

# Sustainability Review 2021



## A message from our Managing Director & CEO



**"The world is rightly focussing on the environmental demands of our time, especially to reduce greenhouse gas emissions. What is not commonly appreciated is that we need the technologies of modern agriculture to simultaneously be sustainable and feed the world."**

By 2050, food output will need to expand by as much as 50 per cent in some parts of the world to meet the demands of 9.7 billion people wanting more, higher quality and diverse food. At the same time, our food production system will be under increasing pressure from climate change impacts, water scarcity, urbanisation, and soil degradation.

The importance of increasing productivity on land is clear. Not increasing productivity to meet growing food needs will mean we will need to clear more land. The destruction of native vegetation that this entails will only worsen the climate problem.

At Nufarm, we focus our efforts where we can have the greatest influence. Central to our sustainability approach is enabling our growers to produce more from less, responding to the global demand for more food, while at the same time providing products that help them adapt to climate change impacts and minimise unintended environmental consequences.

The products that Nufarm supplies are supportive of and consistent with increased sustainability in agriculture and simultaneously help us meet the challenge of feeding the world.

One of the key tools that enhances productivity and sustainability at the same time is modern crop protection technology. Without the benefits of modern herbicides, for example, farmers would be faced with much lower yields.

Another important example of our commitment to sustainability is in our seed technologies business. This business facilitates the growing of crops that positively impact global environmental issues and provides new economic opportunities for farming communities.

In 2021, we have continued to broaden our approach to sustainability and more explicitly recognising the role we play in improving the sustainability of modern agriculture. This 2021 sustainability report details some of our key areas of focus.

The content in this report is also complemented by our additional disclosure against the Global Reporting Initiative's (GRI) sustainability reporting standard, which will be available in early 2022 at <https://nufarm.com/gri-reporting-2021/>. This provides additional detailed information on our approach to key sustainability issues and analysis of our performance for the year.

Thank you for your interest in this important area. I look forward to continuing to update you on Nufarm's progress and welcome feedback and engagement on our approach.

**Greg Hunt**  
Managing Director & CEO



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The information in this report relates to Nufarm Ltd (ASX:NUF) and its wholly owned subsidiaries for the 12 month period ending 30 September 2021, which we refer to as “2021”. Due to a change in our financial reporting year in 2020, years prior to 2021 are the 12 month period ending 31 July.

This report has been internally verified in accordance with Nufarm’s [Statement on verifying unaudited periodic corporate reports](#).

For further information, please contact, Nufarm Ltd, 103-105 Pipe Rd, Laverton North, VIC 3026, Australia. Phone +61 3 9282 1000














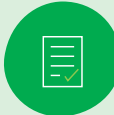







# 1

## Our year at a glance



Our purpose, to help our customers grow a better tomorrow, reflects our ambition to deliver a more sustainable future that benefits our customers, communities and the environment, with products that support sustainable agriculture. This year we advanced our sustainability ambitions with the adoption of sustainability targets to lower our environmental impact and to increase gender diversity in our workplaces.

Our business	Our sustainability performance	Our sustainability targets
<div>  <div>Crop protection and seed products sold in almost 100 countries.</div> </div>	<div>  <div>0.91 Lost time injury frequency rate<sup>1</sup>, up from 0.61 last year.</div> </div>	<div>  <div>30% reduction in scope 1 and 2 greenhouse gas emissions by 2030<sup>2</sup></div> </div>
<div>  <div>\$3.22 billion revenue.</div> </div>	<div>  <div>&gt;29.5% of our crop protection products are fully or partially sustainable, or enable sustainable agriculture.</div> </div>	<div>  <div>20% reduction in hazardous waste by 2025<sup>2</sup></div> </div>
<div>  <div>12 crop protection manufacturing sites.</div> </div>	<div>  <div>Friend of the Sea certification for Aquaterra® and Nutriterra®.</div> </div>	<div>  <div>25% reduction in volatile organic compound emissions to air by 2025<sup>2</sup></div> </div>
<div>  <div>5 seed research and development facilities and 3 seed innovation centres.</div> </div>	<div>  <div>85,637 tonne of scope 1 and 2 greenhouse gas emissions. Down 6% since last year.</div> </div>	<div>  <div>ISO14001 certification at all manufacturing sites by 2025<sup>3</sup></div> </div>
<div>  <div>2,678 employees.</div> </div>	<div>  <div>Supplier corporate social responsibility assessments completed for 64% of spend on materials. Up 16% since last year.</div> </div>	<div>  <div>No less than 35% of either gender by 2025</div> </div>
<div>  <div>Over 100 years' experience in crop protection.</div> </div>	<div>  <div>26% women, up 1% since last year.</div> </div>	





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## Our business





## Our purpose and ambition

Nufarm is a global crop protection and seed technology company that has been helping growers fight disease, weeds and pests for more than 100 years. We do this by developing and manufacturing crop protection solutions and VALUE BEYOND YIELD® seed technologies.

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

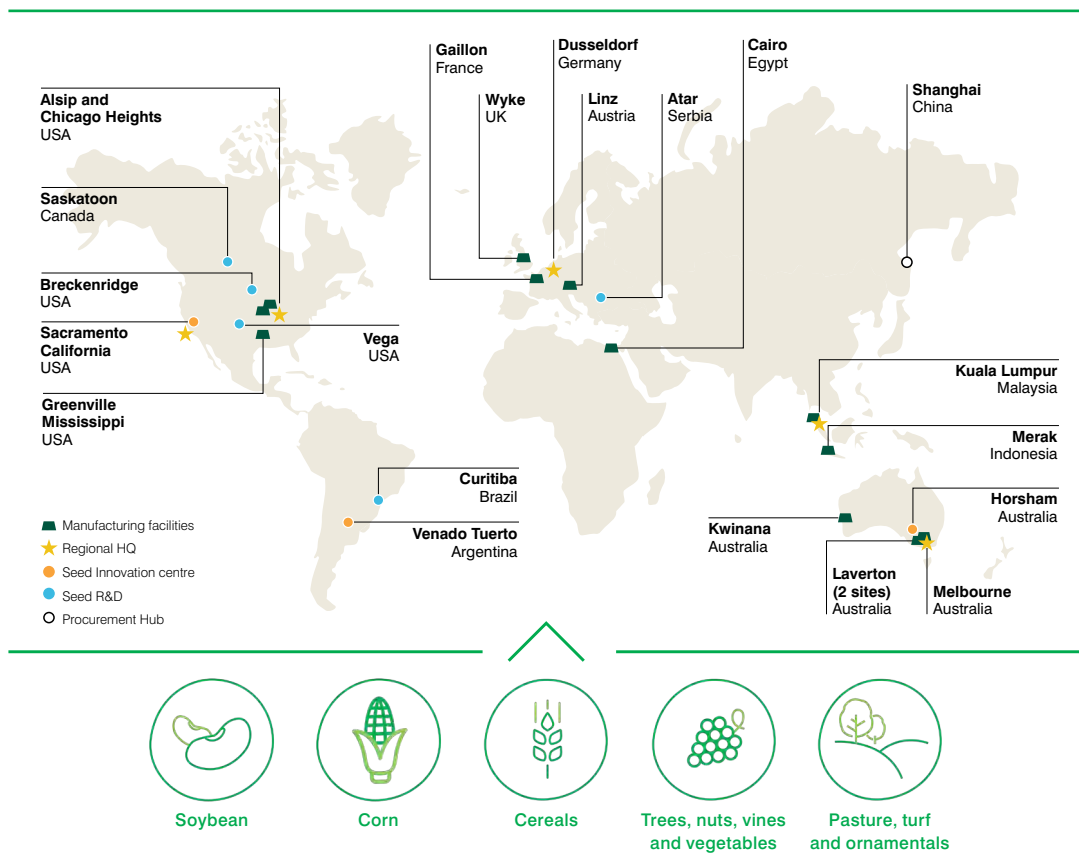


## Our strategy and operating model

Our crop protection strategy focuses on five core crops (corn; soybean; cereals; pasture, turf and ornamentals; trees, nuts, vines and vegetables) in three key regions (North America, Europe and Asia Pacific).

