

# Modern slavery and human trafficking statement

This statement is made pursuant to section 54(l) of the UK Modern Slavery Act 2015 and sets out the steps we have taken to ensure that our business as well as our supply chains are free from slavery and human trafficking during the financial year ending 31/07/2018 (year).

## Introduction

Nufarm is committed to preventing slavery and human trafficking in all its corporate activities and to ensuring that our supply chains are also free from such practices.

## Our organisational structure and operations

Nufarm Limited is a publicly owned, global crop protection and seed technologies business with a head office in Laverton North, Victoria, Australia. Nufarm has manufacturing and seed production facilities in 27 locations across the world. Figure 1 shows the significant locations of our operations.

Nufarm companies manufacture, distribute and market crop protection chemicals. Our wholly owned subsidiary, Nuseed, grows and distributes seeds and seed treatment products.

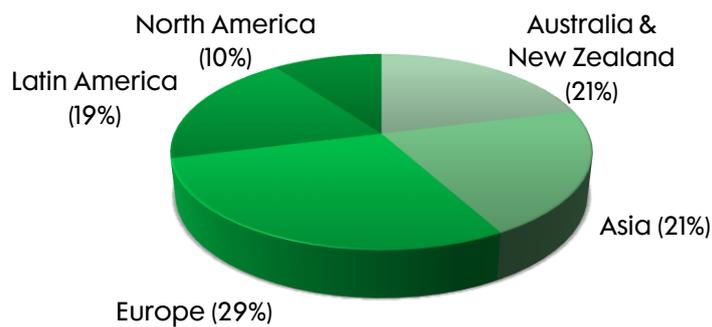
We have manufacturing and distribution platforms in Australia and New Zealand, North America, Latin America, Europe and Asia and market products in over 100 countries, selling into the agricultural distribution channels and direct to large farms. Our total global revenue this year was AUD 3.3 billion.

**Figure 1. Geographical locations of Nufarm’s operations and sales regions**



This year Nufarm employed 3,217 people across our five regions as shown in chart 1. While most of our workforce are full time, permanent employees, we endeavour to provide a more agile workforce in terms of non - permanent and contract labour to better respond to the seasonal needs of the business. Across the year, it is estimated that Nufarm had an additional 16 per cent of our full time equivalent workforce, working in contract roles. Nufarm will also engage the professional services of contractors who have unique knowledge or skills to support specific project activities. These include engineers and information technology experts.

**Chart 1. Employees by region**



## Our supply chain

Nufarm has 12 crop protection manufacturing facilities located in Europe, North America, Latin America, Asia and Australia enabling us to tailor our products to suit local conditions and respond rapidly to customer needs. Some of these sites have hazardous processes and so operate under the relevant major hazard facility (MHF), Seveso III or control of major accident hazards (COMAH) regulation in their jurisdiction. We also have 15 seed production facilities in Australia, North America, Latin America and Europe.

Supplier location is just one of many considerations evaluated when sourcing the raw materials and packaging needed by our manufacturing plants. We have significant suppliers located throughout Europe, Asia, North America, Brazil and Australia and more than 3,000 suppliers across the world to support our global supply chain network. Our global procurement organisation operates out of three key hub locations, Australia, China and Switzerland. Nufarm has a dedicated compliance manager based in the US and a dedicated head of procurement accountable for policy implementation and compliance within each region.

We primarily sell our crop protection and seed products direct to channel partners, who are distributors that sell directly to growers and offer other agricultural inputs and advice.

## Policies relating to modern slavery

Nufarm upholds human rights consistent with the United Nations Declaration of Human Rights and national human rights in each jurisdiction we operate.

Last year we developed a human rights policy to articulate our position on matters such as collective bargaining, modern slavery, inclusion and diversity and equal opportunity. This policy establishes our zero-tolerance stance on all forms of modern slavery in our operations and supply chain. We employ people who have freely given their consent to working with us and are of a legal age and status to work. We are also committed to undertaking business with suppliers and contractors who share this goal.

