

NUFARM UK TAX STRATEGY JULY 2018

This document sets out the Nufarm UK group's commitment and approach to tax risk management and governance, and is considered to meet the requirements under Schedule 19 of Finance Act 2016.

Responsibility for UK tax compliance will rest with the UK CFO, but Group Tax (based in Australia) will provide support as necessary, for example: for determining the treatment of material items, tax audits, and transfer pricing and country-by-country reporting compliance.

The Tax Strategy, Tax Risk Appetite and Tax Code of Conduct are approved by the Nufarm Group Board Audit & Risk Committee.

Tax Strategy

- Nufarm will act with integrity and transparency in all tax matters.
- Nufarm will comply with the tax obligations of the jurisdictions in which it operates (both State and Federal), and will make full disclosures to the relevant revenue authorities. Nufarm will pay the correct amount of tax legally due.
- Nufarm commits to being a responsible taxpayer based on accurate tax compliance and legitimate tax planning. Within this agreed obligation, Nufarm will manage its tax matters in a pro-active manner, with the assistance of external tax advisors for ambiguous areas of tax legislation. Nufarm does not condone tax evasion in any circumstances.
- Whilst Nufarm wishes to maintain a proactive, constructive relationship with the tax authorities, there may be occasions where disagreements arise. Nufarm will conduct all such disputes in a professional transparent, fair but firm manner.
- Nufarm's tax function will provide sound tax advice and support for the business of Nufarm and will provide input into key commercial transactions of Nufarm.

Tax Risk Appetite

- Tax should be managed in accordance with this policy. In particular it should be noted that whilst Nufarm's tax function should partner with the broader business to achieve its commercial aims in a tax-efficient manner, tax outcomes should not be a key driver.
- Generally Nufarm will adopt a tax position that is supported by opinions from its tax advisors.
- Any risks will be appropriately evaluated and decisions will be technically supported.
- Nufarm's commercial objectives are paramount and will not be driven by tax considerations. All tax planning will be undertaken in this context. In situations where various options will achieve an identical commercial result, Nufarm's tax function will recommend the most tax-efficient approach.
- Any tax structuring opportunities being considered should generally be capable of satisfying the following criteria:
 - compliant with tax laws;
 - consistent with commercial objectives;
 - minimal possibility of reputational risk, to the group or its ultimate shareholders; and
 - unlikely to result in time-consuming, long-running disputes;

Code of conduct

This Code of Conduct applies to all tax professionals working in the Nufarm group and tax advisors working with the Nufarm Group.

Nufarm is committed to acting with integrity and transparency in all tax matters. Nufarm expects its tax function, employees and external advisors to behave with the highest professional and ethical standards and promote a culture of ethical compliance in all its business opportunities and conduct of tax matters.

These requirements are reflected in the Code of Conduct.

Tax professionals will:

- At all times act with due skill, care and diligence;
- Maintain appropriate standards of competence, by having the skills necessary, or engaging advisors with the appropriate skills, for each task in the operation of the business, having appropriate education through formal qualifications and/or relevant work experience and a commitment to updating professional knowledge to keep up to date with industry developments and trends;
- Observe all applicable laws, rules and regulations;
- Ensure all decisions are taken at an appropriate level and supported with documentation that evidences the facts, conclusions and risks involved.
- Make efforts to cultivate a good long-standing relationship with the relevant public authorities.
- Undertake all dealings with public authorities in a professional, courteous and timely manner;
- Participate in debates where invited / public consultations to shape future tax legislation;
- Provide tax advice which is consistent with Nufarm's commercial aims; tax outcomes should not be a key commercial driver;
- Give due consideration to Nufarm's reputation, brand and corporate and social responsibilities when considering tax initiatives, as well as the legal and fiduciary duties of directors and employees when considering tax planning;
- Act with openness, honesty and transparency in all dealings with public authorities.