Our scale and global distribution footprint make us an attractive partner for major manufacturers and research organisations. By collaborating with these industry participants, we are able to offer our customers high-quality products at competitive prices and a growing range of new, differentiated products to meet more of their needs across the crop lifecycle.

We believe our product and geographic diversity, along with our long-term customer relationships, help protect our business from adverse seasonal or commercial pressures in any one market, while also providing a range of expansion opportunities in major cropping markets around the world.



Our operating model puts the customer at the centre of our business and decision making and provides a foundation for sustainable future growth.



In March this year we ceased 2,4-dichlorophenoxyacetic acid (2,4-D) synthesis at our site in Linz, Austria and also ceased all production at one of our North Laverton sites in Australia at the end of September 2021.



## Advancing our sustainability ambition

This year marks a significant step in our journey to deliver a more sustainable future for our customers, communities and the environment.

To demonstrate our commitment to sustainable agricultural and production processes, we adopted the United Nations Sustainable Development Goals (SDGs) this year. These goals recognise the global partnership between nations to end poverty, deprivation and inequality, improve health and economic growth while taking urgent action to preserve our natural environment and address climate change.

We matched our ambition to advance the SDGs to our strengths and scale; selecting the goals we believe we can influence and are most relevant to our stakeholders. Central to our mission to “grow a better tomorrow” is enabling efficient agricultural food production while protecting the natural environment and human health, across our products’ life cycle.

We contribute to *SDG 2: Zero Hunger* and *SDG 15: Life on the Land*, with crop protection products that help growers get more from less; growing more food to feed an increasing population, while limiting land clearing for agricultural use. We have a portfolio of sustainable and partially sustainable products and an increasing presence in the biological crop protection market in Europe through our newly launched brand; NuBio. Our sustainability enabling crop protection products support conservation agriculture practices and we continue to develop new and innovative ways to reduce the unintended impacts of crop protection products.

Our carbon sequestering source of aviation biofuel, Nuseed Carinata goes to the heart of finding solutions to address climate change and contribute to *SDG 13: Climate Action*. We have taken this SDG further this year through establishing a Climate Change Policy and a carbon target; committing to a 30 per cent reduction in our scope 1 and 2 greenhouse gas emissions from our manufacturing sites by 2030. We recognise Climate Change presents risks and opportunities to our business and have become a supporter of the Task Force on Climate Related Financial Disclosures (TCFD) this year. We increased our transparency in reporting climate related risks and intend to align our reporting with the TCFD framework next year.

Contributing to the aspirations of *SDG: 12 Responsible Consumption and Production* we set additional environmental targets this year, to reduce our hazardous waste by 20 per cent, our volatile organic air emissions by 25 per cent and certify all manufacturing sites to ISO14001, all to be achieved by 2025. We have a core competency in manufacturing and central to everything we do is the commitment for everyone to go home safely. Our two sites in North Laverton, Australia were both issued with 5-year unconditional Major Hazard Facility licences by the government regulator this year, the highest level of authorisation to operate available.

We continue to expand our products Aquaterra® and Nutriterra®, the world’s first plant-based source of long-chain omega-3 fatty acids. Both products were certified as a Friend of the Sea this year, recognising their contribution to *SDG 14: Life below water* by taking pressure off our valuable marine

resources. The Friends of the Sea label is the aquaculture industry’s most trusted identifier of responsible seafood and omega-3 production. Nuseed Nutritional became a signatory to the United Nations Global Compact this year, adopting additional SDG’s, 3. Good Health and Wellbeing 9. Industry, Innovation and infrastructure and 17. Partnerships for the Goals, reflecting the breadth of capability and ambition Nuseed Nutritional has to deliver sustainable, plant-based solutions.

A review of our Board Charter and Committee structure this year has formalised the Board’s Risk and Compliance Committee’s role in overseeing Environment Social and Governance matters. The Board Committee continues to be supported by an Executive Risk, Health, Safety and Environment Committee.

We value a diverse and inclusive workplace that is free from discrimination and encourage our people to come as they are. We strive for a high performing culture where our diversity strengthens our ability to service customers and contribute to our communities. We believe that diversity fuels innovative thinking, decision making and contributes to the richness of Nufarm. To further this belief, we have established a new gender diversity target this year of no less than 35 per cent of any gender by 2025.

We passionately believe our people and products can help deliver solutions to some of the sustainability challenges the world faces. We will continue to seek more ways we can advance the SDG’s as we embed them into our strategies and approach to doing business.



## Materiality

Our material sustainability issues are those that are most impactful on our business strategies and influence the decisions of our key stakeholders. Our goal is to be completely transparent in reporting our management approach and performance of our material sustainability issues.

We seek to continually improve our materiality study each year through expanding its breadth and depth, gaining a better understanding of the sustainability priorities and transparency needs of our important stakeholders, while keeping abreast of the changing sustainability landscape. Last year we extended our materiality study to some of our key external stakeholders for the first time; directly engaging with our customers and financiers to add their perspective to that of our people and senior leadership team.

Our materiality study has shown us that our key stakeholders are strongly aligned with our senior leadership on the importance of sustainability topics such as product regulatory compliance and worker occupational health and safety.

This year we sought the input of some of our investors and learnt that they agree on the importance of worker health and safety and robust process safety management systems, along with strong governance processes. They also identified managing environmental risk and compliance and upholding international human rights standards, as material issues to them.

Through engaging our stakeholders on sustainability matters, we also learnt that they want greater transparency on other sustainability topics that are material to them, such as how we look after grower health and safety and how we are adapting our products to respond to the sustainability challenges faced by the agricultural industry. We appreciate this insight and have worked to respond in this report and also in our [GRI Content and Index](#) which will be available in early 2022.

## Our material sustainability topics

### Supporting sustainable agriculture

Product regulatory compliance  
Responsible product use  
Grower health and safety  
Product and process innovation that responds to sustainability challenges  
Climate change adaptation  
Limiting biodiversity loss and environmental degradation  
Sustainable supply chain management  
Developing products with a lower environmental footprint

### Health, safety and wellbeing

Worker occupational safety, health and wellbeing  
Process safety management  
Occupational health and safety management systems  
Community safety, health and wellbeing

### Empowering our people

Attraction, retention and development of talent  
Employee engagement  
Human and labour rights

### Reducing our environmental footprint

Hazardous and toxic materials management  
Pollution prevention  
Environmental management systems  
Waste management  
Climate change action  
Sustainable procurement

### Conducting our business with integrity

Governance, ethics, anti-corruption and anti-bribery  
Compliance and regulatory environment  
Customer relations  
Emerging sustainable risk identification  
Transparency  
Sustainability management and reporting





## Our RARE values

Our actions are anchored by our RARE values. Our employees are encouraged to unearth the possibilities everyday. We aim to provide an inclusive work environment where individuals are valued for their diversity and empowered to reach their full potential. This is a reference to our high performing culture and also reflects the three principles of our employee value proposition – own your growth, stay curious and come as you are.

