Anne) Brennan (22/9/1960), joined the Board on 10 February 2011.

She has a Bachelor of Commerce (Hons) from University College Galway and is a Fellow of the Institute of Chartered Accountants in Australia and a Fellow of the Australian Institute of Company Directors.

She was formerly the Executive Finance Director for the Coates Group and Chief Financial Officer for CSR. Prior to this Anne was a partner in professional services firms Ernst & Young, Andersen and KPMG.

Anne is Director of Charter Hall Group, Argo Investments Limited and Metcash Limited. She is also a director of Rabobank Australia Limited and Rabobank New Zealand Limited. In the past 3 years, Anne was a Director of Myer Holdings Limited.

Anne is a member of the Audit & Risk Committee and the Human Resources Committee.

## **G R (Gordon) Davis**

G R (Gordon) Davis, (16/7/1956), joined the Board on 31 May 2011.

He has a Bachelor of Forest Science (Hons), Master of Agricultural Science and holds a Master of Business Administration.

Gordon is a Director of Midway Limited, Primary Health Care Limited and was Managing Director of AWB Limited between 2006 and 2010. Prior to this, he held various senior executive positions with Orica Limited, including General Manager of Orica Mining Services (Australia, Asia) and General Manager of Incitec Fertilizers. He has also served in a senior capacity on various industry associations.

Gordon is Chairman of the Health, Safety & Environment Committee and a member of the Audit & Risk Committee and the Human Resources Committee.

## **F A (Frank) Ford**

Mr F A (Frank) Ford, (15/4/1946), joined the Board on 10 October 2012.

He has a master of taxation from the University of Melbourne and a Bachelor of Business, Accounting from RMIT University and is a fellow of the Institute of Chartered Accountants. Frank is a former Managing Partner of Deloitte Victoria after a long and successful career as a professional advisor spanning some 35 years. During that period, he was also a member of the Deloitte Global Board, Global Governance Committee and National Management Committee.

He is a Director of Tarrawarra Museum of Art Limited.

Frank is Chairman of the Audit & Risk Committee and a member of the Nomination & Governance Committee.

## **P M (Peter) Margin**

P M (Peter) Margin, (17/4)1960), joined the Board on 3 October 2011

He has a Bachelor of Science (Hons) from the University of NSW and holds a Master of Business Administration from Monash University.

Peter has many years of leadership experience in major Australian and International food companies. His most recent role was as Chief Executive of Goodman Fielder Ltd and before that Peter was Chief Executive and Chief Operating Officer of National Foods Ltd. He has also held senior management roles in Simplot Australia Pty Ltd, Pacific Brands Limited (formerly known as Pacific Dunlop Limited), East Asiatic Company and HJ Heinz Company Australia Limited.

Peter is a director of ASX Listed companies Bega Cheese Ltd, PACT Group Holdings Ltd and Costa Group Holdings Limited. In the past 3 years Peter was a Director of PMP Limited and Huon Aquaculture Group Limited.

Peter is Chairman of the Human Resources Committee and a member of the Audit & Risk Committee.

## **Marie McDonald**

Marie McDonald joined the Board in 2017.

Marie has a Bachelor of Laws (honours) and a bachelor of Science (honours) and was a senior partner at Ashurst until 2014, specialising in mergers and acquisitions corporate governance and commercial law. She was widely recognised as one of Australia's leading corporate and commercial lawyers.

Marie is a Director of CSL Limited, Nanosonics Limited and the Walter and Eliza Hall Institute of Medical Research, and a senior adviser at Flagstaff Partners Pty Ltd.

She was Chair of the Corporations Committee of the Business Law Section of the Law Council of Australia from 2012 to 2013, having previously been the Deputy Chair, and was a member of the Australian Takeovers Panel from 2001 to 2010.

Marie is a member of the Health, Safety & Environment Committee and Audit & Risk Committee.

### **T (Toshikazu) Takasaki**

T (Toshikazu) Takasaki, (13/9/1947), joined the Board on 6 December 2012

Toshikazu represents the interests of shareholder Sumitomo Chemical Company (SCC).

He has a bachelor of Business Administration from the University of Tokyo and is a former executive of SCC who held senior management positions in businesses relating to crop protection, both within Japan and in the US. He is now a business consultant with a national qualification registered by the Japanese Ministry of Economy, Trade and Industry as a small and medium sized Enterprise Consultant.

He brings broad industry and international experience to the Board.

Toshikazu is a member of the Health Safety and Environment Committee.

***For details on the responsibilities and duties of the Board, refer to pages 7 - 11.***

## **BOARD COMMITTEES**

### **AUDIT & RISK COMMITTEE**

Messrs F A Ford (Chairman), G R Davis, P M Margin, Ms A B Brennan and Ms M E McDonald are the elected members of the Audit & Risk Committee.

### **NOMINATION & GOVERNANCE COMMITTEE**

Mr D G McGauchie (Chairman) and F A Ford are the elected members of the Nomination & Governance Committee.

### **HUMAN RESOURCES COMMITTEE**

Messrs P M Margin (Chairman), D G McGauchie, G R Davis and Ms A B Brennan are the elected members of the Human Resources Committee.

### **HEALTH SAFETY & ENVIRONMENT COMMITTEE**

Messrs G R Davis (Chairman), Ms M E McDonald and T Takasaki are the elected members of the Health Safety & Environment Committee.

All other Directors are entitled to attend any meeting of these Board Committees.

***For details on the responsibilities and duties of each Board Committee, refer to pages 12 to 25.***



## CORPORATE DIRECTORY

### REGISTERED OFFICE

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Facsimile: 61 3 9282 1001  
Telephone: 61 3 9282 1000  
Website: <http://www.nufarm.com>

### Branch Office

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Otahuhu, Auckland  
New Zealand

Facsimile: 64 9 270 678444  
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### SHARE REGISTRAR

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Australia

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### NUFARM STEP-UP SECURITIES (NSS) REGISTRAR

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### LAWYERS AND ADVISERS

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**AUDITORS**

KPMG

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Australia

**TRUSTEE FOR NSS**

The Trust Company (Australia) Limited

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Sydney NSW 2000  
Australia

# CORPORATE GOVERNANCE

## 1 RESPONSIBILITIES OF THE BOARD

- 1.1 The Directors are responsible for protecting the rights and interests of the Company, its shareholders and other stakeholders, including creditors and employees, and are accountable to them for the overall management of the Company.
- 1.2 The Board's responsibilities include:
- (a) protecting and enhancing the value of the assets of the Company
  - (b) setting strategies, directions and monitoring and reviewing against these strategic objectives
  - (c) reviewing and ratifying internal controls, codes of conduct and legal compliance
  - (d) reviewing the Company's accounts
  - (e) approval and review of the one year operating budget and five year strategic plan for the Company
  - (f) evaluating performance and determining the remuneration of the Managing Director and Senior Management
  - (g) ensuring the significant risks facing the Company, taking into account its financial obligations and legal obligations including (but not limited to) trade practices and fair dealing laws, environmental, privacy, employment, occupational and health and safety and equal opportunity laws have been identified and adequate control monitoring and reporting mechanisms are in place (refer to page 14 relating to the Company's internal controls and risk management process)
  - (h) approval of transactions relating to acquisitions, divestments and capital expenditure above delegated authority limits
  - (i) approval of financial and dividend policy (refer to page 11 for further information)
  - (j) appointment of the Managing Director
  - (k) ratifying the appointment of the chief financial officer and the company secretary.
- 1.3 To assist in the execution of the above responsibilities, the Board has in place 4 Board Committees comprising an Audit & Risk Committee, Nomination & Governance Committee, Human Resources Committee and Health Safety & Environment Committee. Please refer to page 12 for further information on those Board Committees.

## 2 STRUCTURE OF THE BOARD

- 2.1 The number of Directors must not be less than 3 and not more than 11 (refer to clause 22 of the Company's Constitution). There are presently 9 Directors of the Company.
- 2.2 Apart from the Managing Director, a Director may not hold office for more than 3 years or beyond the third annual general meeting following his appointment (whichever is the longer period) without submitting himself for re-election.
- 2.3 The Board should at all times comprise a majority of independent Directors, to ensure that the Company is run in its own best interests and, accordingly, in the best interests of shareholders.

In assessing the independence of Directors, the Board will apply the framework set out in box 2.1 of the guidelines issued by the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 3rd Edition.

- 2.4 The composition of, and terms of reference for, the Board is to be reviewed annually by the Board and the Chairman is to assess the effectiveness of the Board.
- 2.5 The Board aspires to achieve a mix of skills and diversity in its membership in accordance with the Board's skills matrix which provides that the combined skills and experience of the Board will encompass:
  - (a) Industry knowledge, strategic thinking; international and cross-cultural business; financial acumen; business life cycle – M&A, organic growth, turnaround; chemical or scientific background; leadership; manufacturing in a high risk environment; HS&E; governance and compliance; and
  - (b) Capacity to participate fully in the Nufarm Board.

### 3 APPOINTMENT, RETIREMENT AND ROTATION

- 3.1 The retirement, rotation and appointment of Directors is covered by clauses 24 and 25 of the Company's Constitution, namely:
  - (a) **Clause 24.1 - Retirement of Directors**

A Director, other than a Managing Director, shall not hold office for more than 3 years or beyond the third annual general meeting following his appointment (whichever is the longer period) without submitting himself for re-election.
  - (b) **Clause 24.7 - Appointment by Company**

The Company may, at a meeting at which the Directors retire by rotation, fill all or any of the vacant places by electing persons thereto and may fill up any other vacancy.
  - (c) **Clause 25.3 - Appointment by Board**

The Directors shall have power, at any time and from time to time, to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors but so that the total number of Directors shall not at any time exceed the number (if any) fixed in accordance with the Constitution. A Director so appointed shall hold office until the next annual meeting and shall then be eligible for re-election.
- 3.2 Before the appointment of any new Director, whether that appointment is made by the Company or the Board, appropriate checks should be undertaken to ensure that the proposed Director is an appropriate candidate.
- 3.3 Shareholders should be provided with all material information, in the Company's possession, relevant to assist them to make a decision on whether or not to elect or re-elect a Director at a meeting of the Company.
- 3.4 All Directors, including the Chairman and the Managing Director, must be engaged pursuant to a formal letter and written agreement setting out the key terms and conditions relative to their appointment and continued employment with the Company.
- 3.5 The Nomination & Governance Committee of the Board shall make an initial assessment of the necessary and desirable competencies for any new Director.
- 3.6 Where appropriate, the Nomination & Governance Committee will engage the services of an external consultant to search for appropriate candidates for directorship.

- 3.7 In considering a candidate for directorship, the Nomination & Governance Committee shall review, amongst other things:
- (a) The necessary time a new Director will be required to provide to the Company.
  - (b) Details of other commitments of the candidates.
  - (c) The biographical details including competencies and qualifications of the candidate.
- 3.8 The Nomination & Governance Committee will review potential candidates for directorship and make a recommendation to the Board.
- 3.9 A candidate will be interviewed by the Managing Director and the Chairman.
- 3.10 The Board will ensure that any new Director is appropriately introduced to the Company and amongst other things, will provide to any new Director:
- (a) A copy of the Company's Constitution.
  - (b) A copy of this Board Charter.
  - (c) The most recent Annual Report of the Company.
  - (d) A draft of the Deed of Indemnity given by the Company to a Director.
  - (e) Where appropriate, a summary of the most recent strategic plan of the Company.
- 3.11 The Board will also ensure that any new Director is acquainted with:
- (a) Knowledge of the industry within which the Company operates.
  - (b) Visits to specific Company operations when appropriate.
  - (c) Briefings with key executives and industry experts where appropriate.
- 3.12 Although Directors are elected by the shareholders to bring special expertise or perspective to Board deliberations, the best interests of the Company will be paramount at all times.

## 4 REMUNERATION

- 4.1 The fees payable to non executive Directors are determined by the Board within the aggregate amount approved by shareholders.
- 4.2 At the Company's 2017 annual general meeting, shareholders approved an aggregate amount of \$2,000,000.
- 4.3 The fees currently determined by Directors are:

Chairman	\$392,567 p.a
Board Member	\$160,597 p.a
Chairman of Audit & Risk Committee	\$32,370 p.a
Chairman of Human Resources Committees	\$26,975 p.a
Chairman of Nomination & Governance Committee	\$12,462 p.a.
Chairman of Health Safety & Environment Committee	\$18,883 p.a
Member of Audit & Risk Committee	\$16,185 p.a
Member of Human Resources Committees	\$13,488 p.a
Member of Nomination & Governance Committee	\$1,618 per meeting
Member of Health Safety & Environment Committee	\$9,441 p.a

\* The Chairman does not receive any additional fees for membership of Committees.

## **5 DIRECTORS' RETIREMENT BENEFIT**

- 5.1 The Board resolved to discontinue the Directors Retirement Benefit Plan effective 31 October 2003.
- 5.2 During Directors' tenure as Directors of the Company, the Company will make superannuation guarantee payments on behalf of Directors at the rate prescribed by, and in accordance with, the provisions of the superannuation guarantee legislation from time to time.

## **6 INDEPENDENT COUNSEL**

- 6.1 An individual Director may engage separate independent counsel or advisors at the expense of the Company in appropriate circumstances, with the approval of the Chairman or by resolution of the Board.