We have a global supplier code of conduct, which further articulates our expectations of our suppliers; to conduct business ethically, protect the environment from harm, uphold human rights and labour practices, provide their employees with a safe and healthy work environment and prohibit all forms of slavery, child or forced labour and human trafficking. Our suppliers agree to abide by this code of conduct when they enter supply arrangements with us.

We have a whistle-blower policy for the protection of those who potentially identify and need to raise a concern with a modern slavery issue. Our employee code of conduct includes a confidential escalation process in the case of code breaches and this is available to both Nufarm and non-Nufarm employees.

These codes and policies are available in the governance section of our corporate website at <https://www2.nufarm.com/investor-centre/corporate-governance/>.

## Risk assessment

We have responded to modern slavery in proportion to our risk of exposure.

### Our operations

This year we completed modern slavery assessments of our operations, looking at the process and controls in place to prevent any form of modern slavery entering our business through our own recruitment practices or the use of third party labour providers.

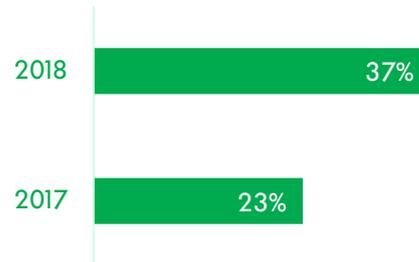
Nufarm's operations are at low to very low risk of forced or compulsory labour or child labour (persons under 15 years of age). We do not employ young workers (persons under 18 years of age) in hazardous areas and our operations have controls in place to ensure this policy is maintained.

### Our suppliers

Nufarm has partnered with EcoVadis to conduct corporate social responsibility (CSR) assessments of our suppliers. This process increases our supply chain transparency and is an important step towards improving our sustainability footprint. EcoVadis is a global leader in providing CSR ratings and scorecards for over 30,000 companies. Their collaborative platform evaluates suppliers' environmental, social, ethical and sustainable procurement policies, actions and results.

We have a supply chain risk management policy to determine supplier priority for CSR assessment. The policy considers the risk associated with the supplier's country of operation, their importance to Nufarm and their industry. The global slavery index was used to help identify countries at higher risk of slavery and human trafficking.

In 2017, Nufarm completed CSR assessments on 23 per cent of all existing suppliers and in 2018 we increased this to 37 per cent, (measured as a percentage of total spend). The average CSR performance of nearly all our suppliers also increased over this period. Once a supplier is onboarded to EcoVadis, their CSR assessment is repeated annually.



Nufarm has several important chemical suppliers in China and India who were given a high priority for CSR assessment based on country risk; 90 per cent of these suppliers have now been invited to undertake an assessment.

Many of our important suppliers are chemical manufacturers. The complex nature of chemical synthesis, requires workers with above average skill and education levels. While we recognise the risk of modern slavery exists in all supply chains, our principal suppliers are less vulnerable to modern slavery practices due to the skill levels needed to operate chemical processes.

Of our suppliers assessed this year none were found to have significant actual or potential social impacts and there was no clear evidence of child or forced labour. Some suppliers failed to provide documentation to support their claims that they were compliant with globally acceptable labour practices and we recognise that these suppliers need more support in undertaking our CSR assessment process properly. Nufarm has not needed to terminate any business relationships due to poor human rights performance.

Supplier CSR assessment will continue as an area of focus in the future and is an important tool in identifying and responding to potential incidents of modern slavery in our supply chain.

## Looking ahead

This year we have developed a modern slavery training package which we will deploy to all employees by the end of 2020. The purpose of this module is to raise our employees' level of awareness of modern slavery, its occurrence in global supply chains and actions they can take to help change this abhorrent practice.

We have established an internal minimum standard for our suppliers. In 2019, we will work with those suppliers who scored below this level to implement mutually agreed corrective action plans to help drive improvements in our supply chain.

Our existing suppliers are our most important and the focus of our supply chain CSR program. New suppliers represent a small portion of our total spend and we have not screened on social criteria this year, however we will expand the use of CSR assessment as an element of our supplier evaluation process in the future.

A handwritten signature in black ink, appearing to read 'Greg Hunt', is written over the printed name and title.

Greg Hunt  
Managing director and chief executive officer

25th of October 2018