R

Responsibility

We are accountable for our decisions and our actions. We recognise that trust is at the foundation of relationships and that acting ethically, safely, and responsibly creates that trust.

A

Agility

We are resourceful and adaptable in meeting the needs of our customers and our organisation.

R

Respect

We respect others – colleagues, customers, and stakeholders – and our environment. We care for all of our resources.

E

Empowerment

We are an innovative, entrepreneurial organisation where individuals and teams can do what is best for the customer, the organisation, and our stakeholders.

“During the challenges faced by Covid-19, everyone stepped up and achieved new things. I’ve been beyond proud of how we’ve pulled together as a team,”

Peter O’Keeffe, Regional General Manager of ANZ

## Responding to Covid-19 challenges

It has been more than a year since the Covid-19 global pandemic began and we are proud to be an essential service, operating through the pandemic to provide valuable inputs to the agricultural industry.

Being a global organisation has introduced its own unique challenges as Covid-19 status and restrictions continually change country to country. Each region has its own Covid-19 Response Team who regularly assesses the local situation and adapts our Covid-19 safe work practices to keep our people safe at all times.

With working from home being the new normal for many of our people, we deployed remote working policies to provide more flexible work arrangements and as protracted lockdowns continue in some regions, we have provided mental health support to our lockdown fatigued people.

Our customers are at the centre of everything we do; taking care of our customers and growers is just as important to us as taking care of each other. Labour shortages due to border restriction and delays in getting equipment and inputs are just two of the ways that Covid-19 has put more uncertainty and stress on the farming community.

In the face of global logistics and freight challenges our people have demonstrated their commitment to our customers. Everything that could be done has been done to ensure we continued to supply our customers with the critical products they need to keep agriculture going.

### COVID RARE awards

To recognise and reward our peoples efforts during Covid-19 we established the COVID RARE Awards. These Awards gave recognition to the people and teams who have gone above and beyond through the challenges of Covid-19 while still maintaining our health and safety standards.





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## Supporting sustainable agriculture







## Crop protection helps growers get more from their land

We develop, manufacture and distribute crop protection solutions. These are the most significant segments of our business and we have a strong belief that they contribute to sustainable agriculture.

Crop protection is an essential part of modern agriculture; protecting crops from the time the seed is first planted through to harvesting. Pests, weeds and diseases threaten the quality and productivity of any food crop.

The Food and Agricultural Organisation of the United Nations (FAO) predicts that food production will need to expand by as much as 50 per cent in some regions by 2050; to meet the demand from our growing population for more, higher quality and diverse food. The need for highly productive food crops has never been more important but it is set against a backdrop of a food production system under pressure from climate change impacts, water scarcity, urbanisation and soil degradation.

Growers are on the front line of the sustainability challenges that face agriculture and the benefits of crop protection products go beyond contributing to food security. The traditional approach to broadacre cropping was to till the soil one or more times to remove weeds prior to planting new seeds. Crop protection products enable seed to be planted directly into previously untilled soil.

No-till farming is recognised globally as an important conservation agriculture practice with the FAO estimating it reduces on farm fuel emissions by up to 60 per cent, supports soil carbon sequestering and improved soil moisture retention during drought. These benefits increase crop productivity while helping growers reduce their impacts on climate change.

Over 23 per cent of our product portfolio comprises crop protection products that enable sustainable farming practices, such as Glyphosate, which is one of Nufarm's important molecules. While Glyphosate has been the subject of controversy in recent years, all major regulatory authorities around the world, including the FAO, have found Glyphosate to be safe when used in accordance with the label instructions.

We have assessed a further 63 per cent of our portfolio as neutrally sustainable as they do not enable additional sustainable agricultural benefits. Importantly they still help to deliver highly productive crops and ensure food security. Central to our sustainability approach is enabling our growers to produce more from less; more, better quality food from less land helps feed the world while preserving our natural environment.

Crop protection helps growers combat climate change.





## Making crop protection safe from the ground up

Crop protection is one of the most highly regulated industries in the world and we take the responsibility of developing and selling crop protection products very seriously.

A new crop protection product is many years in the making, it begins with the development of the active ingredient (active); a process that uses cutting edge chemistry to design new molecules that specifically target current or emerging crop pest, weed or disease issues or provide further improvement over existing solutions.

Nufarm partners with the developers of new actives, formulating these into crop protection products that the farmer can apply to their seeds, fields, or crops.

We undertake rigorous and extensive testing and field trials to ensure the product is effective and safe for people and the environment, when used properly. This process can also take several years as we test, wait for results and test again.

We apply standard scientific test methods and follow the pesticide guidelines set by the Organization for Economic Co-operation and Development (OECD) and the Food and Agricultural Organisation of the United Nations (FAO) as well as local regulatory requirements. The outcome of this work informs a very comprehensive, scientific product data package, which we submit to an independent regulator for assessment.

Each new product is evaluated by the regulator in the country where it is to be sold. If the regulator approves the product, it becomes registered to sell it in that country. Across their life, crop protection products continue to undergo periodic, independent review and reassessment and also as new scientific information becomes available.

Our commitment to this process is absolute; it is our promise to our customers that for every product we develop and sell, the proposed use patterns, label claims, directions for use, packaging and technical literature accurately reflect the outcome of scientific tests and assessments and comply with all conditions of registration.

## Labelled for safe use

All crop protection products are fully labelled and all labels must meet strict regulatory requirements and be approved by the local regulatory authority.

Our labels contain important information such as how to use and dispose of the product without causing harm to people or the environment. We provide technical notes to support the label, these advise the farmer on the approved crops and correct usage rates and how to get the best performance out of our products.

We produce detailed safety data sheets (SDS) for each product that contain detailed emergency response information. We further support the safe use of our products with 24 hour emergency helplines in the jurisdictions we operate.

It can take up to six years to bring a new crop protection product to market.







## Developing products for more sustainable outcomes

At Nufarm one of our core strengths is developing formulations that use active ingredients in new and innovative ways. This capability allows us to create products that deliver more sustainable outcomes for growers.

When designing new formulations, we aim to maximise efficacy while minimising potential risk to grower health and safety. One of the ways we do this is through using granulated products that reduce grower exposure risk during handling, such as our Kaiso Sorbie technology, a product we sell throughout Europe.

The nature of our active ingredients often necessitates the use of a solvent delivery system, but we use plant based “green” solvents where we can, again designing the product for better safety and environmental outcomes.

We have deep formulations development expertise and using it, we create products that can be mixed and sprayed together. Increasing the efficacy with lower application rates means a better crop outcome from less chemical and fuel. Our coformulation technologies, like Kyleo and Panther Pro deliver growers costs savings and improved environmental outcomes.

And finally, we work to create products with a higher active concentration which reduces packaging and transportation impacts.

This year we developed sustainability risk assessment methodology for our crop protection products. In the coming year, we will roll this out across our organisation for new product evaluations and we will also progressively assess our existing product portfolio to inform future product strategy.

Our new Dropzone® technology has been the culmination of seven years development that began in 2014. The 2,4-D product has been specifically formulated to be low odour and non-volatile, however, its spray properties are what really set it apart.

The formulation has been crafted to reduce fine droplets when sprayed, reducing the risk of spray drift. The formulation has also been designed to reduce excessively large spray droplets. The result is a product that delivers an optimum droplet size when sprayed, maximising efficacy while minimising unintended impacts on off-target species. By minimising the risk of spray drift, growers are able to increase the productivity of their land.