## **7 BOARD MEETINGS**

### **7.1 Agenda**

- (a) The Chairman, with the assistance of the Managing Director, establishes the agenda for each Board Meeting. Each Director is able to suggest the inclusion of items on the agenda.

### **7.2 Notice**

- (a) At least 5 days notice of Board Meetings will be given and material on the items to be considered at each Board Meeting will be provided at least 5 days in advance of the Board Meeting.

### **7.3 Number of Meetings**

- (a) The Board normally meets 6 times a year. Telephone conferences are held if required.

### **7.4 Attendance by Senior Management**

- (a) Senior Management may attend Board Meetings by invitation.

### **7.5 'in camera' Meetings**

- (a) The Board may meet periodically on an 'in camera' basis without the Managing Director or Senior Management present.

## **8 DIRECTORS' OBLIGATIONS**

### **8.1 Directors must:**

- (a) act in the best interests of the Company;
- (b) at all times act honestly in the exercise of his or her powers and the discharge of the duties of his or her office;
- (c) exercise the degree of care and diligence that a reasonable person in a like position in a corporation would exercise in the Company's circumstances (refer to paragraph 8.2);
- (d) ensure that at all times they have a good understanding of strategies and the businesses conducted by the Company;
- (e) carefully study Board materials and issues;

- (f) be active, objective and constructive in their participation at meetings of the Board and Board Committees;
- (g) assist in representing the Company to the public;
- (h) counsel on corporate issues;
- (i) ensure that they have a good understanding of general economic trends and corporate governance; and
- (j) minimise the possibility of conflict of interest in their involvement with the Company by restricting their involvement in other similar businesses.

8.2 A Director will be deemed to have met the requirement of care and diligence, as set out in paragraph 8.1(c), if:

- (a) the judgment was made in good faith and for proper purpose; and
- (b) the Director does not have a material personal interest in the subject matter of the judgement; and
- (c) the Director informed himself/herself about the subject matter of the judgement to the extent he/she reasonably believes to be appropriate; and
- (d) the Director rationally believes that the judgement is in the best interests of the Company.

## 9 DIVIDEND POLICY

- (a) The Company's dividend policy will be based primarily on the earnings, cash flow and business requirements of the Nufarm Group. The current intention of the Board is that the dividend paid will represent not more than 60% nor less than 40% of net tax paid operating earnings.
- (b) Notwithstanding this general policy statement, the Board has a discretion to change its payout percentage to reflect its perception of the cash requirements of the business of the Nufarm Group and in the best interests of shareholders.

## CONFLICTS OF INTEREST

## 10 COMPANY'S ACKNOWLEDGMENTS

10.1 The Company acknowledges that:

- (a) some of its Directors (in this section referred to as the "**Common Director**") may, from time to time, hold directorships in other companies (in this section referred to as "**the Other Company**");
  - (i) any information confidential to the Other Company which a Common Director possesses and which came into his or her possession in the course of the performance of his or her duties as an officer of the Other Company cannot and shall not be communicated to the Company or any officer or employee of the Company without the consent of the Other Company; and
  - (ii) any information which a Common Director possesses in relation to the Other Company which is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of securities of the Other Company cannot and shall not be communicated to the Company or any officer or employee of the Company.

## **11 MEETINGS AT WHICH CONFLICTS ARISE**

- 11.1 Where at any meeting of the Company it is proposed to discuss any matter which gives rise or may give rise to a conflict or a real sensible possibility of a conflict of interest between the duties and obligations of the Common Director to the Company and to the Other Company, then the Common Director:
- (a) must not be present while that matter is being considered; and
  - (b) must not vote on that matter,
- unless the other Directors pass a resolution that states, effectively, that those Directors, having considered the nature and extent of the conflict or possible conflict, are satisfied that the matter should not disqualify the Common Director from being present or voting.
- 11.2 A Common Director may at any meeting of the Company request that the meeting be postponed or temporarily adjourned to enable him or her to seek legal advice on whether he or she can:
- (a) be present while the matter in question is being considered; and
  - (b) vote on the matter in question.

## **BOARD COMMITTEES**

## **12 BOARD COMMITTEES**

- 12.1 The current Committees of the Board include the Audit & Risk Committee, the Nomination & Governance Committee, the Human Resources Committee and the Health Safety & Environment Committee.
- 12.2 The Board Committees review and analyse policies and strategies, usually developed by management, which are within their terms of reference (detailed below).
- 12.3 The Board Committees examine proposals and, where appropriate, make recommendations to the Board.
- 12.4 The Board Committees do not take action or make decisions on behalf of the Board unless specifically mandated by prior Board authority to do so.
- 12.5 The composition and terms of reference for the Board Committees are reviewed annually by the Board. The Chairman assesses the effectiveness of each Board Committee annually.
- 12.6 A Board Committee may engage separate independent counsel or advisors at the expense of the Company, in appropriate circumstances, with the approval of the Chairman or by resolution of the Board.

## **13 AUDIT & RISK COMMITTEE**

### **13.1 Purpose**

- (a) The Audit & Risk Committee (the Committee) is a committee of the Board. Its primary function is to assist the Board in fulfilling its corporate governance responsibilities in regard to financial reporting, audit and risk management, including:
  - (i) oversight of the preparation of Nufarm Limited's (the Group) financial reporting;
  - (ii) compliance with legal and regulatory obligations;



- (iii) oversight of the effectiveness of the Group's enterprise-wide risk management and internal control framework; and
- (iv) oversight of the relationship with the external and internal auditors.

### **13.2 Duties**

- (a) In meeting its responsibilities, the Committee shall:
  - (i) report Committee actions to the Board with such recommendations as the Committee may deem appropriate. The Committee will report to the Board immediately if it becomes aware of any material misstatement in financial information provided by management to the Board or of any material breakdown in internal controls.
  - (ii) continuously monitor a framework and processes for compliance with laws, regulations, standards, best practice guidelines and the Group's code of conduct
  - (iii) maintain suitable interaction with the Health Safety & Environment Committee and the Nomination & Governance Committee.
  - (iv) perform such other functions assigned by law, the Company's Constitution, or the Board.

The Committee has no executive powers, except those expressly provided or delegated to it by the Board.

- (b) Management is responsible for:
  - (i) the preparation, presentation and integrity of the Group's financial information and other information provided to the Committee;
  - (ii) implementing, managing and maintaining appropriate enterprise-wide accounting, financial reporting and risk management strategies, systems, policies and processes, reporting protocols and internal controls that are designed to ensure compliance with applicable accounting standards, laws and regulations; and
  - (iii) maintaining sufficient knowledge, skills and expertise within the Group's finance function.
- (c) The external auditor is responsible for planning and carrying out each audit and review in accordance with applicable auditing standards. The external auditor is accountable to shareholders through the Committee.
- (d) The General Manager Global Risk Management & Assurance is responsible for providing independent, objective assurance and consulting services on the Group's system of risk management, internal compliance, control and governance.

### **13.3 Financial Reporting**

- (a) The Committee shall:
  - (i) review with management and the external auditors the financial statements released to shareholders to ensure they comply with Australian Accounting Standards and other regulatory requirements, and present a true and fair view of the financial position and performance of the group.
  - (ii) ensure compliance with current Accounting Standards and other regulatory requirements including:
    - (A) changes in accounting policies during the period;
    - (B) outlining methods used in accounting for specific transactions where there is no definitive accounting standard.

- (C) requiring the external auditors to inform the Committee of their views in relation to the above.
- (iii) pay specific attention to the treatment and disclosure of complex or unusual transactions as well as significant judgements made by management in preparing the financial statements
- (iv) review significant audit adjustments and unadjusted audit differences.
- (v) review the form of the proposed opinion to be issued by the external auditor.
- (vi) ensure that appropriate processes are in place to form the basis upon which the CEO and CFO execute their certifications to the Board at year end under section 295A of the Corporations Act 2001 (Cth) in relation to the systems of internal controls, and that that system is operating effectively in all material respects in relation to financial reporting risks. In providing that certification, the CEO and CFO must ensure that their opinions have been formed on the basis of a sound system of risk management and internal control which operates effectively.
- (vii) review the dividend proposal and supporting information provided by management and make an appropriate recommendation on the dividend proposal to the Board.
- (viii) review the process by which management controls information released to the stock exchange on Group financial performance (historic and forecast) including the use of any pro-forma or non GAAP measures.

#### **13.4 Legal and Regulatory Compliance**

- (a) The Committee shall without limiting its scope, in conjunction with the Board, and the Group's management, monitor the Group's compliance with all relevant:
  - (i) statutory and regulatory obligations, including the ASX's continuous disclosure obligations
  - (ii) internal policies and procedures.
  - (iii) consider the effects on the Group of any new or proposed accounting or tax practices, principles or developments, disclosure requirements and legislative or regulatory pronouncements.

#### **13.5 Enterprise Risk Management and Internal Control Framework**

- (a) The Committee shall:
  - (i) at least annually, as required by Recommendation 7.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 3<sup>rd</sup> Edition, review the Group's risk management framework to satisfy itself that it continues to be sound.
  - (ii) consider and review with management, the external auditors, and the risk management function:
    - (A) The effectiveness of, or weaknesses in, the Group's internal control framework including computerised information system controls and security, the overall control environment, and accounting, treasury and financial controls.
    - (B) Any related significant findings and recommendations of the external auditors and internal auditors, together with management's responses thereto, including the timetable for implementation of recommendations to correct identified weaknesses in internal controls.

- (iii) review with the General Manager Global Risk Management and the external auditors the co-ordination of audit effort to assure completeness of coverage of key business controls and risk areas, reduction of redundant effort, and the effective use of audit resources.

### **13.6 External Auditor**

- (a) The Committee shall:
  - (i) recommend to the Board the appointment, remuneration and independence of the external auditor;
  - (ii) review and approve the engagement letter, the scope and approach of the annual external audit plan with the external auditors;
  - (iii) assess the external auditors' process for identifying and responding to key audit and internal control risks;
  - (iv) require the external auditor to immediately contact the Chairman of the Committee (or, if deemed appropriate by the external auditor, the Chairman of the Board) if management has unreasonably restricted access by the external auditor, or if there are significant unresolved issues between management and the external auditor;
  - (v) ensure that lead engagement audit partners will rotate after a maximum period of five years; and that two years will elapse before the former lead audit partner can be involved again in the company's audit;
  - (vi) require the external auditor to confirm in writing that they have complied with all professional and regulatory requirements relating to auditor independence prior to the completion of each year's accounts;
  - (vii) provide advice to the Board as to whether the Committee is satisfied that the provision of non-audit services is compatible with the general standard of independence, and an explanation of why those non-audit services do not compromise audit independence, in order for the Board to be in a position to make the statements required by the Corporations Act 2001 (Cth) to be included in the Company's Annual Report;
  - (viii) review with management their certification that the provision of non-audit services has not prejudiced the independence of the external auditors;
  - (ix) recommend to the Board the appropriate disclosure in the financial statements of the full details of all fees paid to the external auditor; and
  - (x) ensure that the external auditor attends the Company's annual general meeting and is available to answer questions from shareholders that are relevant to the audit.

### **13.7 Internal Audit**

- (a) The Committee shall :
  - (i) approve the appointment or replacement of the General Manager Global Risk Management & Assurance (internal auditor);
  - (ii) review and approve the internal auditor's audit plans, work programme and quality control procedures and monitor the progress of the work programme;
  - (iii) confirm that the internal auditor is able to fulfil his/her duties free from undue influence of the executive management;
  - (iv) confirm that the internal auditor has all necessary access to management and the right to seek information and explanations;

- (v) consider the major findings of the internal audit reports and review management's response in terms of content and timeliness;
- (vi) maintain a separate reporting line from the internal auditor to the Committee, and to permit full and frank exchange of information; and
- (vii) consider the overall effectiveness of the internal auditor.

### **13.8 Membership and Structure**

- (a) The Committee shall consist of at least three members, all of whom are non-executive directors, and is comprised of a majority of independent Directors.
- (b) At least one member of the Committee should also be a member of the Health, Safety & Environment Committee.
- (c) Members of the Committee will have a range of different backgrounds, skills and experiences which, when taken as a whole, will give the Committee the ability to understand the industry in which the Group operates. At least one member of the Committee should have a background in financial reporting, accounting or auditing. Further, each member of the Committee must be financially literate and able to read and understand financial statements.
- (d) The Chairman of the Committee is appointed by the Board. The chairperson must be an independent non-executive director and must not be the Chairman of the Board.
- (e) The Chairman of the Committee is responsible for arranging all meetings of the Committee and, for providing members of the Committee with a written agenda.
- (f) The Company Secretary or his appointee will act as secretary of the Committee and will circulate minutes of the meetings.

### **13.9 Meetings**

- (a) Any member of the Committee may call a meeting of the Committee.
- (b) As a minimum the Committee will meet three times a year.
- (c) The Chairman of the Committee, or delegate, reports to the Board following each meeting.
- (d) The Managing Director & Chief Executive Officer (CEO), Chief Financial Officer (CFO), General Manager Global Risk Management & Assurance, external auditor and such other management representatives as required will normally attend all Committee meetings.
- (e) The Committee has direct access to the Company's officers and advisers, both external and internal, and has authority to seek whatever independent, professional or other advice it requires in order to assist it in meeting its responsibilities from outside the Company.
- (f) The Committee will meet privately, at least annually, with the General Manager Global Risk Management & Assurance, and the external auditors to discuss any matters that the Committee or these groups believe should be discussed with the Committee without the presence of management.