We will be launching this technology in Australia next year under the brand Amicide Dropzone 500 and plan to expand the product into other regions in the future.

**“Our stated ambition is to grow our relevance for our customers by delivering more sustainable solutions over more acres every year.”**

**Gordon Davis – Chair of the Board Risk & Compliance Committee**



## Harnessing nature to protect crops

Our sustainable crop protection products provide growers an alternative to synthetic chemistry. We classify products in this category as having lower or no human health and environmental impacts.

Over 6.5 per cent of our business is made up of partially or fully sustainable products and it's growing. In the coming year we will direct approximately 20 per cent of our research and development budget to crop protection products that are partially or fully sustainable or sustainability enabling.

This year we launched our brand NuBio in Europe, championed by a team dedicated to advancing biological crop protection. Nufarm has 20 years' experience in biological crop protection and NuBio brings together our European biological product portfolio to make it easier for growers to find the right biological solution using our digital platform.

From now on, biological insecticides, fungicides and bio-stimulants as well as environmentally friendly spraying programmes will carry the registered NuBio label. This means that growers can easily identify effective biological solutions at a glance.

We entered into an important collaboration with the Dutch breeding company Limgroup this year. The collaboration brings together our NuBio products with Limgroup's expertise in strawberry breeding and together we will work to increase the adoption of biological solutions on improved varieties of strawberries with the goal of producing fruit with a longer shelf-life and low chemical residues.

While Europe is a leading market for our sustainable crop protection products, we also sell a range of these products in our Asia Pacific and North American regions. We often partner with biotechnology firms, bringing our crop protection expertise to the partnership when commercialising and distributing these biological active substances.

We see exciting opportunities for combining traditional crop protection products with biologicals in innovative mixes that have the efficacy of a chemical solution with lower chemical rates.



## Product stewardship in crop protection

Through collaborating within our industry, we ensure the safe supply, use and disposal of our products.

Our customers are distributors of agricultural products and our consumers are the growers who apply our products to their fields and crops. We are committed to the stewardship of our products from the time they leave our facilities to the end of their life.

We sell our products in almost 100 countries, so we tailor our product stewardship approach to local conditions; partnering to form industry groups or working within established frameworks. Supporting products across their life cycle is a practice that has been entrenched in the crop protection industry for many years.

We work within established industry frameworks to support the training of growers in the safe use of our products. In Australia, we are a part of Agsafe, a crop protection product stewardship group which provides training in safe handling of chemicals.

To address unique product challenges in certain locations, we also develop targeted product stewardship programs such as those in the UK that support growers in the appropriate use of crop protection products for sustainable water-stewardship outcomes.

We take responsibility for our product packaging at the end of its life and participate in crop protection container collection programs such as those run by drumMUSTER in Australia, AG Container Recycling Council (ACRC) in the US, Packmittel-Rücknahme Agrar (PAMIRA) in Germany and COVADA-Adivalor in France, just to name a few. These organisations provide regional drop-off locations for growers to return their empty containers where they are collected, cleaned and recycled.

Over the years, agricultural container collection programs have successfully diverted millions of containers from landfill.

From time to time, distributors and growers have unwanted crop protection products. To ensure these are safely disposed of, we again work within locally established frameworks or partner with organisations such as Agsafe's ChemClear in Australia and Cleanfarms in Canada.

## Ethical Sourcing

Our product stewardship also extends backwards in our supply chain to the suppliers of our raw materials. Our [Global Supplier Code of Conduct](#) sets our expectation of our suppliers on business conduct, environmental performance, human rights, child and forced labour and employee health and safety.

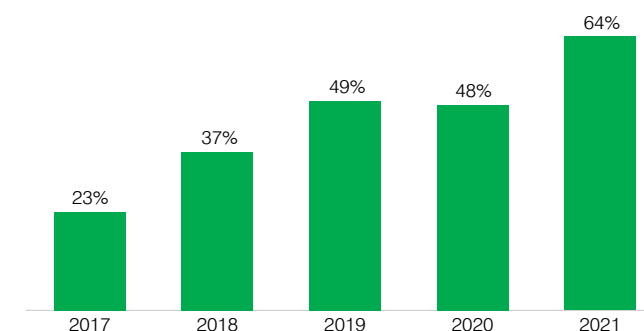
We use EcoVadis, a global leader in supplier corporate social responsibility (CSR), to independently assess the performance of our suppliers. EcoVadis scores companies on environmental, labour & human rights, ethics and sustainable procurement themes.

We are progressively assessing our suppliers in higher risk countries, such as China and India. In addition, we have a targeted audit program for lower performing suppliers where we establish mutually agreed continuous improvement plans.

This year our assessed suppliers have again outperformed EcoVadis' benchmark of 43.5 out of 100 across > 75,000 suppliers globally with an average score of 55; a 6 per cent increase on last year. EcoVadis considers suppliers with a score over 45 to be engaged in major CSR topics and therefore the CSR risks are limited.

We also expanded the number of suppliers included in our program, with 64 per cent of our total direct spending on materials included in this program.

### Suppliers in our CSR assessment program



Measured as a percentage of total direct spend in Australian dollars

### Using social networking to stay connected with our growers

Correct use of crop protection products in pastures maximises grass yield for stock food while protecting stock from poisonous plants and weeds. Our Grassmanship program in Ireland educates growers in the appropriate use of herbicides as a part of a broader integrated pest management program.

We actively promote and educate growers in best practice use of our products through partnering with Ireland's largest agricultural advisory group, Teagasc, Agriculture and Food Development Authority, at their on farm events.

This year, due to Covid-19 restrictions, we have had to adapt our approach, trading face to face visits on rolling green farms for virtual events and social networking. We look forward to getting back to working directly with our growers again next year.







## A new face in Ag-tech

Last year we announced our investment in CROP.ZONE, a German-based agtech company that has developed a hybrid-electric weed control solution, NUCROP™. NUCROP™ provides an alternative and complementary solution to chemical based weed control by using a conductive liquid and electrical voltage to control weeds and desiccate crops.

This year we strengthened our relationship by converting our investment to an equity holding and are working with CROP.ZONE to expand the range of applications and countries where the technology is available.

NUCROP is now available to growers and contractors in Germany, France, Belgium and the Netherlands through our NUCROP early adopters program. This year, we have focused on potato desiccation, but next year will expand a trial to other uses and countries.

This technology is recognised as a game changer in the potato industry, taking out two awards recently at Potato Europe's Innovation Awards.

With NUCROP, Nufarm and CROP.ZONE offer a safe and reliable crop protection alternative, helping to make agriculture more sustainable.



## Partnering for safer on farm solutions

In 2020 we joined Project EasyConnect, an industry group of like minded crop protection companies in Europe. Project EasyConnect set out to develop and pilot a Closed Transfer System (CTS), making it easier and safer for growers to handle our products.

EasyConnect combines an innovative lid and sophisticated coupler allowing contactless and efficient transfer of crop protection products to a spray tank, rinsing the container on completion. The EasyConnect coupler is now available in select European countries for piloting. The lids are at the final stages of development and will be introduced on some of our products in 2022.

As a member of the European Crop Protection Industry Association, we share that organisation's commitments to making agriculture more resilient and sustainable, including making CTS technologies available to 100 per cent of European growers and operators by 2030. The current pilot program will be progressively expanded to more countries and products to meet this goal.





## Delivering new plant-based solutions for end-use customers starts with excellent seed, service, and new opportunities for growers

Nuseed, Nufarm's wholly owned seed business, develops plant input traits with agronomic benefits that ensure we deliver top seed and service in all regions. Through our development of plant output traits, we provide growers with new opportunities to produce sustainable plant-based solutions, with specific consumer benefits, for Nuseed's end-use customers. Across the globe we are developing new value and market opportunities along with the Nuseed Value Chains to supply them.

With the world's population increasing in size and prosperity, growers around the world are being called on to produce more food while reducing the impact of agriculture on our precious ecosystems. Our products provide solutions that help growers grow more food while using fewer natural resources, including land and water.

Starting with top service and high yielding canola, carinata, sorghum, and sunflower seed for growers, Nuseed delivers VALUE BEYOND YIELD® by developing important new plant-based solutions for consumers.

These solutions include our Nuseed Carinata program with Roundtable on Sustainable Biomaterials (RSB) certified best in class carbon reductions, and our Omega-3 Canola program providing the first sustainable, land-based source of essential long-chain fatty acids.

Nuseed Carinata and Nuseed Omega-3 Canola are creating impressive sustainable solutions to global problems, however, these are not the only ecological benefits of Nuseed's crop portfolio.

**"The agriculture industry has been built from a commodity and yield mindset. At Nuseed we believe there is an exceptional opportunity to meet new global challenges."**

**Brent Zacharias, Nuseed Global Group Executive**



### Sunflower

- Nuseed sunflower hybrids have many of the characteristics of their wild relatives, such as drought tolerance and a deep root system that mines for nutrients.
- The majority of sunflowers are produced in a reduced-tillage system which prevents erosion, leaving the stalks standing and fields undisturbed over winter which also provides an excellent food source for wildlife.



### Canola

- New technologies allow growers to target pests that damage seedlings, while allowing beneficial insects to flourish.
- Direct seeding canola preserves soil organic matter content and moisture while reducing erosion.
- Canola also makes an excellent habitat for bees.



### Sorghum

- Requiring one third less water with comparable energy and nutrition, sorghum is both a more sustainable and economical corn feed ration replacement.
- Among other drought-tolerant features, sorghum has a smaller leaf to root ratio than other crops, and extensive root system, as well as a heavy wax layer on leaves/stems.
- Sorghum can often grow where soil salinity is too high for most food crops.
- It also has the potential to become a tool in land reclamation due to its hardiness and ability to improve the soil.





## Nuseed Carinata

Nuseed Carinata is an independently certified, scalable and sustainable non-food oilseed cover crop used in the production of low-carbon fuel. After the crop is harvested the oil is extracted and the co-product is used as a source of traceable non-GMO plant protein.

Nuseed Carinata addresses many sustainability challenges. It reduces emissions by replacing fossil fuels, removes atmospheric carbon, and restores soil carbon as it grows and improves soil health. Grown between main crops, Nuseed Carinata generates extra income for growers from existing farmland and rewards certified sustainable farming practices.

Aviation and other, difficult to decarbonize transport sectors, are looking for sustainably scalable fuel innovations to substantially reduce their carbon emissions.

Nuseed Carinata is independently certified by the Roundtable on Sustainable Biomaterials (RSB) and is listed by the International Civil Aviation Organization (ICAO) as having similar greenhouse gas (GHG) savings as top performing feedstocks, primarily waste and used cooking oil.



### Nuseed Carinata, enabling a sustainable future for the aviation industry

In September 2021, the US White House launched a Sustainable Aviation Fuel (SAF) Grand Challenge, targeting 3 billion gallons of SAF production by 2030 and 35 billion gallons by 2050 to reach net-zero targets. The aviation industry has set its own target of carbon neutral growth from 2020 and a 50 per cent reduction in emissions by 2050.

Nuseed Carinata can play an important role in helping the aviation industry in achieving these targets. International airlines, including Qantas and United Airlines, have already proven the drop-in, purpose-built benefits of using Nuseed Carinata as a feedstock for biofuel to reduce their greenhouse gas emissions.





## Nuseed Omega-3 Canola helps protect our marine environments

Estimates indicate over 80 per cent of people worldwide are not getting enough omega-3 through the food they eat. Wild fish stocks, the current major source, are already under intense pressure to supply the rapidly growing global demand. Nuseed Omega-3 Canola was developed to provide aquafeed and human nutrition markets with a land-based source.

Nuseed Omega-3 Canola is the culmination of 10 years work that began from a collaboration between Nuseed, the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and the Grains Research and Development Corporation (GRDC). Together we were able to add microalgae genes to canola, providing a pathway to produce important omega-3 fatty acids from a plant-based crop.

We grow our Nuseed Omega-3 Canola in the United States and process it into our proprietary oil ingredients, Aquaterra® for aquafeed and Nutriterra® for human nutrition markets. Both products are more than just alternative sources of omega-3; they are uniquely rich in omega-3 fatty acids, docosahexaenoic acid (DHA), eicosapentaenoic acid (EPA) and alpha-linolenic acid (ALA), vital for good nutrition.

Our Nuseed Omega-3 Canola is raised on sunshine and rain, making production much less resource-intensive than algal oil. By growing Omega-3 Canola, less greenhouse gasses are released than when harvesting marine resources by boat and our Excellence Through Stewardship (ETS) certification ensures the highest standards of traceability and responsible biotechnology stewardship from soil to oil.

Nuseed Nutritional is a signatory member of the [United Nations Global Compact](#), supporting the ten principles of the United Nations Global Compact on human rights, labor, environment, and anti-corruption. Nuseed Nutritional is committed to making the UN Global Compact and its principles part of the strategy, culture, and day-to-day operations, and to engaging in collaborative projects which advance the broader development goals of the United Nations.

Both Aquaterra® and Nutriterra® are making positive social, environmental and economic impacts; contributing to these goals through advanced plant genetics that preserve ocean resources, rebuild soil, improve farmer livelihoods, and nourish people.



### Sustainable Ocean Business Action Platform

First plant-based omega 3 source of long-chain omega-3 fatty acids



Canola provides habitats for more than 2,000 beneficial insects, including honeybees



1-2 hectares of Nuseed Omega-3 Canola produces as much DHA as 10,000kg of fish



Nuseed Omega-3 Canola is a new contract crop in Montana that improves soil and increases crop biodiversity





## Nuseed Omega-3 Canola for healthy habitats

Nutriterra® Total Omega-3 is the world's first sustainable plant-based source of total omega-3, available in a dietary supplement.

This ground-breaking plant technology produces readily absorbable, omega-3 fatty acids docosahexaenoic acid (DHA), eicosapentaenoic acid (EPA) and alpha-linolenic acid (ALA). Clinical trials have shown that omega-3 reduces the risk of all-cause mortality, total cardiovascular events, and cognitive deterioration associated with aging.

Nutriterra® offers a much-needed alternative to marine omega-3, bridging the gap between growing consumer demand and finite ocean resources.

During 2021, Nuseed completed a human clinical trial, confirming the safety and efficacy of Nutriterra® as a novel plant-based source of total omega-3 nutrition. In August 2021, the United States Food and Drug Administration (FDA) acknowledged Nuseed Omega-3 as a New Dietary Ingredient (NDI).

Many new ingredients enter the dietary supplement market each year without an FDA review. While the process is time-consuming and rigorous, this acknowledgment provides confidence in our commitment to safety and quality. This is especially important for Nutriterra®, as consumers gain more comfort with ingredients derived from biotechnology.

Nutriterra® Omega-3 is produced under the highest standards of traceability and responsible biotechnology stewardship. The verification process requires a detailed chain of custody records throughout the entire production, and the finished product is traceable from soil to oil.