### **13.10 Quorum and Voting**

- (a) A quorum comprises any two Committee Members. In the absence of the Committee Chairman the members will elect one of their number as Chairman for that meeting.
- (b) Each member shall have one vote.
- (c) The Chairman of the Committee will not have a second or casting vote.

### **13.11 Committee Performance Review**

- (a) The Committee shall:
  - (i) self-assess whether the Committee has carried out the responsibilities defined in the Charter once a year;
  - (ii) self-assess whether the Committee complies with its membership requirements at least once every year; and
  - (iii) critically review the Charter at least once per year to ensure its relevance and compliance with overall governance legislative requirements and best practice.

## **14 NOMINATION & GOVERNANCE COMMITTEE**

### **14.1 Purpose**

- (a) The Nomination & Governance Committee (Committee) is a committee of the Board. The Committee's purpose is to:
  - (i) ensure that the Board has the appropriate size and composition to discharge its duties effectively;
  - (ii) develop criteria for Board membership, develop processes for recruiting and retaining directors and identify specific candidates for nomination;
  - (iii) assist the Human Resources Committee in reviewing and making recommendations to the Board in relation to the remuneration of Directors and executive management;
  - (iv) develop processes for the review of the performance of individual Directors, Board Committees and the Board as a whole;
  - (v) ensure the Company has appropriate governance policies and practices;
  - (vi) assist in the preparation of an annual corporate governance statement; and
  - (vii) ensure the Company has appropriate ethical standards.

### **14.2 Duties**

- (a) The responsibilities of the Committee include:
  - (i) considering the appropriate size and composition of the Board;
  - (ii) considering whether the Board has an appropriate mix of skills, knowledge experience, independence and diversity outlined in its Board skills matrix;
  - (iii) developing a process for the evaluation of the performance of the Board, its Committees and Directors;
  - (iv) developing policies and procedures for the nomination and appointment of new Directors, including developing criteria for Board membership;
  - (v) recommending changes to the membership of the Board and making recommendations to the Board on candidates it considers appropriate for appointment;
  - (vi) developing induction and continuing professional development programs for directors;
  - (vii) reviewing board succession plans;
  - (viii) in conjunction with the Human Resources Committee ensuring the application of the Diversity Policy to the selection of Board members;

- (ix) reviewing the time commitments required of non-executive Directors and whether those requirements are met;
- (x) reviewing any retiring non-executive Director's performance and making recommendations to the Board as to whether the Board should continue to support the nomination of a retiring non - executive Director;
- (xi) managing the process of CEO recruitment and transition on behalf of the Board;
- (xii) reviewing and approving the Company's governance policies including its Continuous Disclosure Protocol and Security Trading Policy;
- (xiii) reviewing and recommending to the Board the Corporate Governance Statement to be included in the Company's Annual Report; and
- (xiv) reviewing the Company's Code of Conduct and other ethical standards.

#### **14.3 Review**

- (a) At least once a year, the Committee will:
  - (i) self-assess whether it has discharged its responsibilities;
  - (ii) self-assess whether it complies with its membership requirements; and
  - (iii) critically review this Charter to ensure its relevance and compliance with legislative and governance requirements and best practice, including the Corporate Governance Principles and Recommendations issued by the ASX Corporate Governance Council.

#### **14.4 Membership and Structure**

- (a) The Committee consists of three non-executive Directors and is comprised of a majority of independent Directors.
- (b) The Chairman of the Committee is appointed from the members of the Committee and is an independent non-executive Director.
- (c) The Chairman of the Committee, with the assistance of the Company Secretary, is responsible for arranging all meetings of the Committee and for providing members of the Committee with a written agenda.
- (d) The Company Secretary, or his appointee, will act as secretary of the Committee and will circulate minutes of the meetings.

#### **14.5 Meetings**

- (a) Any member of the Committee may call a meeting of the Committee.
- (b) As a minimum, the Committee will meet twice a year.
- (c) In addition, the Committee will meet as early as practicable prior to the expiration of the term of office of a Director to consider and make recommendations to the Board as to whether the Board should continue to support the nomination of a retiring non-executive Director or the appointment or election of a new non-executive Director.
- (d) The Chairman of the Committee, or their delegate, reports to the Board following each meeting.
- (e) The Committee may invite any executive management team members or other individuals to attend meetings of the Committee, as it considers appropriate.
- (f) The Committee has direct access to the Company's officers and advisers, both external and internal, and has the authority to seek whatever independent,

professional or other advice it considers necessary in order to assist it in meeting its responsibilities from outside the Company.

#### **14.6 Quorum and Voting**

- (a) A quorum comprises any two Committee members. In the absence of the Committee Chairman, or appointed delegate, the members will elect one of their number as Chairman for that meeting.
- (b) Each member shall have one vote.
- (c) The Chairman of the Committee will not have a second or casting vote.

### **15 HUMAN RESOURCES COMMITTEE**

#### **15.1 Purpose**

- (a) The Human Resources Committee is a committee of the Board. The Committee's purpose is to recommend to the Board policies and practices which enable Nufarm to attract, develop, retain and motivate high calibre Directors and Executives.
- (b) The Committee will review and make recommendations on policies for remuneration, development, retention and termination of Directors and Key Management Personnel (KMP) ensuring that these policies:
  - (i) attract, motivate and retain high calibre people;
  - (ii) enhance diversity of experience and perspective in decision-making;
  - (iii) reward for performance and promote the continued development of a high performance culture;
  - (iv) support the development of leadership behaviours and capabilities;
  - (v) are in line with current governance, accounting, legal and disclosure requirements;
  - (vi) are approved by the Board; and
  - (vii) are applied fairly and consistently.
- (c) The Committee does not have executive powers to commit the Board or management to its recommendations except where authorised by a resolution of the Board.
- (d) The Committee does not become involved in day to day management activities or decision-making.
- (e) No individual will be directly involved in determining their own remuneration.

#### **15.2 Duties**

- (a) Remuneration and Performance
  - (i) Review and make recommendations to the Board in relation to Nufarm's Board and executive remuneration strategy, structure and practice with regard to:
    - (A) Nufarm strategic objectives;
    - (B) corporate governance principles; and
    - (C) competitive practice.
  - (ii) The specific matters the Committee may consider include the review of:
    - (A) executive management and Directors' remuneration, including the link between Company and individual performance;

- (B) current industry best practice;
  - (C) the outcome of the annual vote on the adoption of the Remuneration Report;
  - (D) different methods for remunerating senior management and Directors including superannuation arrangements;
  - (E) existing or proposed incentive schemes;
  - (F) retirement and termination benefits and payments for senior management;
  - (G) professional indemnity and liability insurance policies.
- (iii) The Committee is responsible for seeking and approving remuneration advisers that will provide independent remuneration advice, as appropriate, on Board, CEO and other KMP remuneration strategy, structure practice and disclosure.

As part of governance for an ASX listed organization, the HRC may, in its absolute discretion, for items deemed material, vary or amend the results to give effect to an amendment on the basis of determining the STI/LTI result (whether the effect of the variation or amendment is to increase or decrease the STI/LTI payment).

Where the Board approves a material change in the strategic business plan for the Company which, in the reasonable opinion of the HRC, means that the outcome for the STI/LTI plan are no longer appropriate or consistent with the changed strategic business plan.

Principles to guide decisions around potential variations and adjustments to performance outcomes are inclusive of (but not limited to):

- to ensure no windfall gains or losses;
- where there is a substantial or material impact to the business and/or the payout outcome;
- where there is a positive and negative impact both need to be adjusted for; and
- early identification of impact and evidence of steps taken to mitigate.

Non-recurring items, M&A and asset sales may be included at the discretion of the HRC if management input had a significant positive or negative impact on the outcome (therefore triggering the need to pay).

- (A) Board Remuneration
  - (1) Review and make recommendations to the Board regarding the remuneration and benefits of non-executive Directors.
- (B) CEO Remuneration and Performance
  - (1) Consider and recommend to the Board the terms and conditions of the CEO's employment contract including fixed annual remuneration, short term and long term incentives, equity based payments, benefits, pensions, superannuation, retirement and termination compensation.
  - (2) Conduct an annual review of the CEO's remuneration in line with Company performance, governance principles and market practice.
- (C) Key Management Personnel Remuneration and Performance



- (1) Review the CEO's proposed terms and conditions of employment for other KMP including fixed annual remuneration, short term and long term incentives, equity based payments, benefits, pensions, superannuation, retirement and termination compensation.
  - (2) Consider the outcomes of the CEO's annual assessment of direct reports' performance against agreed KPIs.
  - (3) Review the CEO's proposed changes to other KMP's remuneration including fixed remuneration and awards under relevant short term and long term incentive plans to ensure alignment with remuneration policy and structure.
  - (4) Review the Company's remuneration, recruitment, retention and termination policies and procedures for senior executives.
- (b) Annual Reporting
- (i) Review the annual remuneration report to satisfy itself that the report is complete and meets all reporting and disclosure requirements before recommending the report to the Board.
- (c) Induction, Development and Succession
- (i) Review induction and development arrangements for the Board to ensure Board members:
    - (A) gain and maintain a suitable level of knowledge about Nufarm; and
    - (B) are provided with appropriate professional development opportunities to develop and maintain the relevant skills and knowledge required to effectively perform their role as a Director.
  - (ii) Review and make recommendations to the Board on succession plans for the Board and the CEO.
  - (iii) Review the Company's succession plans to ensure that adequate arrangements are in place to attract and/or develop high calibre executives.
- (d) Diversity
- (i) Review and make recommendations to the Board on the Nufarm Diversity Policy ensuring the Policy is in line with applicable legislation and governance principles.
  - (ii) In conjunction with the Nomination & Governance Committee ensure the application of the Diversity Policy to Board appointments and succession.
  - (iii) Make recommendations to the Board regarding this policy and strategies to address Board diversity.
  - (iv) Monitor the application of the Diversity Policy to Executive appointments and succession.
  - (v) Determine the process for ongoing assessment of Nufarm's performance in relation to its Diversity Policy and Objectives;
  - (vi) Review the Company's remuneration, recruitment, retention and termination policies and procedures for senior executives and more generally as a framework that applies to the whole organisation;
  - (vii) Monitor the broad application of the Diversity Policy and report on achievements in targeted areas;

- (viii) Together with the Executive set measurable objectives for annual review, refining and evolving objectives from year to year.

15.3 In carrying out its duties the Committee will:

- (a) Self-assess whether the Committee has carried out the responsibilities as defined in the Human Resources Committee Charter once a year;
- (b) Self-assess whether the Committee complies with its membership requirements at least once every year; and
- (c) Critically review the Human Resources Committee Charter at least once per year to ensure its relevance and compliance with overall governance legislative requirements and best practice.

#### **15.4 Membership and Structure**

- (a) The Committee consists of 3 non-executive Directors and is comprised of a majority of independent Directors.
- (b) The Chairman of the Committee is appointed by the Chairman of the Board and is an independent non-executive Director.
- (c) The Chairman of the Committee is responsible for arranging all meetings of the Committee and for providing members of the Committee with a written agenda.
- (d) The Company Secretary, or his appointee, will act as secretary of the Committee and will prepare minutes of the meetings for Committee approval.

#### **15.5 Meetings**

- (a) Any member of the Committee may call a meeting of the Committee.
- (b) As a minimum, the Committee will meet 3 times a year in order to review and make recommendations to the Board on matters within its Charter. Where these recommendations relate to remuneration packages and policies applicable to KMPs and Directors the meeting takes place at least one month prior to the date on which any change to remuneration packages or to the membership of the Board is to become operative.
- (c) The Chairman of the Committee, or delegate, reports to the Board following each meeting.
- (d) An executive member of the Committee is not entitled to be present at a meeting of the Committee when his/her own remuneration package is being evaluated.
- (e) The Committee may invite any executive management team members or other individuals to attend meetings of the Committee, as it considers appropriate.
- (f) The Committee has direct access to the Company's officers and advisers, both external and internal, and has the authority to seek whatever independent, professional or other advice it requires in order to assist it in meeting its responsibilities from outside the Company.

#### **15.6 Quorum and Voting**

- (a) A quorum comprises any 2 Committee members. In the absence of the Committee Chairman, or appointed delegate, the members will elect one of their number as Chairman for that meeting.
- (b) Each member shall have one vote.
- (c) The Chairman of the Committee will not have a second or casting vote.

## 16 HEALTH SAFETY & ENVIRONMENT COMMITTEE

### 16.1 Purpose

- (a) The Health Safety & Environment Committee (the Committee) is a committee of the Board. The Committee's purpose is to assist the Board in the effective discharge of its responsibilities in relation to health, safety and environment matters arising out of activities within the Nufarm Group as they affect employees, contractors, visitors, customers and the communities in which the Nufarm Group operates.

### 16.2 Duties

- (a) In meeting its responsibilities, the Committee shall:
  - (i) Report Committee actions to the Board with such recommendations as the Committee may deem appropriate. The Committee will report to the Board immediately if it becomes aware of any material violations of internal or regulatory controls.
  - (ii) Maintain suitable interaction with the Audit & Risk and the Nomination & Governance Committees.
  - (iii) Perform such other functions assigned by law, the Company's Constitution, or the Board.
- (b) Management is responsible for:
  - (i) the preparation, presentation and integrity of the Group's health, safety and environment information and other information provided to the Committee;
  - (ii) implementing, managing and maintaining appropriate enterprise-wide safety, health and environment risk management strategies, systems, policies and processes, reporting protocols and internal controls that are designed to ensure compliance with applicable standards, laws and regulations; and
  - (iii) maintaining sufficient knowledge, skills and expertise within the Group's HS&E function.