Learn more in our [Aquaterra®](#) and [Nutriterra®](#) whitepapers.



## Aquaterra®

An innovation in feed technology, Aquaterra® Advanced Omega-3 aquaculture supplement offers a unique fatty acid profile that improves fish health and nourishes people with a dietary source of the omega-3.

In addition, the inclusion of Aquaterra® in aquaculture feed formulations decreases the amount of wild fish needed to feed farmed fish, reducing the dependence on precious marine resources.

Aquaterra® supports sustainable industry growth as it takes pressure off our oceans but, because it is grown as a rotational crop, no additional land clearing is required.



## Friend of the Sea

This year marks a new milestone for Aquaterra® and Nutriterra®. The world's first plant-based source of long-chain omega-3 fatty acids were each certified as a Friend of the Sea.

Friend of the Sea is a global certification standard established by the World Sustainability Organisation for products and services that respect and protect the marine environment. The label is the aquaculture industry's most trusted identifier of responsible seafood and omega-3 production, awarding sustainable practices in Fishers, Aquaculture, Fishmeal and Omega-3.

World Sustainability Organisation also administers the Friend of the Earth® certification for sustainable production of crops with respect to safeguarding the ecosystem, protection of wild fauna and flora, protection of soil and water resources, prohibition of the use of dangerous substances, responsible waste and energy management, social responsibility of the whole chain and legal compliance. Aquaterra® and Nutriterra® were measured against these standards to earn the Premium Plant-based designation from Friend of the Sea.





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# 4

## Health, safety and wellbeing







## Everyone goes home safely

Everyone goes home safely remains the priority ambition of Nufarm's Board, management and employees. Our strong safety culture starts with strong senior leadership. Oversight of our safety strategy and performance sits with our Board Risk and Compliance Committee and we have an Executive Risk and Health, Safety and Environment Committee which provides additional governance and supports the Board Committee.

This year both leadership committees led by example, participating in Process Safety Management training that focused on the key role of leadership in ongoing safe and effective operation of Major Hazard Facilities.

We engage and train our people, furnishing them with the tools and knowledge they need to keep

themselves and their colleagues safe at all times. Over the year we have provided our people and contractors with over 35,000 hours of safety training.

We want our people to feel empowered and committed about safety; empowered to know how to do their job safely and being able to call out anything they think is unsafe without repercussion and committed to putting safety first always; before everything they do and regardless of whether it is at work or home.

We regularly check-in with our people through our company-wide employee survey, Nufarm Voice. This year eighty-seven percent of our people consistently rated our safety climate as positive. This is a very encouraging result and good indicator of our maturing safety culture.



## Making time for mental health

The health and safety of our people is the number one priority at Nufarm. To us, safety is all encompassing. It means the physical, emotional and mental safety of our people. The last 18 months living and working through the Covid-19 pandemic has presented challenges that many have not had to face before.

In our efforts to holistically support our people through these challenges and provide them with the support and tools they need, we held Nufarm's first global Mental Health Awareness week in early October.

We often do not recognise that mental health is just as important as physical health, and this week-long campaign was a way to increase awareness and ensure that our people took the time they needed to focus on their own mental health. Our employees across all of our locations around the world were able to attend mental health and wellbeing webinars, listen to podcasts and guest speakers, participate in guided discussion groups, exercise and relaxation classes.

More than a dozen webinars and panel discussions were held around the world on topics such as movement, mental health, nutrition, resilience, and mindfulness. This extensive week-long schedule enabled most of our people to attend at least one session of their choosing. Many opting to attend two or more with some sessions even being replayed in the weeks that followed due to demand. We also held a global safety stand down during the week, where all employees across our business stopped work for up to an hour to develop self-care plans, have wellness discussions or participate in mindfulness activities.

Our CEO and leadership team each recorded personal messages about the importance of mental health and this endorsement, along with a daily email message, helped to demonstrate to our people that Nufarm is genuinely committed to their health, safety and wellbeing.

We continue to provide our people with ongoing emotional and mental health support through confidential employee assistance providers at each of our locations as well as a dedicated intranet site with access to further reading and resources. We want to ensure that our people know they are supported and where to go for help if they need it.

This week-long campaign was fully embraced right across the business and successfully demonstrated a united, One Nufarm approach. Work has already commenced on our 2022 campaign.



## The journey towards zero injuries is never a straight line

Last year we achieved our best-ever safety performance, however this year we saw some deterioration in our company-wide safety performance. We measure our safety performance with our Serious Injury Frequency Rate (SIFR), Nufarm's headline safety key performance indicator. This comprises both Lost Time Injuries and Medical Treatment Injuries per million hours worked, and includes both employees and contractors.

We are encouraged by what our people are achieving and the maturing safety culture, which has seen our people remain focused on injury prevention during a time where Covid-19 has caused significant disruption to their normal daily routines.

We continue to prioritise the health and safety of our people while ensuring we deploy Covid-19 safe work practices in line with government directives and business best practice. Our employees are understandably fatigued by the Covid-19 induced changing working conditions and community restrictions. We are very conscious that such distractions can increase the risk of incidents and work hard to continually reinforce safe work practices in this challenging environment.

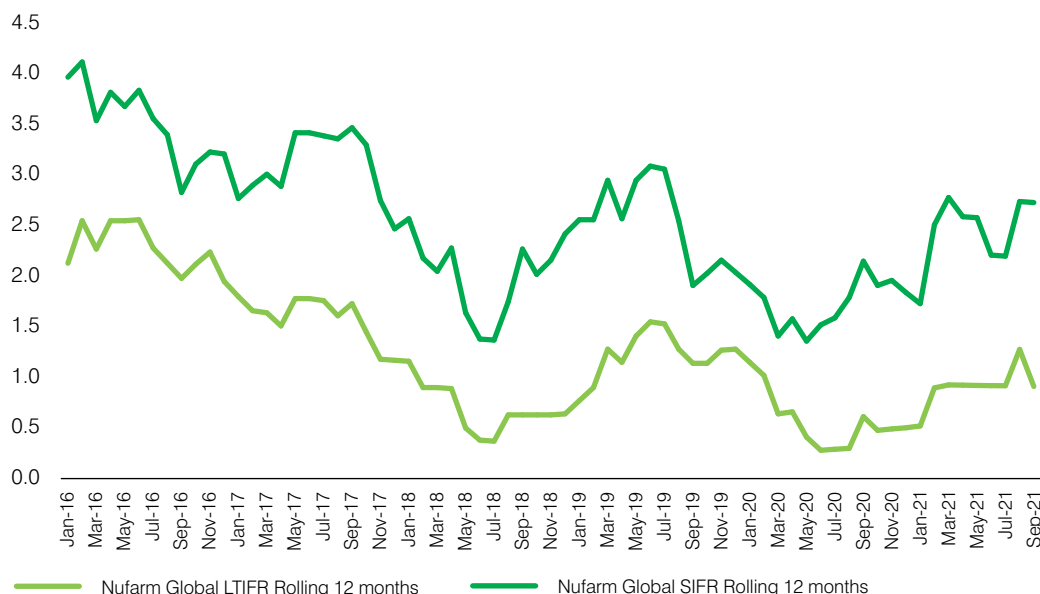
We have directed our efforts into adopting best practice virus transmission prevention protocols to ensure our people remained safe and healthy while they kept Nufarm operating, whether it was working on our manufacturing sites, in the field, or from their homes. We are committed to putting safety at the front of everything we do, and this is especially important during such unprecedented times.