### 16.3 Health Safety and Environment

- (a) Without limiting its scope, the Committee should understand the Nufarm Group's structure and operations and may undertake site visits and receive periodic presentations from subject matter experts to assist in achieving such understanding.
- (b) The Committee has no delegated authority, but will review and report to the Board on strategic issues and exposures including:
  - (i) Considering health, safety and environment issues that may have strategic, business and reputational implications for the Company;
  - (ii) Reviewing appropriate measures and responses, including the identification of key risks and appropriate mitigation strategies;
  - (iii) Reviewing the setting of appropriate health, safety and environmental strategies and policies.
  - (iv) Providing oversight of the annual Health, Safety and Environment report.
  - (v) Monitoring compliance with Nufarm Group's HS&E policy.
  - (vi) Considering the effects of external developments in legislation, community expectations, research findings and technology.

- (vii) Reviewing significant health, safety and environment incident investigation reports.
- (viii) Reviewing product stewardship systems and compliance.
- (ix) Monitoring the environmental performance of Company activities.
- (x) Reviewing sustainability practice and performance.
- (xi) Where requested by the Board, the Committee will assist the Board to prepare disclosures as to:
  - (A) whether Nufarm has any material exposure to environmental and social sustainability risks, and
  - (B) if so, how Nufarm manages or intends to manage, those risks.

#### **16.4 Legal and Regulatory Compliance**

- (a) Without limiting its scope, in conjunction with the Board, and the Group's management, monitor the Company's compliance with all relevant:
  - (i) statutory and regulatory obligations relevant to health safety and environment;
  - (ii) internal policies and procedures; and
  - (iii) consider the effects of any new or proposed regulations and laws, principles or developments or disclosure requirements.

#### **16.5 In carrying out its duties the Committee will:**

- (a) self assess whether the Committee has carried out the responsibilities as defined in the Health Safety and Environment Committee Charter once a year;
- (b) self assess whether the Committee complies with its membership requirements once every year; and
- (c) critically review the Health Safety and Environment Committee Charter at least once a year to ensure its relevance and compliance with overall governance legislative requirements and best practice.

#### **16.6 Membership and Structure**

- (a) The Committee shall consist of at least three non-executive directors and is comprised of a majority of independent Directors.
- (b) At least one member of the Committee should also be a member of the Audit & Risk Committee.
- (c) Members of the Committee will have a range of different backgrounds, skills and experiences which, when taken as a whole, will give the Committee the ability to understand the industry in which the Company operates. At least one member of the Committee should have a background in manufacturing operations. Each member of the Committee must be aware of the general regulatory frameworks for the management of health, safety and environment matters.
- (d) The Chairman of the Committee is appointed by the Board. The chairperson must be an independent non-executive director.
- (e) The Chairman of the Committee is responsible for arranging all meetings of the Committee and, for providing members of the Committee with a written agenda.
- (f) The Company Secretary or his appointee will act as secretary of the Committee and will circulate minutes of the meetings.

## **16.7 Meetings**

- (a) Any member of the Committee may call a meeting of the Committee.
- (b) As a minimum the Committee will meet 2 times a year.
- (c) The Chairman of the Committee, or delegate, reports to the Board following each meeting.
- (d) The Group Executive Operations, will attend all Committee meetings. The Committee may invite the Group Executive Innovation & Development and any executive management team members or other individuals to attend meetings of the Committee, as it considers appropriate.
- (e) The Committee has direct access to the Company's officers and advisers, both external and internal, and has authority to seek whatever independent, professional or other advice it requires in order to assist it in meeting its responsibilities from outside the Company.

## **16.8 Quorum and Voting**

- (a) A quorum comprises any two Committee Members. In the absence of the Committee Chairman the members will elect one of their number as Chairman for that meeting.
- (b) Each member shall have one vote.
- (c) The Chairman of the Committee will not have a second or casting vote.

# **17 CHAIRMAN OF DIRECTORS**

## **17.1 Introduction**

- (a) The Board supports the separation of the role of Chairman from that of the Managing Director.
- (b) The Chairman must be a non-executive Director.
- (c) The Chairman shall be elected annually at the Directors' meeting immediately following the annual general meeting.
- (d) The general role of the Chairman is to manage the Board effectively, to provide leadership to the Board and to interface with the Managing Director.
- (e) The Chairman, while working closely with the Managing Director, should retain an independent perspective to best represent the interests of the Company, shareholders, and the Board.

## **17.2 Working With Management**

- (a) The Chairman will:
  - (i) act as the principal sounding board and counsellor for the Managing Director including helping to define problems, reviewing strategy, maintaining accountability, building relationships and ensuring the Managing Director is aware of concerns of the Board and shareholders;
  - (ii) lead the Board in monitoring and evaluating the performance of the Managing Director; and
  - (iii) co-ordinate with the Managing Director to ensure that management's strategy, plans and performance are appropriately represented to the Board and shareholders as appropriate.

### **17.3 Managing the Board**

- (a) The Chairman will:
  - (i) ensure that the Board has full governance of the Company's business and affairs and that the Board is alert to its obligations to the Company, shareholders and management under the law;
  - (ii) provide leadership to the Board, assist the Board in reviewing and monitoring the aims, strategy, policy and directions of the Company and the achievement of its objectives;
  - (iii) communicate with the Board to keep it up to date on all major developments, including timely discussion of potential developments and directing management to ensure that the Board has sufficient knowledge to permit it to make major decisions when such decisions are required;
  - (iv) set the frequency of the Board meetings and review such frequency from time to time as considered appropriate or as requested by the Board;
  - (v) co-ordinate the agenda, information packages and related events for Board meetings with the Managing Director and the Company Secretary;
  - (vi) chair Board meetings;
  - (vii) attend Board Committee meetings where appropriate; and
  - (viii) act in a manner such that Board and the Board Committee meetings are conducted in an efficient, effective and focused manner.

### **17.4 Relations with the Company Secretary**

- (a) The company secretary is directly accountable to the board, through the Chairman, on all matters relating to the proper functioning of the board.

### **17.5 Relations with Shareholders and the Public**

- (a) The Chairman will:
  - (i) chair meetings of shareholders;
  - (ii) at the request of the Managing Director take steps such that the Company's management and, where applicable, the Board are appropriately represented at official functions and meetings with major shareholder groups, other stakeholder groups (including suppliers, customers, employees, governments, regulators and local communities), financial analysts, financial press, and debt and equity providers; and
  - (iii) ensure that the Company's shareholders and the financial markets are provided with full and timely information and guide the development for improving shareholder participation.

## **18 MANAGING DIRECTOR**

### **18.1 Responsibilities**

- (a) The Managing Director is in charge of the day-to-day leadership and management of the Company.
- (b) The Managing Director also has the responsibility of managing and overseeing the interfaces between the Company and the public and to act as the principal representative for the Company.
- (c) The Managing Director must report annually to the Board on succession planning and management development.

## **18.2 Evaluation**

- (a) The Board evaluates the performance of the Managing Director and his direct reports annually.
- (b) The evaluation is based on criteria that include the performance of the business, the accomplishment of long-term strategic objectives and other non-quantitative objectives established at the beginning of each year.

## **18.3 Delegations of Authority**

Refer to pages 29 for the specific authorities delegated to the Managing Director.

# **19 SENIOR MANAGEMENT**

## **19.1 Obligations**

- (a) Senior Management shall:
  - (i) develop strategies to deliver strong market franchises and build shareholder wealth over the long term;
  - (ii) recommend appropriate strategic and operating plans;
  - (iii) maintain effective control of operations;
  - (iv) measure performance against peers;
  - (v) be strong, principled and provide ethical leadership;
  - (vi) assure sound succession planning and management development;
  - (vii) provide sound organisational structure;
  - (viii) inform the Board regularly regarding the status of key initiatives;
  - (ix) ensure the Board has “no surprises”; and
  - (x) advance Board materials which contain the right amount of information and are received sufficiently in advance of Board meetings.

## **19.2 Formalities relating to Senior Management**

- (a) All members of Senior Management must be engaged pursuant to a formal letter and written agreement setting out the key terms and conditions relative to their appointment and continued employment with the Company.

## **19.3 Senior Management Remuneration**

- (a) Employee remuneration is tied to performance through structures involving an element of fixed or base salary and a variable bonus linked to performance.
- (b) Incentive remuneration is a way to motivate employees to think and act like owners. It is aimed at changing the mindset of employees and hence the culture of the organisation towards value creation. By aligning their financial interests with those of shareholders, incentive remuneration encourages employees to focus on strategies and results which create value.
- (c) The remuneration packages for Senior Management are reviewed by the Human Resources and Nominations Committee and recommended to the Board for implementation on 1 August each year.
- (d) In making its recommendations the Human Resources and Nominations Committee endeavour to align these packages with the value added objectives of shareholders.

- (e) The remuneration packages for Senior Management includes participation in executive share plans in order to ensure that the goals of the Company's shareholders and its Senior Management are aligned.

## 20 DELEGATED AUTHORITIES

### 20.1 Obligations Pursuant to Constitution

- (a) The Directors have an obligation under clause 28.1 of the Company's Constitution which states that:

*"The business of the Company shall be managed by the Directors."*

### 20.2 Primary Role of the Board

- (a) The Board has determined its primary roles to include:
  - (i) Fiduciary requirements
    - (A) Approval of major transactions - acquisition/divestments (certain major transactions may also require the approval of shareholders pursuant to the Listing Rules of the ASX).
    - (B) Approval of capital expenditures above delegated authorities.
  - (ii) Shareholder Value/Corporate Strategy
    - (A) Portfolio composition.
    - (B) Risk profile.
    - (C) Return expectation.
    - (D) Financial policy.
    - (E) Results reporting.
    - (F) Reviewing the Company performance against its strategic objectives.
- (b) Organisation
  - (i) Managing Director appointment and remuneration.
- (c) Selection of Directors
  - (i) Recruitment.
  - (ii) Performance review.
  - (iii) Remuneration.
- (d) Processes
  - (i) For the efficient discharge of responsibilities.

### 20.3 Delegation Powers

- (a) The formulation and implementation of certain aspects of the Board's responsibilities and duties may be through the delegation of certain of its powers to a Committee of Directors by the authority of Section 198D of the Corporations Act:

"Section 198D Delegation"

**198D(1) [Delegation of powers]** The Directors may delegate any of their powers to a committee of Directors, a Director, an employee of the Company or any other person.



**198D(2) [Exercise by delegate]** The delegate must exercise the powers delegated in accordance with any directions of the Directors.

**198D(3) [Effect of exercise of powers]** The exercise of the power by the delegate is as effective as if the Directors exercised it.

#### **20.4 Delegations of Authority to the Managing Director**

- (a) To assist the Board to discharge its responsibilities and duties it has resolved to delegate to the Managing Director specific authorities which will be subject to appropriate reporting and monitoring procedures.
- (b) Areas in which such delegations of authority have been given to the Managing Director include in relation to Shareholder Value/Corporate Strategy, Organisation Planning, Capital Allocation, Performance Appraisal, Compliance and General Policies. Without limiting these areas of delegation, the Board has also delegated all other powers of the Board to manage the business of the Company to the Managing Director.
- (c) The Board may, from time to time, resolve to delegate additional specific authorities to the Managing Director, which will also be subject to appropriate reporting and monitoring procedures.

## **21 SECURITY TRADING POLICY**

### **21.1 Introduction**

- (a) The ordinary shares of Nufarm Limited (“**Nufarm**”) are listed on ASX and the Nufarm Step-up Securities of Nufarm Finance (NZ) Limited (“**Nufarm Finance**”) are listed on ASX and NZDX. Nufarm aims to achieve the highest possible standards of corporate conduct and governance.
- (b) The purpose of this security trading policy is to:
  - (i) ensure compliance with the ASX Listing Rules;
  - (ii) ensure that Key Management Personnel, Relevant Employees, and their respective associates are aware of the legal restrictions in dealing in Nufarm’s shares, options or other securities while such a person is in possession of unpublished price sensitive information (“inside information”) concerning Nufarm;
  - (iii) minimise the risk of insider trading; and
  - (iv) minimise the appearance of insider trading and the significant reputational damage that it may cause
- (c) The policy recognises that it is illegal for a person to deal in Nufarm’s securities when he or she is in possession of inside information concerning Nufarm and that it may be illegal for a person to deal in Nufarm’s securities even if the terms of this policy have been complied with.
- (d) This policy shall be distributed to all Key Management Personnel and Relevant Employees, and it is the responsibility of each Key Management Person and Relevant Employee to comply with this policy.
- (e) The trading restrictions set out in this policy are additional to any provisions governing or restricting the trading of securities set out in any agreement between Nufarm and a Key Management Person, a Relevant Employee or a Securityholder, or any provisions in Nufarm’s employee share plans. Where the provisions of an agreement between Nufarm and a Key Management Person, a Relevant Employee or a Securityholder conflict with the provisions of this policy, the most restrictive provisions will prevail.

- (f) A breach of this policy will be regarded as serious misconduct which may lead to disciplinary action, up to and including dismissal.
- (g) Definitions to assist in the interpretation of this policy are set out in clause 21.14 of this policy.

## 21.2 Insider Trading

- (a) A person engages in insider trading if that person deals in securities of a relevant entity while possessing information that:
  - (i) is not *generally available*; and
  - (ii) if it were available, may have a material effect on the price or value of the relevant entity's securities, and
  - (iii) the person knows, or ought reasonably to know, that the information is not generally available and, if it were, it might have a material effect on the price or value of the entity's securities.
- (b) Information is considered to have a *material effect* on the price or value of securities of a company if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell those securities. ("price sensitive information")
- (c) The prohibition against insider trading applies to:
  - (i) direct trading in Nufarm's securities;
  - (ii) procuring another person to trade in Nufarm's securities; or
  - (iii) communicating price sensitive information to another person who is likely to trade in Nufarm's securities.
- (d) The prohibition against insider trading also applies in respect of other securities in which a person has price sensitive information (for example, shares in a joint venture or a company with which Nufarm is negotiating a material agreement).
- (e) Insider trading is a criminal offence, punishable by substantial fines and/or imprisonment. Nufarm may in certain circumstances also be liable if a Key Management Person, Relevant Employee, or their respective associates engages in insider trading. Insider trading may also attract civil liability, including liability to pay compensation to those who suffer loss or damage as a result of the insider trading.
- (f) The requirements imposed by this policy are separate from, and in addition to, the legal prohibitions on insider trading. Accordingly, under insider trading laws a person who possesses inside information may be prohibited from trading even where the trading is permitted by this policy. Accordingly, before a Key Management Person or Relevant Employee trades in the Company's securities, they should consider carefully whether they are in possession of any inside information that might preclude them from trading at that time.

## 21.3 Scope of this Policy

- (a) This policy extends to dealing in the securities of Nufarm by Key Management Personnel of Nufarm, Relevant employees, any associate or related party of any Key Management Personnel or Relevant Employee, and any company, trust or other entity in which any Key Management Personnel or Relevant Employees have a relevant interest. Accordingly, references to dealings in securities by a Key Management Person or a Relevant Employee in this trading policy apply equally to dealings in Nufarm securities by any associate or related party of that Key Management Person or Relevant Employee, and any company, trust or other entity in which any Key Management Personnel or Relevant Employees have a relevant interest.

- (b) This policy does not apply to the following trading:
- (i) transfers of securities of Nufarm already held by a Key Management Person or the Relevant Employee which result in no change to the beneficial interest in the securities;
  - (ii) transfers of securities of Nufarm already held into a superannuation fund or other saving scheme in which the Key Management Person or Relevant Employee is a beneficiary;
  - (iii) where a Key Management Person or Relevant Employee is a trustee, trading in the securities of Nufarm by that trust provided the Key Management Person or the Relevant Employee is not a beneficiary of the trust and any decision to trade outside a Trading Window is taken by the other trustees or by the investment managers independently of the Key Management Person or the Relevant Employee (as the case may be);
  - (iv) undertakings to accept, or the acceptance of or a disposal of Nufarm securities arising from a takeover offer, scheme of arrangement or equal access buy-back;
  - (v) trading under an offer or invitation made to all or most of the Securityholders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
  - (vi) a disposal of securities of Nufarm that is the result of a secured lender exercising their rights under a loan agreement; and
  - (vii) trading under a non-discretionary trading plan or employee share plan of Nufarm (which for the avoidance of doubt, includes the Employee Share Plans) for which prior written clearance has been provided in accordance with procedures set out in the trading policy and where:
    - (A) the Key Management Person or the Relevant Employee did not enter into the plan or amend the plan during a Prohibited Period; and
    - (B) the trading plan does not permit the Key Management Person or Relevant Employee to exercise any influence or discretion over how, when or whether to trade.

#### **21.4 Periods During Which Dealings May Take Place**

- (a) Dealing by Key Management Personnel and Relevant Employees in Nufarm's securities may only take place during the following periods (unless otherwise permitted by this policy):
- (i) within four weeks from 10:00am (Melbourne time) on the first trading day after the release of Nufarm's half year financial results to the ASX; or
  - (ii) within four weeks from 10:00am (Melbourne time) on the first trading day after the release of Nufarm's full year financial results to the ASX;
  - (iii) within four weeks from 10:00am (Melbourne time) on the first trading day after the results of Nufarm's Annual General Meeting are released to the ASX; or
  - (iv) the duration of an offer period for an offer of securities made by Nufarm in accordance with Part 6D.2 of the *Corporations Act 2001* (Cth),

("Trading Windows"), with all other periods being closed periods ("Closed Periods").

- (b) Notwithstanding anything in this clause 21.4, no dealing will be permitted at any time if that Key Management Person or Relevant Employee possess (or is deemed to possess) any price sensitive information which is not generally available.

#### **21.5 Pre-Dealing Checklist - Trading in Trading Windows**

- (a) For all periods during which dealing is permitted, the procedure in clause 21.5(b) must be complied with before any dealing is undertaken.
- (b) Is the Key Management Person or Relevant Employee aware of any information that is not generally available but, if the information was generally available, a reasonable person would expect to have a material effect on the price or value of securities of Nufarm?
  - (i) NO - that Key Management Person or Relevant Employee may apply to the Company Secretary, on behalf of the Designated Officer for permission to deal in Nufarm's securities.
  - (ii) YES - has the information been disclosed to the ASX?
    - (A) YES - that Key Management Person or Relevant Employee may apply to the Company Secretary on behalf of the Designated Officer for permission to deal in Nufarm's securities.
    - (B) NO - that Key Management Person or Relevant Employee may not deal in Nufarm's securities.

#### **21.6 Pre-Dealing Procedure - Trading in Trading Windows**

- (a) For all periods during which dealing is permitted, Key Management Personnel and Relevant Employees must apply to the Company Secretary, on behalf of the Designated Officer, to deal in the securities of Nufarm. The application must be in the form set out in Schedule 2 and submitted to the Company Secretary.
- (b) On receipt of an application under clause 21.6(a), the Company Secretary shall procure that the Designated Officer considers the application within 7 days. No dealing may be undertaken before the Key Management Person or Relevant Employee receives the written approval of the Company Secretary, signed for and on behalf of the Designated Officer.
- (c) When considering an application under clause 21.6(a), the Designated Officer should have regard to:
  - (i) how the market would perceive any trade by the Key Management Person or Relevant Employee;
  - (ii) whether the market would have diminished confidence in Nufarm in circumstances where the Designated Officer approved the application and the Key Management Person or Relevant Employee entered into the trade; and
  - (iii) whether the trade by the Key Management Person or Relevant Employee would pass the "front page test".
- (d) When considering whether to trade in a Trading Window and with the formal written approval of the Company Secretary, Key Management Personnel and Relevant Employees should have regard to the factors contained in clauses 21.6(c).
- (e) The dealing must be completed within 7 days from the date that the Key Management Person or Relevant Employee receives written approval (or within any shorter period imposed by the Company Secretary or Designated Officer) and confirmation of such trading must be given to the Company Secretary.

- (f) Notwithstanding anything in this clause 21.6, no dealing will be permitted at any time if that Key Management Person or Relevant Employee possesses (or is deemed to possess) any price sensitive information which is not generally available, including if such Key Management Person or Relevant Employee comes into possession of the relevant price sensitive information after having lodged an application under this clause 21.6.

### **21.7 Discretion to Prohibit Trading**

- (a) In addition to the Closed Periods, the Board has the discretion to prohibit trading by any Key Management Person or Relevant Employee during any additional periods, including a period that falls within the Trading Windows, which are imposed by the Board when it is considering matters which are subject to the exceptions to the continuous disclosure requirements set out in Listing Rule 3.1A (together with the Closed Periods, the “**Prohibited Period**”).

### **21.8 Dealing During Prohibited Periods in Exceptional Circumstances**

- (a) Key Management Personnel and Relevant Employees may in exceptional circumstances apply to the Company Secretary, on behalf of the Designated Officer, for approval to trade during a Prohibited Period (or at any time where clause 21.9(a) applies), provided that the Applicant is not in possession of inside information. The application must be in the form set out in Schedule 3 and submitted to the Company Secretary.
- (b) On receipt of the application under clause 21.8(a), the Company Secretary shall procure that the Designated Officer consider the application. No dealing may be undertaken before the Applicant receives the written approval of the Company Secretary, signed for and on behalf of the Designated Officer.
- (c) The Company Secretary, on behalf of the Designated Officer, may grant the Applicant written permission to deal in securities during the Prohibited Period (or at any time where clause 21.9(a) applies) if the Designated Officer is satisfied that the Applicant’s circumstances amount to exceptional circumstances, when taking into account the factors listed at clause 21.8(d).
- (d) The following factors are to be considered by the Designated Officer in determining whether the Applicant is granted permission to trade during a Prohibited Period (or at any time where clause 21.9(a) applies):
  - (i) whether the Applicant is suffering severe financial hardship;
  - (ii) whether the Applicant is bound by a court order, enforceable undertaking or other legal or regulatory requirement to transfer or sell the securities of Nufarm; and
  - (iii) whether the Applicant’s circumstances are otherwise exceptional and the proposed dealing is the only reasonable course of action available.
- (e) If approval is granted by the Company Secretary, on behalf of the Designated Officer, the Applicant must complete the dealing within 7 days of receiving such written approval (or within any shorter period imposed by the Company Secretary or Designated Officer).

### **21.9 Short Term Trading**

- (a) Subject to clause 21.8, Key Management Personnel and Relevant Employees must not, even during the Trading Windows, acquire or dispose of securities in Nufarm with the view to disposing or acquiring the same securities within a twelve month period.
- (b) For the avoidance of doubt, a disposal of securities in Nufarm immediately after they have been acquired through the conversion of a security pursuant to an

employee share plan or incentive scheme will not be regarded as short term trading for the purposes of clause 21.9(a).

#### **21.10 Margin Loans and Security Arrangements**

- (a) Key Management Personnel and Relevant Employees may only enter into a margin loan or other security arrangement in respect of Nufarm's securities without the prior written approval of the Chairman of Nufarm (or in the case of the Chairman of Nufarm, the Chairman of the Audit & Risk Committee), which may be withheld, grated or granted subject to conditions at the sole discretion of the Chairman of Nufarm (or in the case of the Chairman of Nufarm, the Chairman of the Audit & Risk Committee).
- (b) Nufarm may also disclose to the ASX the existence of the margin loan or security arrangement, and where Nufarm considers appropriate, any relevant terms such as the trigger points or right of the financier to sell unilaterally.

#### **21.11 Unvested Securities and Short Selling**

- (a) Nufarm prohibits Key Management Personnel and Relevant Employees from entering into transactions:
  - (i) in associated products which operate to limit the economic risk of security holdings in Nufarm over unvested entitlements; or
  - (ii) which would amount to the "short selling" of securities in Nufarm, whereby the person effects the sale of a Nufarm security that they either do not own or have borrowed.

#### **21.12 Withholding Tax**

- (a) Nufarm may in certain jurisdictions be required to withhold tax from Key Management Personnel or Relevant Employees when their rights vest under an Employee Share Plan.
- (b) On any date that Nufarm is required to withhold such tax from Key Management Personnel or Relevant Employees (whether in a Trading Window, Closed Period or Prohibited Period) it may sell (or cause any trustee which holds shares on behalf of such Key Management Personnel or Relevant Employee to sell) sufficient shares of such Key Management Personnel or Relevant Employee in order to meet the relevant withholding tax obligations.
- (c) For the avoidance of doubt, Nufarm may not sell (or cause any trustee which holds shares on behalf of Key Management Personnel or Relevant Employees to sell) shares other than as permitted in accordance with this clause 21.12 and may not sell more shares than necessary to meet the relevant withholding tax obligations.

#### **21.13 Further assistance**

- (a) Any Key Management Person or Relevant Employee who is unsure of the nature of the information that they have in their possession and whether they may deal in Nufarm's securities should contact the Company Secretary before dealing with any Nufarm securities.

#### **21.14 Definitions**

**"Applicant"** means a Key Management Person or Relevant Employee applying to deal securities during a Prohibited Period in accordance with clause 21.8(a).

**"associate"** includes:

- (a) a related body corporate; and
- (b) a Director or Secretary of a related body corporate.

“**ASX**” means Australian Stock Exchange.

“**Board**” means the Board of Directors of Nufarm.

“**CEO**” means the chief executive officer of Nufarm.

“**CFO**” means the chief financial officer of Nufarm.

“**Closed Period**” has the meaning given to that term in clause 21.4(a).

“**Company Secretary**” means the Company Secretary of Nufarm.

“**dealing**” includes:

- (a) any application for acquisition or disposal **of any** securities;
- (b) entering into an agreement to apply for, acquire or dispose of any securities; and
- (c) the grant, acceptance, acquisition, disposal, exercise or discharge of any option or other right or obligation to acquire or dispose of securities.

“**Designated Officer**” means:

- (a) in the case that the Chairman is applying to deal in securities, the Deputy Chairman; or
- (b) in the case of all other Key Management Personnel and Relevant Employees, the Chairman.

“**Employee share Plan**” means:

- (a) the global share plan, in relation to offers of shares to Nufarm employees;
- (b) the global incentive plan, in relation to offers of shares to Nufarm ‘senior’ executives;
- (c) the long term incentive plan, in relation to offers of shares to Nufarm’s CEO and other specified individuals; and
- (d) any other employee share plan approved by Board from time to time.