Against this backdrop, several of our manufacturing sites have again delivered on our aspirations of Everyone Goes Home Safely through reaching new injury free milestones. Our sites Alsip in North America, Port Klang in Malaysia, Merak in Indonesia and one of our North Laverton sites in Australia, all achieved this goal under challenging operating conditions.

Unfortunately, other sites which had previously achieved significant injury free milestones, have had injuries this year. While there have been a number of contributing factors, despite our best efforts, we believe that Covid-19 fatigue has contributed to the increase in the Lost Time Injury Frequency Rate (LTIFR).

This is not how we hoped to end the year. Recognising that this is a challenging time for many of our people, we have held discussions with staff across our business focusing on the impacts Covid-19 may be having on individuals and teams and steps and resources available to assist in dealing with these.

**Nufarm Global Serious Injury Frequency Rate (SIFR) and Lost Time Injury Frequency Rate (LTIFR) – rolling 12 month averages (per million hours worked)**



Our SIFR includes Lost Time Injuries (LTIs) and Medical Treatment Injuries (MTIs).





## Building best practice safety systems

While our safety performance has had a set back this year, the journey to zero continues as do our efforts to ensure we have robust safety frameworks in place.

Our safety management system (SMS) is comprised of our corporate health, safety and environment (HSE) policy, standards, procedures along with site-specific procedures. The SMS outlines how we identify risks, then apply and assure controls. It empowers our people to stop work if they feel it is unsafe and seeks to embed a positive culture of reporting safety risks.

Our process safety management (PSM) program sets the foundation for safety at our manufacturing sites. Launched in 2017, it provides a systematic and best practice approach to identify and control hazards at manufacturing sites where a loss of containment could impact employees, the environment or local communities.

The program addresses critical risk control factors such as facility design and construction, hazard identification, assessment and control, operations process safety, hazardous materials management, asset integrity and reliability, management of change, competence and training and emergency planning and response.

The safety standards and controls we put in place apply to all of employees and contractors equally. When working on our sites, contractors are our people too.

We carry out corporate audits of our manufacturing sites to ensure the required procedures are in place and remain effective. While we endeavour to audit each site every two years, travel restrictions due to Covid-19 have made this task very challenging this year and we are instead working to engage local third party auditors.

### Engaging our people on safety

Engaging our people in developing safety solutions is an important part of embedding safe work practices.

At our site in Alsip, North America, our local HSE team partnered up with packaging line operators and the maintenance engineers to reduce the risk of harm to our operators from moving conveyor lines, motors and chains.

The team applied the Four Disciplines of Execution (4DX) model and set themselves a target of a 15 per cent safety risk reduction. Through observation and engagement, each potential hazard was identified and risk assessed. The highest risks were prioritised and line operators involved in designing the solution and through doing so, a high risk work zone was reduced to a low risk one.

Using simple processes such as these and engaging our people in the solutions helps give them the confidence and knowledge to seek out other safety improvements in their work area.



“We are proud of the significant achievement made by our two sites in North Laverton, Australia this year. Both were issued with 5-year unconditional Major Hazard Facility licences by the government regulator, WorkSafe. This is the highest level of authorisation to operate available and it reflects the high standard and sustainable deployment of Nufarm’s PSM program and culture at these sites.”

Gerard Kennedy, Global Sustainability Manager





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## Reducing our environmental footprint







## Responding to climate change

As a supplier of essential inputs to the agricultural industry, we are well used to weather impacts on the industry. However, the challenges the industry is expected to face from climate change are more extreme and unpredictable than seen in the past and require a response from the entire agricultural supply chain.

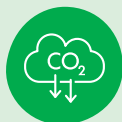
At Nufarm we believe we can make a positive contribution to combat climate change and its impacts through reducing carbon emissions from our operations and developing products that either help growers reduce their emissions or adapt to climate change.

This year we established a Board approved [Climate Change Policy](#) which sets the framework for our response to climate change, and we have also taken steps to meet the commitments made in this policy. We set a target of a 30 per cent reduction in our scope 1 and 2 greenhouse gas emissions from our manufacturing sites by 2030 which we intend to deliver from renewable electricity, local solar and energy efficiency projects. This will be measured from our 2020 emissions footprint.

Our Board and Executive team are committed to improving our disclosure of climate change impacts and risks and have formalised this commitment by becoming a Task Force on Climate Related Financial Disclosures (TCFD) supporter. Our [2021 Annual Report](#) contains a high-level disclosure of our physical and transitional risks as a result of climate change, along with our risk management approach. We intend to align our reporting to the TCFD framework next year.

Crop protection has a vital role to play in climate change adaptation, supporting no-till conservation farming and the environmental and carbon benefits that ensue from this practice. With the planned expansion of our Nuseed Carinata business, we will be able to make this best-in-class greenhouse gas reduction solution available to more growers around the world.

Our Climate Change Policy is overseen by our Board Risk and Compliance Committee and progress to deliver on these commitments will be disclosed in our annual sustainability reporting.



**Our carbon target:**  
**A 30 per cent reduction in scope 1 and 2 greenhouse gas emissions by 2030**

## Our energy and carbon emissions

We generate greenhouse gas emissions from the use of electricity and gas for heating at our manufacturing facilities. Our synthesis activities are our most energy intensive, occurring at Wyke in the UK, Linz in Austria and North Laverton in Australia. During the year we ceased 2,4-dichlorophenoxyacetic acid (2,4-D) synthesis at our site in Linz, which led to a reduction in energy consumption at that site.

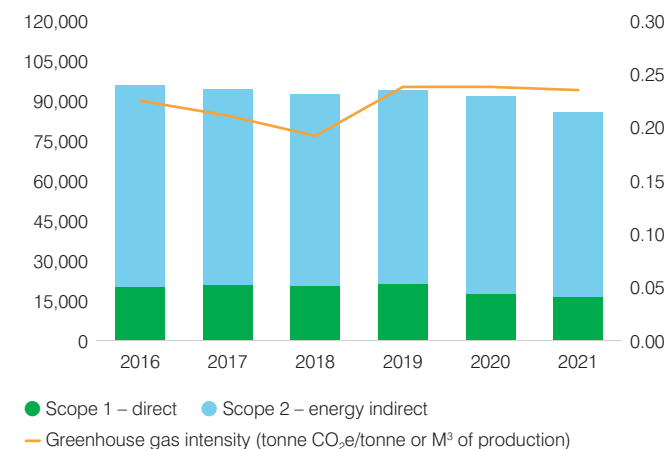
We have taken energy efficiency into consideration when designing our sites. Our site in Austria uses 100 per cent renewable electricity and makes use of waste steam, a by-product from neighbouring chemical processes, for its heating needs.

Our site in the UK operates a gas fired combined heat and power plant (CHP), which is a very efficient means of generating both steam and electricity. We completed significant upgrades to a compressor and cooling tower this year, saving 1,800 GJ of energy.

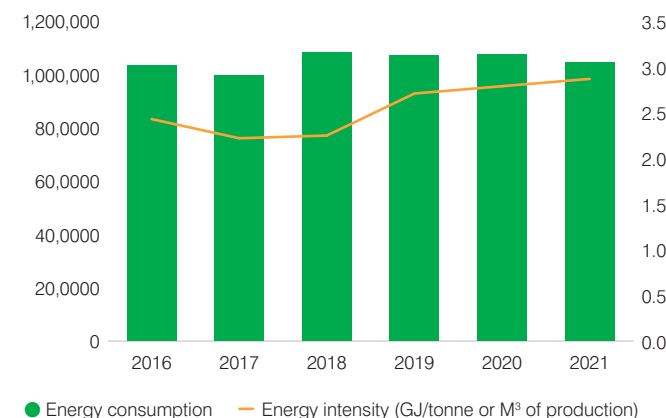
We completed third party energy audits at our sites in Chicago this year, identifying some energy efficiency and roof top solar improvements which we anticipate will contribute to achieving our emissions reduction target.