“**generally available**”, in relation to information, means any such information which:

- (a) is readily observable;
- (b) has been made known in a manner which is likely to bring it to the attention of persons who commonly invest in securities provided that a reasonable period for that information to be disseminated has elapsed since it was made known; or
- (c) consists of deductions, conclusions or inferences made or drawn from information falling under either paragraphs (a) or (b) above.

“**Key Management Personnel**” (singular use “Key Management Person”)

- (a) has the meaning given to that term in the ASX Listing Rules, being those persons having authority and responsibility for planning, directing and controlling the activities of Nufarm, directly or indirectly, including any director. For the avoidance of doubt, this includes management personnel reporting directly to the CEO, but does not include any regional managers of Nufarm or its subsidiaries; and
- (b) also includes any director of Nufarm Finance.

“**NSS**” means Nufarm Step-up Securities issued by Nufarm Finance.

“**Nufarm**” has the meaning given to that term in clause 21.1(a).

“**Nufarm Finance**” has the meaning given to that term in clause 21.1(a).

“**NZDX**” means the New Zealand Exchange Limited’s trading market for debt securities.

“**Prohibited Period**” has the meaning given to that term in clause 21.7.

“**related party**” includes:

- (a) a spouse or de facto spouse of a Key Management Person or Relevant Employee;
- (b) a parent, son or daughter of a Key Management Person or Relevant Employee;
- (c) an entity over which a person referred to above has control; or
- (d) two or more persons referred to above together have control.

“**Relevant Employees**” (singular use “**Relevant Employee**”) means:

- (a) management personnel report directly to the CFO;
- (b) employees designated as:
  - (i) regional general managers;
  - (ii) regional financial controllers; and
  - (iii) executive assistants; and
- (c) any other persons or class of persons as determined by the Board from time to time.

“**securities**” includes:

- (a) ordinary shares;
- (b) partly paid shares;
- (c) preference shares;
- (d) hybrid securities;
- (e) NSS;
- (f) debentures;
- (g) legal or equitable rights or interests in (a) to (f) above; and
- (h) any derivatives including but not limited to options in respect of any of (a) to (f) above.

“**Securityholder**” means a holder of securities in Nufarm.

“**Trading Window**” has the meaning given to that term in clause 21.4(a)

## **22 CONTINUOUS DISCLOSURE PROTOCOL**

### **22.1 The Company’s Continuous Disclosure Obligations**

- (a) Australian Securities Exchange (“**ASX**”) Listing Rule 3.1 requires Nufarm Limited (“**Company**”) to “immediately” disclose to ASX any information concerning the Company:
  - (i) when the Company is or becomes aware of the information; and



- (ii) which a reasonable person would expect the information to have a material effect on the price or value of the Company's securities (commonly referred to as "price sensitive information").

This obligation imposed by ASX Listing Rule 3.1 is commonly referred to as the continuous disclosure obligations of a listed entity.

- (b) The test for determining whether information is price sensitive information (and therefore needs to be immediately disclosed to ASX under ASX Listing Rule 3.1) is set out in section 677 of the *Corporations Act 2001* (Cth) ("**Corporations Act**"). Under that section, a reasonable person is taken to expect information to have a material effect on the price or value of the Company's securities (such that the information is price sensitive information) if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of those securities.
- (c) The requirement to disclose this information does not apply if, and only if, each of the following requirements is, and remains, satisfied in relation to the information:
  - (i) one or more of the following applies:
    - (A) it would be a breach of a law to disclose the information;
    - (B) the information concerns an incomplete proposal or negotiation;
    - (C) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
    - (D) the information is generated for the internal management purposes of the Company; or
    - (E) the information is a trade secret; and
  - (ii) the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
  - (iii) a reasonable person would not expect the information to be disclosed.
- (d) If ASX considers that there is or is likely to be a false market in the Company's securities and asks the Company to give it information to correct or prevent a false market, the Company must immediately give ASX that information.
- (e) Section 674 of the Corporations Act has given ASX Listing Rule 3.1 statutory force. A listed entity which breaches ASX Listing Rule 3.1 may also breach section 674 of the Corporations Act and this can attract serious legal consequences for the entity and its officers, including criminal and civil penalties.

## **22.2 When the company is deemed to have become aware of information**

- (a) Under the ASX Listing Rules, the Company will be deemed to have become aware of information if, and as soon as, an officer of the Company (which includes a Director, secretary or senior manager) has, or ought reasonably to have, come into possession of the information in the course of performance of their duties as an officer of the Company.

## **22.3 Procedures adopted by the Board to ensure compliance**

- (a) The board of directors of the Company (**Board**) has established procedures to ensure compliance with its continuous disclosure obligations under the Corporations Act and ASX Listing Rules (**Continuous Disclosure Obligations**). These include the appointment of a Compliance Officer and Deputy Compliance Officer to ensure that the Company complies with its obligations of continuous disclosure.

## 22.4 The Compliance Officer

### (a) Appointment of Compliance Officer and Deputy Compliance Officer

- (i) The Board has appointed the Company Secretary as the Company's Compliance Officer. The Group Executive Corporate Affairs has been appointed as the Deputy Compliance Officer and shall act when the Compliance Officer is not available.
- (ii) Primary responsibility for ensuring that the Company complies with its disclosure obligations and for deciding what information will be disclosed rests with the Board as a whole. Subject to delegation, the Board is also responsible for authorising all ASX announcements and responses of the Company to ASX queries.
- (iii) The Compliance Officer is responsible for monitoring the Company's compliance with its disclosure obligations under the Corporations Act and the ASX Listing Rules, and managing administration of these protocols.
- (iv) The Compliance Officer's role will involve:
  - (A) considering, in the first instance, what information should be disclosed;
  - (B) presenting a case to the Managing Director (or in his absence, the Chairman) and through them, to the Board, as to what disclosure is required; and
  - (C) consulting, when necessary, with the Company's legal advisors on matters relating to the Company's disclosure obligations.

### (b) Responsibilities of the Compliance Officer and the Deputy Compliance Officer

- (i) The Compliance Officer and Deputy Compliance Officer shall:
  - (A) consider, in the first instance, what information should be disclosed to the ASX and, in this regard, present such information to the Managing Director (or in his absence, the Chairman) and consult with the Company's legal advisors when necessary;
  - (B) monitor trading volumes and price fluctuations in the Company's securities;
  - (C) monitor media and social media, analyst commentary and other reports regarding the Company and its securities;
  - (D) conduct all disclosure discussions with the ASX;
  - (E) maintain a disclosure file containing:
    - (1) all reports received by the Compliance Officer and Deputy Compliance Officer setting out information required, or potentially required, to be disclosed to the ASX;
    - (2) copies of all disclosure correspondence with the ASX; and
    - (3) copies of all material that has not been disclosed to the ASX;
  - (F) review the periodic reports received from Reporting Managers (reported pursuant to section 22.5(b)) to ensure that matters that may potentially affect the price or value of the Company's securities are resolved, whether by disclosing a matter to the ASX or by providing valid reasons as to why the matter need not be disclosed to the ASX;

- (G) as required, submit periodical reports to the Board, setting out:
  - (1) details of the matters reported to the Compliance Officer and Deputy Compliance Officer for consideration as to whether they should be disclosed to the ASX;
  - (2) details of those matters disclosed to the ASX; and
  - (3) any significant matters revealed by the Compliance Officer and Deputy Compliance Officer's review of the reports provided by the Reporting Managers;
- (H) institute such procedures as the Compliance Officer and Deputy Compliance Officer consider necessary and expedient to ensure that the Reporting Managers and their subordinates are aware of and understand the Company's Continuous Disclosure requirements and of their responsibilities under this protocol.

## **22.5 Reporting Managers**

### **(a) Appointment of Reporting Managers**

- (i) The Compliance Officer shall, from time to time, appoint Reporting Managers (on a world-wide basis) to ensure the efficient transmission of information to the Compliance Officer.

### **(b) Responsibilities of Reporting Managers**

- (i) In order to ensure that the Company complies with its Continuous Disclosure obligations, Reporting Managers must:
  - (A) ensure that their subordinates are aware of the continuous disclosure obligations of the Company in relation to the disclosure of information that may have a material effect on the price or value of the Company's securities;
  - (B) implement and supervise, reporting procedures for subordinate staff in relation to the disclosure of price sensitive information to the relevant Reporting Officers;
  - (C) immediately disclose to the Compliance Officer price sensitive information that comes to their attention; and
  - (D) set out in their periodic reports details of information which may, in time, become material and need to be disclosed.
- (ii) If a Reporting Manager becomes aware of information that materially affects, or may materially effect, the price or value of the Company's securities, he or she must immediately notify the Compliance Officer or if the Compliance Officer is unavailable, the Deputy Compliance Officer. In the case of an emergency or where any delay would prejudice the Company, the report should be made orally and followed up by a written report supported by all available background information and explanatory material. The Reporting Manager is not required to determine whether the information is price sensitive or whether the information falls within the exception to ASX Listing Rule 3.1, as that is the duty of the Board under these protocols, as administered by the Compliance Officer.
- (iii) In addition to the notification referred to in paragraph 22.5(b) the Reporting Managers must include in their periodic reports to the Compliance Officer, a summary of:
  - (A) matters within their responsibility which may give rise to material information in the future;

- (B) in relation to matters raised in earlier management reports, where appropriate:
  - (1) a summary of the reasons that the matters are no longer likely to effect the price or value of the Company's securities; or
  - (2) a statement that the Reporting Manager is monitoring the matter.
- (C) The report must state if there are no matters which potentially give rise to price sensitive information or if there are no additional reports on previously notified matters.
- (D) The Reporting Manager must ensure that each of his or her subordinates have a copy of the Continuous Disclosure Memorandum attached as Schedule 1 to this Charter.

(c) **Reporting and disclosure procedure**

(i) **Reporting to Compliance Officer**

- (A) Where any information comes to light about the Company which may need to be disclosed, all Directors, executive, Reporting Managers and employees are obliged to bring that information to the attention of the Compliance Officer or the Deputy Compliance Officer (as the case may be) in a written report (including all relevant background information and explanatory material) with all possible expediency.
- (B) In the case of an emergency, or where any delay would prejudice the Company, initial verbal notification should be given directly to the Compliance Officer, to be followed by a written report (including all relevant background information and explanatory material).

(ii) **Determining whether the information must be disclosed**

- (A) Upon receipt of a report from a Director, Reporting Manager, employee or any other person, the Compliance Officer shall consider whether the information contained in that report is required to be disclosed to the ASX. In making that determination, the Compliance Officer shall consider and determine whether the information:
  - (1) is price sensitive and must be disclosed, in which case the Compliance Officer shall follow the procedure set out in 22.5(c)(iii);
  - (2) is not price sensitive and does not have to be disclosed, in which case the Compliance Officer shall follow the procedure set out in paragraph 22.5(c)(iv); or
  - (3) does not have to be disclosed because it falls under each element of the exception to ASX Listing Rule 3.1, in which case the Compliance Officer shall follow the procedure set out in paragraph 22.5(c)(iv).

If the Compliance Officer is unsure, he or she shall follow the procedure set out in paragraph 22.5(c)(v).

(iii) **If the information must be disclosed**

- (A) If the information is price sensitive and the Compliance Officer forms a view that it must be disclosed, the Compliance Officer shall, immediately:

- (1) **(discuss)** discuss the matter with the Managing Director or, in his absence, the Chairman (who may, in turn, arrange for Board sign-off in relation to the matter);
  - (2) **(prepare)** prepare, together with the Deputy Compliance Officer, an appropriate draft release which must be factual, complete, balanced (disclosing both positive and negative information) and expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions, to be reviewed and approved in accordance with paragraphs 22.5(c)(iii)(A)(3) and 22.5(c)(iii)(A)(4) below;
  - (3) **(provide)** provide the draft release to:
    - where practicable, all directors for comment and review; or
    - where the urgency of the subject-matter precludes reference to the Board, the Managing Director or, in his absence, the Chairman;
  - (4) **(approve)** seek the approval of the release by:
    - the Board, where the disclosure is a significant announcement as set out in paragraph 22.5(c)(iii)(D) and the Board is available to approve the release; or
    - in all other cases, the Managing Director or in his absence, the Chairman (including significant announcements where the urgency of the subject-matter precludes the ability to seek the approval of the full Board);
  - (5) **(release)** once the release is finalised and approved in accordance with paragraph 22.5(c)(iii)(A)(4), the Compliance Officer must send the finalised release to the ASX's Company Announcements Office by facsimile or electronic means; and
  - (6) **(record)** place a copy of the release on the disclosure file and distribute a copy of the releases to all directors.
- (B) It is acknowledged that where a continuous disclosure obligation arises, notwithstanding that a release may be a significant announcement, disclosure cannot be delayed to accommodate the availability of Board members.
- (C) If a conflict or potential conflict situation exists with respect to a director and a proposed announcement or any relevant Board papers and must be absent from any meetings where the Board discusses the matter. In the case of a conflict or potential conflict with respect to:
- (1) the Managing Director or the Chairman, any urgent announcements to be made in accordance with paragraph 22.5(c)(iii)(A)(4) above must be approved by the other; and
  - (2) both the Managing Director and the Chairman, any urgent announcements must be approved by any other director of the Company available.

- (D) All significant announcements are to be circulated to all directors and, subject 22.5(c)(iii)(A)(4), approved by the Board.

**For the avoidance of doubt, in addition to the matters listed in paragraph 2.1 of Schedule 1, the following disclosures will be considered significant:**

- (1) release of any financial results, including quarterly, half-yearly and annual reports;
  - (2) declaration or payment of dividends;
  - (3) an agreement between the Company and any director or related party;
  - (4) any material transaction relating to a Company asset by way of acquisition, divestment or scheme of arrangement; and
  - (5) the issuing of any equity or debt securities;
- (E) Significant announcements of a recurring nature, such as the Company's half-year and end-of year results, are as a matter of course presented for consideration by the full Board prior to their release to the market.
- (F) If the Compliance Officer, the Managing Director, the Chairman or the Board (as the case may be) are unable to agree on whether the information must be disclosed, whether in whole or in part, or as to the terms of the disclosure, the Company's legal advisors should be consulted immediately.

**(iv) If the information does not have to be disclosed**

- (A) If the information is not price sensitive then the Compliance Officer must:
- (1) record the information and the reason for it not being disclosed; and
  - (2) place a copy of all notes and correspondence relating to the matter on the disclosure file.
- (B) If the Compliance Officer forms a view that the information does not have to be disclosed because it falls under all elements to the exception to ASX Listing Rule 3.1, then the Compliance Officer must:
- (1) record the information and the reason for it not being disclosed; and
  - (2) place a copy of all notes and correspondence relating to the matter on the disclosure file;
  - (3) continue to assess, as appropriate and having regard to the nature of the information, whether the information continues to fall under all elements of the exception to ASX Listing Rule 3.1; and
  - (4) continue to comply with the procedures set out in this paragraph 22.5(c)(iv)(B) and paragraph 22.5(c)(v) until:
    - the information must be disclosed, in which case the Compliance Officer must comply with the procedure set out in paragraph 22.5(c)(iii); or

- the information is not price sensitive, in which case the Compliance Officer must comply with the procedure set out in paragraph 22.5(c)(iv)(A).

**(v) If the Compliance Officer is unsure**

- (A) If the Compliance Officer is unsure whether the information is price sensitive or whether it falls under an exception to ASX Listing Rule 3.1, then he must immediately discuss the matter with the Managing Director or, in his absence, with the Chairman.
- (B) If the Compliance Officer and the Managing Director or Chairman respectively (as the case may be) cannot agree on whether the information is required to be disclosed, then the Compliance Officer shall immediately seek advice from the Company's legal advisors.
- (C) It may also be appropriate in some circumstances for the Board to be contacted to discuss, and if appropriate, sign off on any proposed disclosure. The Managing Director or Chairman (as the case may be) is authorised to make the determination as to whether to contact the Board in such Circumstances.

**(vi) Release of Information**

- (A) The Company must not disclose the information in any way until disclosure has been made to the ASX and the Company has received acknowledgement from the ASX that the information has been released to the market.
- (B) After receipt of the ASX's acknowledgement, the Compliance Officer will ensure that the Company Secretary arranges for a copy of the announcement to be posted on the Company's website.
- (C) All announcements must be kept separate from any promotional material found on the Company's website.

**(vii) Use of Trading Halts**

- (A) In some circumstances, after having determined that disclosure is required, the Company may not yet be in a position to immediately make an announcement to ASX.
- (B) The Company should therefore consider requesting a trading halt in its securities.
- (C) Placing its securities in a trading halt can provide the Company with sufficient opportunity to prepare its ASX announcement, while at the same time, minimising the risk that its securities will trade on an unformed basis before the announcement has been given to ASX.
- (D) Subject to the procedures in paragraph 22.5(c)(iii), the Compliance Officer and the Managing Director (or, in his absence, the Chairman) have each been authorised by the Board to request trading halts in circumstances in which they deem it appropriate to do so.

**22.6 Confidential information**

- (a) If a determination is made that the information which comes to light is confidential, the Compliance Officer will ensure that anyone who has a copy of, or knows about, the information is aware that it is confidential.

## 22.7 Relationship with media, public and analysts

- (a) Care must be taken not to make comments to the media or others which could result in rumours or speculation about the Company. Directors, executives, Reporting Managers and employees must comply with the media relations policy of the Company.
- (b) The policy limits media contact to the Chairman, the Managing Director, Compliance Officer and Deputy Compliance Officer. Other Directors and executives may only speak with the media in relation to a particular matter concerning the Company if they have obtained the prior express approval of the Managing Director.
- (c) It is also important to ensure that any speeches, or external addresses given, do not result in rumours or speculation about the Company or unauthorised disclosure. The text of all speeches and external addresses must receive the prior endorsement of the Managing Director.
- (d) During any briefings and discussions with analysts or investors (including potential investors), Directors and executives must only disclose information that has been publicly released through the ASX. If a question arises which can only be answered by disclosing price sensitive information, the Director or executive must decline to answer the question or take it on notice and then announce the information through the ASX before responding. Following the briefing or discussion, a Director or executive present must review any disclosures made to ensure there was no inadvertent or unauthorised disclosure of price sensitive information. In the event that any inadvertent or unauthorised disclosure occurred, that Director or executive must immediately report the matter to the Compliance Officer in accordance with paragraph 22.5(c)(i) **Error! Reference source not found.** Except in exceptional circumstances, and with the prior approval of the Chairman, a briefing or discussion of the kind referred to in this paragraph which involves financial information concerning the Company must not be held in the period between the end of a reporting period and public disclosure of results relating to that reporting period.

## 22.8 Maintenance of continuous disclosure protocol

- (a) The Continuous Disclosure Protocol shall, at all times, be kept under review by the Compliance Officer to ensure that the Company complies with its continuous disclosure obligations under the Corporations Act and the ASX Listing Rules. Where appropriate, the Company's legal advisors shall be consulted to ensure that the Continuous Disclosure Protocol complies with all relevant legislation.
- (b) Any queries about the Continuous Disclosure Protocol should be referred to the Compliance Officer.

# 23 DISCLOSURE OF DIRECTORS' INTERESTS

## 23.1 Corporations Act 2001 – Directors' Obligations

- (a) Section 205G of the Corporations Act requires a director of a listed company to notify the ASX of the following interests of the Director:
  - (i) relevant interests (as defined below) in securities of the Company or of a related body corporate;
  - (ii) contracts to which the Director is a party or under which the Director is entitled to a benefit and that confer a right to call for or deliver:
    - (A) shares in; or
    - (B) debentures of; or
    - (C) interests in a managed investment scheme made available by,



the Company or a related body corporate.

- (b) “Relevant Interest” means:
  - (i) a person is the holder of the securities;
  - (ii) a person has the power to exercise, or control the exercise of, a right to vote attached to the securities; or
  - (iii) a person has the power to dispose of, or control the exercise of a power to dispose of, the securities.
- (c) A notice of the relevant interest must give details of the nature and extent of the interest and be given within 14 days of the interest arising or changing.

### **23.2 ASX Listing Rules – The Company’s Obligations**

- (a) In addition to the requirements under the Corporations Act, the Company has an obligation to notify the ASX of the relevant interests of each Director of the Company under ASX Listing Rule 3.19A.

### **23.3 What Action is Required By a Director**

- (a) A Director will be relieved of his or her obligations under Section 250G of the Corporations Act if the Company complies with ASX Listing Rule 3.19A.
- (b) In order for the Company to comply with its obligations, and thus relieve the Director from his or her obligations, the Director must provide the necessary information to the Company.
- (c) Each Director must enter into an arrangement with the Company which will require him or her to disclose to the Company all of the information necessary for the Company to comply with its obligations to notify the ASX. [A pro-forma agreement is set out in Schedule 4].

### **23.4 Initial Notification**

- (a) The Company must notify the ASX of a Director’s relevant interests in the Company’s securities within 5 business days of being appointed a Director of the Company.
- (b) In the event that the Company does not notify the ASX due to non-disclosure by the relevant Director, that Director would not be relieved of his or her obligations under Section 250G of the Corporations Act. Consequently, the Director would still have an obligation to notify the ASX of his or her relevant interests in the Company’s securities within 14 days of being appointed a Director of the Company.
- (c) A Director who retires and is then re-appointed at the same meeting is not required to notify the ASX of his or her relevant interests again.

### **23.5 Notification of Changes**

- (a) The Company must notify the ASX of a change in the Director’s relevant interests in the Company’s securities within 5 business days after the change occurs.
- (b) In the event that the Company does not notify the ASX of any change due to non disclosure by the relevant Director, that Director would not be relieved of his or her obligations under Section 250G of the Corporations Act. Consequently, the Director would still have an obligation to notify the ASX within 14 days of any change in his or her relevant interests unless the Director has already given the information to the ASX pursuant to the substantial holding provisions of the Corporations Act. In contrast to the substantial shareholder notices required under Section 671B of the Corporations Act, notices under Section 205G of the Corporations Act cover any change to the Director’s relevant interests.

### **23.6 Notification on Ceasing to be a Director**

- (a) The Company must notify the ASX of a Director's relevant interest in the Company's securities as at the date the Director ceases to be a Director of the Company within 5 business days after cessation.

## **24 SUBSTANTIAL SHAREHOLDERS**

### **24.1 Obligation of Shareholders**

- (a) Section 671B of the Corporations Act requires each shareholder of the Company to notify the ASX and the Company if:
  - (i) they begin, or cease, to have a substantial holding in the Company;
  - (ii) they are a substantial shareholder and there is a movement of at least 1% in their holding; or
  - (iii) they make a takeover bid for securities of the Company.

### **24.2 Are You a Substantial Shareholder**

- (a) A shareholder has a substantial holding in the Company if the total votes attached to voting shares in the Company in which they (and/or their associates) have a relevant interest in, is 5% or more of the total number of votes attached to the voting shares in the Company.

### **24.3 Information and Documentation to be Provided**

- (a) The information to be provided includes:
  - (i) details of the shareholder's relevant interest in voting shares in the Company;
  - (ii) details of any relevant agreement through which they would have a relevant interest in voting shares in the Company;
  - (iii) the name of each associate who has a relevant interest in voting shares in the Company together with details of the nature of the association, the relevant interest of the associate and any relevant agreement through which the associate has the relevant interest;
  - (iv) the size and date of any movement in the holding (if applicable); and
  - (v) the name of any person who ceases to be an associate (if applicable).
- (b) The above information must be accompanied by:
  - (i) a copy of any document setting out the terms of any relevant agreement that contributed to the situation giving rise to the shareholder needing to provide the information, which is in writing and readily available to the shareholder; or
  - (ii) if the agreement is not in writing and readily available to the shareholder – a statement by the shareholder giving full and accurate details of any contract, scheme or arrangement that contributed to the situation giving rise to the shareholder needing to provide the information.

### **24.4 Lodging Requirements**

- (a) When a person becomes a substantial shareholder in the Company they must give an initial substantial holder notice to the Company and the ASX within 2 business days after the day on which the person becomes aware that they became a substantial shareholder. The form of notice is contained in ASIC Form 603.

- (b) A substantial shareholder is required to notify the Company and the ASX of any change in their shareholding by more than 1% within 2 business days after the day on which the substantial shareholder becomes aware of the change. The form of notice is contained in ASIC Form 604.
- (c) Where a person ceases to be a substantial shareholder, that person must notify the Company and the ASX within 2 business days after the day on which the person ceased to be a substantial shareholder. The form of notice is contained in ASIC Form 605.

## **25 SPECIFIC OPERATIONAL AUTHORITIES**

### **25.1 Treasury Matters**

- (a) The Company has a detailed Treasury Policy Manual and the Company and all of its subsidiaries must operate within the guidelines outlined in that manual. Changes to the Manual can only be made with the approval of the Board.

### **25.2 Appointment of Consultants**

- (a) Any Director with the prior approval of the Chairman, or by resolution of the Board, can appoint legal or financial consultants at the expense of the Company. The Managing Director is authorised to appoint consultants to advise on specific aspects of the Company's operations, acquisitions and/or divestments. They may also appoint legal or financial consultants or other management advisors where deemed appropriate.

### **25.3 Legal Advisors - Auditors - Taxation Advisors**

- (a) Any change to these advisors must be approved by the Board. The Managing Director may authorise specific advice to be taken from an advisor who is not deemed to be the official Corporate advisor.

### **25.4 Risk Management and Insurance**

- (a) The responsibility for managing risk on a day-to-day basis is that of the management of each Business Operation.
- (b) Aon Risk Services Australia Limited, Melbourne, is the Group Insurance Brokers through whom all global insurance covers are liaised.
- (c) The Group has a captive insurance company named Nufarm Insurance Pte Ltd based in Singapore that retains cover for Environmental Impairment Liability and is involved in the reinsurance of other major insurances.
- (d) A detailed Nufarm Insurance Manual is regularly updated to incorporate recent changes to the insurance programme.
- (e) Independent risk management audits of site operations are carried out regularly.
- (f) A report will be prepared annually for the Board reviewing the risk management and insurances of the Nufarm Group.

### **25.5 Accounting Policies**

- (a) It is a requirement that all Nufarm Group companies for the purposes of management and consolidation, apply the Accounting Policies of the Nufarm Group.
- (b) Where there is no apparent express Nufarm Group policy any Nufarm Group accounting practice or policy can only be allowed with the approval of the Chief Financial Officer.

## **25.6 Initiation of or Participation In Litigation**

- (a) Any unusual or sensitive litigation, such as litigation against a Government, appeal or a regulatory decision, litigation with possible sensitive reactions from major customers and suppliers, or litigation with sensitive public relations must be approved by the Managing Director before being actioned.
- (b) Notice of any legal action taken by an outside party against any of the Nufarm Group companies or employee for the Nufarm Group is to be given as soon as possible to the Managing Director or the Company Secretary.

## **25.7 Donations and Gifts**

- (a) **Political Donations**
  - (i) No person other than the Board shall have authority to make donations to any political party, whether local, provincial or central. The Board has currently resolved that there will be no political donations.
- (b) **Giving (non political)**
  - (i) Corporate 'giving' that is aimed at the standing of the Company as a whole in the community is the responsibility of the Board and delegated to the Corporate Secretary.
- (c) **International**
  - (i) Outside of Australia responsible Senior Managers are delegated the responsibility of corporate 'giving'.

# SCHEDULE 1 - CONTINUOUS DISCLOSURE MEMORANDUM

## 1 Introduction

- 1.1 As a listed company, Nufarm Limited and Nufarm Finance (NZ) Limited (each a “**Company**”) must notify the Australian Stock Exchange Limited (“**ASX**”) of price sensitive information, and must do so immediately it becomes aware of it, unless certain requirements are satisfied.
- 1.2 Price sensitive information is information that is not generally available and, if it were generally available, a reasonable person would have a material effect on the price or value of the Company’s securities.
- 1.3 A reasonable person is taken to expect information to have a material effect on the price or value of the Company’s securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of those securities.
- 1.4 Failure to notify the ASX of price sensitive information constitutes a breach of the Company’s obligations under the ASX Listing Rules and a contravention of the Corporations Act 2001 (Cth), exposing the Company and its Directors and executives who are involved, to a range of sanctions including fines, criminal charges or civil liability. It could also result in suspension of the Company’s securities from quotation or possible delisting.
- 1.5 The procedures set out in this Memorandum apply to all the Company’s personnel to ensure compliance by the Company with its continuous disclosure obligations.

## 2 Information required to be disclosed

- 2.1 The type of information that, depending on the circumstances, could require disclosure by the Company to ASX may include:
- (a) a transaction that will lead to a significant change in the nature or scale of the Company’s activities;
  - (b) a material acquisition or disposal;
  - (c) the fact that the Company’s earnings will be materially different from market expectations;
  - (d) natural disasters or accidents that have particular relevance to the business of the Company;
  - (e) decisions of regulatory authorities in relation to the business of the Company;
  - (f) material information affecting the manufacture or supply of product;
  - (g) disclosure of a significant product liability claim or the settlement of such a claim;
  - (h) giving or receiving a notice of intention to make a takeover;
  - (i) a significant development in major litigation to which the Company is a party;
  - (j) a change in accounting treatment adopted by the Company;
  - (k) the appointment or resignation of Directors of the Company; and
  - (l) any rating applied by a rating organisation to the Company, or its securities, or any change in that rating.
- 2.2 The above is not a definitive list and the Reporting Manager or Compliance Officer should always be informed if there is any doubt.

### **3 Exception to the disclosure rule**

3.1 The requirement to disclose information under ASX Listing Rule 3.1 does not apply if, and only if, each of the following requirements is, and remains, satisfied in relation to the information:

- (a) one or more of the following applies:
  - (i) it would be a breach of a law to disclose the information;
  - (ii) the information concerns an incomplete proposal or negotiation;
  - (iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
  - (iv) the information is generated for the internal management purposes of the Company; or
  - (v) the information is a trade secret; and
- (b) the information is confidential and ASX must not have formed the view that the information has ceased to be confidential; and
- (c) a reasonable person would not expect the information to be disclosed;

Ultimately, it is for the Compliance Officer, the Managing Director and Chairman, and ultimately the Board (in consultation with the Company's legal advisors, where appropriate), to determine whether the above conditions are satisfied.

### **4 Reporting process**

4.1 Any personnel becoming aware of any actual or potential price sensitive information concerning the Company must report it to his or her Reporting Manager immediately.

4.2 If the Reporting Manager is not available, the information must be reported to another senior person in the Company (for example, the Compliance Officer or Deputy Compliance Officer).

4.3 A recipient of information under section 4.1 or 4.2 must immediately pass on the information to the Company's Compliance Officer or, in his absence, the Deputy Compliance Officer, who are as follows:

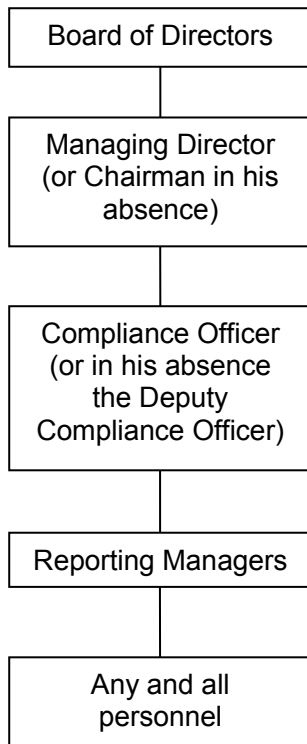
Compliance Officer – Rodney Heath

Deputy Compliance Officer – Megan Fletcher

4.4 Reports of price sensitive information can be made by telephone but must in all instances be followed up by a comprehensive written report.

4.5 All managers must keep up to date with all matters within their responsibility which may be or become material to the Company.

## 5 Reporting flow chart



## 6 Confidentiality

- 6.1 The price sensitive information must not be passed on to anyone outside of the Company before the ASX is notified and the Company receives an acknowledgment from the ASX that the information has been released to the market. Further, the information must not be passed on to anyone within the Company, other than the relevant Reporting Manager, the Compliance Officer, the Managing Director or the Chairman of Directors, unless the person concerned needs to know in order to do their job properly.
- 6.2 Any person who passes the information on improperly may be committing a criminal offence.
- 6.3 If it is discovered that persons outside of the Company are aware of the information before the ASX has been notified, the Reporting Manager must be immediately informed, who must in turn notify the Compliance Officer (or if unavailable, the Deputy Compliance Officer).

## SCHEDULE 2 - FORM OF APPLICATION TO TRADE DURING PERMITTED PERIODS

Name of Applicant: \_\_\_\_\_

Residential Address: \_\_\_\_\_

Office or position in Nufarm: \_\_\_\_\_

Type of transaction (circle):         Sale/Purchase

Number of securities that are subject of the proposed transaction: \_\_\_\_\_

Class of securities that are the subject of the proposed transaction: \_\_\_\_\_

Will the transaction take place on the Stock Exchange (circle): YES/NO

If the transaction is not to take place on the Stock Exchange, advise details of the transaction:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Likely date of the transaction: \_\_\_\_\_

(nb: The transaction must occur within 7 days of the date this form was signed by the Company Secretary)

I HEREBY ACKNOWLEDGE that:

- (a) I have read the Nufarm Security Trading Policy;
- (b) I am not in possession of any information that:
  - (i) is not generally available, and
  - (ii) would be expected by a reasonable person to have a material effect on the price or value of securities of Nufarm, if it was generally available.
- (c) I am not aware of any reason that I should be prohibited from trading in Nufarm securities (whether under the Nufarm Security Trading Policy, the law, the ASX Listing Rules or any other reason);
- (d) Nufarm is not advising or encouraging me to trade in any Nufarm securities and is not providing any securities recommendation.

I request the Designated Officer to approve the purchase/sale of the above securities.



Signed by the Applicant: \_\_\_\_\_

Date: \_\_\_\_\_

***Designated Officer Approval (signed by the Company Secretary for and on behalf of the Designated Officer):***

I have reviewed the contents of the attached Application and now give my consent to the proposed transaction described in the Application.

Signed by the Company Secretary: \_\_\_\_\_

Date: \_\_\_\_\_

**SCHEDULE 3 - FORM OF APPLICATION TO TRADE DURING PROHIBITED PERIODS**

Name of Applicant: \_\_\_\_\_

Residential Address: \_\_\_\_\_

Office or position in Nufarm: \_\_\_\_\_

Type of transaction (circle):       Sale/Purchase

Number of securities that are subject of the proposed transaction: \_\_\_\_\_

Class of securities that are the subject of the proposed transaction: \_\_\_\_\_

Will the transaction take place on the Stock Exchange (circle): YES/NO

If the transaction is not to take place on the Stock Exchange, advise details of the transaction:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Likely date of the transaction: \_\_\_\_\_

Date of exceptional circumstances pursuant to which I make this application:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I HEREBY ACKNOWLEDGE that:

- (a) I have read the Nufarm Security Trading Policy;
- (b) I am not in possession of any information that:
  - (i) is not generally available, and
  - (ii) would be expected by a reasonable person to have a material effect on the price or value of securities of Nufarm, if it was generally available;
- (c) I am not aware of any reason that I should be prohibited from trading in Nufarm securities (whether under the Nufarm Security Trading Policy, the law, the ASX Listing Rules or any other reason); and
- (d) Nufarm is not advising or encouraging me to trade in any Nufarm securities and is not providing any securities recommendation.

I request the Designated Officer to approve the purchase/sale of the above securities.

Signed by the Applicant: \_\_\_\_\_

Date: \_\_\_\_\_

***Designated Officer Approval (signed by the Company Secretary for and on behalf of the Designated Officer):***

I have reviewed the contents of the attached Application and now give my consent to the proposed transaction described in the Application.

Signed by the Company Secretary: \_\_\_\_\_

Date: \_\_\_\_\_

## SCHEDULE 4 - PRO-FORMA AGREEMENT DISCLOSURE OF DIRECTORS' INTEREST

«Title» «LastName»  
«Company»  
«Address1»  
«City» «State»  
«Country»

Dear «FirstName»

### **Re: Nufarm Limited – ASX Listing Rule 3.19B**

From 1 January 2002, Nufarm is required, under the Listing Rules of ASX Limited (“**ASX**”), to disclose to ASX details of directors’ interests in securities, and in contracts relevant to securities. Nufarm is also required to enter into an agreement with directors under which directors are obliged to provide the necessary information to the entity.

If you agree to the following terms, please sign and return the **enclosed** copy of this letter.

### **Initial disclosure**

- 1 You will provide the following information as at [ the date of appointment].
  - Details of all securities registered in your name. These details include the number and class of the securities.
  - Details of all securities not registered in your name but in which you have a relevant interest within the meaning of section 9 of the Corporations Act. These details include the number and class of the securities, the name of the registered holder and the circumstances giving rise to the relevant interest.
  - Details of all contracts (other than contracts to which Nufarm is a party) to which you are a party or under which you are entitled to a benefit, and that confer a right to call for or deliver shares in, debentures of, or interests in a managed investment scheme made available by Nufarm or a related body corporate. These details include the number and class of the shares, debentures or interests, the name of the registered holder if the shares, debentures or interests have been issued and the nature of you interest under the contract.
- 2 You will provide the required information as soon as reasonably possible after [the date of appointment] and in any event no later than 3 business days after [the date of appointment].

### **Ongoing disclosure**

- 3 You will provide the following information.
  - Details of changes in securities registered in your name other than changes occurring as a result of corporate actions by Nufarm. These details include the date of the change, the number and class of the securities held before and after the change, and the nature of the change, for example on-market transfer. You will also provide details of the consideration payable in connection with the change, or if a market consideration is not payable, the value of the securities the subject of the change.

- Details of changes in securities not registered in your name but in which you have a relevant interest within the meaning of section 9 of the Corporations Act. These details shall include the date of the change, the number and class of the securities held before and after the change, the name of the registered holder before and after the change, and the circumstances giving rise to the relevant interest. You will also provide details of the consideration payable in connection with the change, or if a market consideration is not payable, the value of the securities the subject of the change.
  - Details of all changes to contracts (other than contracts to which Nufarm is a party) to which you are a party or under which you are entitled to a benefit, and that confer a right to call for or deliver shares in, debentures of, or interests in a managed investment scheme made available by Nufarm or a related body corporate. These details include the date of the change, the number and class of the shares, debentures or interests to which the interest relates before and after the change, the name of the registered holder if the shares, debentures or interests have been issued, and the nature of your interest under the contract.
- 4 You will provide the required information as soon as reasonably possible after the date of the change and in any event no later than 3 business days after the date of the change.

#### **Final disclosure**

- 5 You will provide the following information as at the date of ceasing to be a director.
- Details of all securities registered in your name. These details include the number and class of the securities.
  - Details of all securities not registered in your name but in which you have a relevant interest within the meaning of section 9 of the corporations Act. These details include the number and class of the securities, the name of the registered holder and the circumstances giving rise to the relevant interest.
  - Details of all contracts (other than contracts to which Nufarm is a party) to which you are a party or under which you are entitled to a benefit, and that confer a right to call for or deliver shares in, debentures of, or interests in a managed investment scheme made available by Nufarm or a related body corporate. These details include the number and class of the shares, debentures or interests, the name of the registered holder if the shares, debentures or interests have been issued and the nature of the interest under the contract.
- 6 You will provide the required information as soon as reasonably possible after the date of ceasing to be a director and in any event no later than 3 business days after the date of ceasing to be a director.

#### **Agency**

- 7 You authorise Nufarm to give the information provided by yourself to ASX on your behalf and as your agent.

#### **Securities**

- 8 "Securities" for the purposes of this letter means securities of Nufarm or a related body corporation.

Very best regards

**ROD HEATH**  
Company Secretary

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Director Date