Our scope 1 and 2 emissions fell this year by over 6 per cent when compared with 2020. Almost a third of this due to a footprint reduction that came with the sale of our Latin American business in 2020. The balance is mainly attributed to lower emission electricity in Australia and also an extended maintenance shut-down at our North Laverton synthesis site.

## Greenhouse gas emissions (tonne CO<sub>2</sub>e)



## Energy consumption (GJ)





## Best practice environmental management

We work to positively contribute to our environment through ensuring we have rigorous environmental management systems in place at our manufacturing sites and proactively taking steps to reduce our environmental footprint.

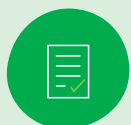
Our European and Asian sites have best practice ISO14001 certified environmental management systems in place. This year we have reaffirmed our commitment to achieving ISO14001 certification at all\* of our manufacturing sites by 2025, setting a target to achieve certification at our two Australian and three North American sites.

We launched a global project in 2017 to strengthen our environmental management systems, implementing over 1,000 actions across our sites. Covid-19 restrictions on non-Nufarm employees has challenged progress in closing out these actions since the pandemic began, however we are pleased to be almost complete with only 2 per cent of actions remaining (2019: 88 per cent). This work has built a solid foundation on which ISO14001 certification is the next step in our continuous environmental improvement journey.

We take a risk based approach to environmental management, identifying our environmental aspects and impacts and implementing control measures proportional to the risks.

To give ourselves assurance in the effectiveness of our environmental controls, we conduct internal corporate environmental audits of our manufacturing sites to ensure the sites meet our corporate HSE policy, standards and procedures. Our sites also have their own internal audit programs to ensure they meet internal and external regulatory requirements.

The key aspects of our manufacturing environmental footprint are energy, greenhouse gas emissions, waste, air emissions, effluent and water.



**Our management systems target:**  
**ISO14001 certification at all manufacturing sites by 2025**

\* Excluding our small formulation site in Egypt.

## Waste (tonne)



## Our Waste

To ensure our product meets our high standards, we have strict quality procedures in place for cleaning plant and equipment. Much of the waste we generate is wash water from these processes. Even at low chemical concentrations, our waste is often classified as hazardous.

The closure of one of our Australian sites and of 2,4-D production at our site in Linz, Austria this year, saw an increase in waste at these locations, however the closure of these plants will help us to lower our waste footprint in the future, as occurred this year with reduction in our waste footprint flowing on from the sale of our LATAM business in 2020.

Our site in Linz, Austria developed and piloted a process this year to allow the reuse of an Ammonium Sulphate solution; a by-product of copper fungicide production. While the material has other uses, due to its low grade, the site has been unable to find someone willing to process it. Instead we have been forced to dispose of the material. A full-scale process plant will be constructed next year, redirecting nearly 8,000 tonnes of the material to reuse as a fertiliser input.



**Our waste target:**  
**A 20 per cent reduction in hazardous waste by 2025**

## Reducing our waste footprint

This year we committed to a waste target to reduce our hazardous waste by 20 per cent by 2025 focusing on our site in Chicago, North America where we will develop a waste water treatment facility to treat waste generated from cleaning vessels between production campaigns.

Our ambition is to remove all chemicals from the water, allowing it to be reused within our manufacturing processes. To ensure the water is chemical free requires the use of leading-edge technology. Despite Covid-19 challenges, our team in the US is committed to reducing our environmental footprint and have been busy piloting options this year.

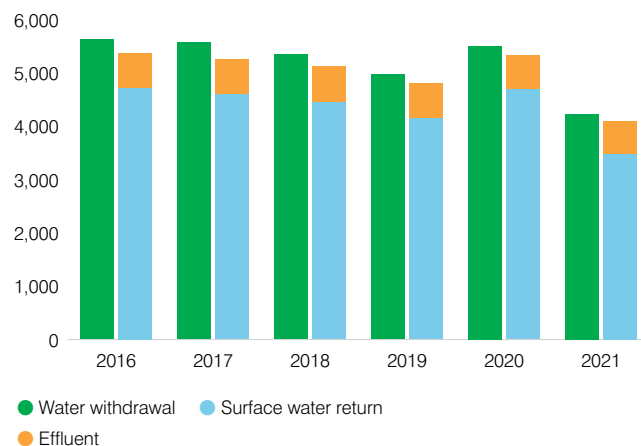
We are optimistic we will find a solution that will allow us to divert a significant quantity of waste from incineration and contribute to a circular economy through the reusing the water in manufacturing.







### Water withdrawal and return (ML)



We use water in our product, to clean our vessels, and for steam. The most significant use of water, is single use cooling water at our site in Linz, Austria. Water is taken from the Danube river, passed through cooling systems and returned uncontaminated to the river. With the closure of our 2,4-D synthesis operations at Linz during the year, we have reduced our water withdrawal by 23 per cent as well as our effluent by 4 per cent and returned surface water by almost 26 per cent. We anticipate a further reduction next year, when the full footprint reduction is realised.

Only our synthesis sites produce effluent, which is treated on site and discharged to third party facilities for further treatment. Our Wyke, UK site is developing a biological treatment plant as an alternative to transporting their waste water to a third party for additional treatment.

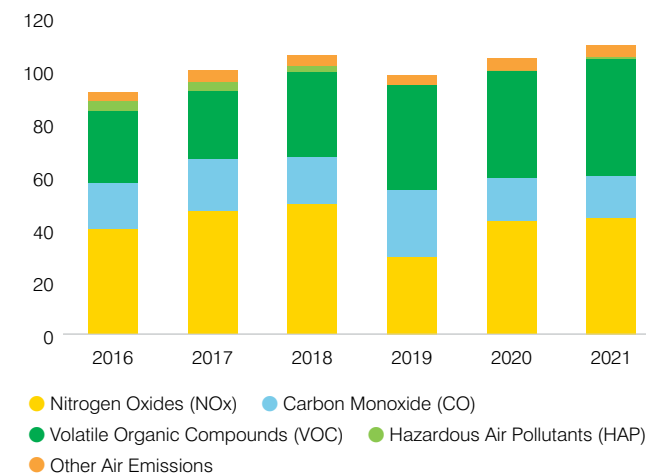
### Air emissions

We emit combustion and some process emissions to air. While we use scrubbers and incinerators to eliminate most process emissions, we can see opportunities to do more.

This year we have set ourselves a target to reduce our volatile organic compound (VOC) emissions by 25 per cent by 2025 by targeting our largest emitting site, Linz, in Austria. We commenced a pilot of a potential incineration technology this year and are also investigating other solutions to help us achieve this goal.



### Air emissions (tonne)



**Our air emissions target:**  
A 25 per cent reduction in volatile organic compound emissions to air by 2025



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## Empowering our people







## Creating strength through inclusion and diversity

Nufarm promotes a culture of inclusion, diversity and equity, fostering workplaces free from discriminatory activities and practices. We work towards providing an inclusive work environment where individuals are valued for their diversity, can bring their whole self to work and be empowered to reach their full potential.

We believe that diversity fuels innovative thinking, decision making and contributes to the richness of Nufarm. We are stronger when our plans and operations reflect the thinking of all our people, representing a broad range of backgrounds, cultures, and experience. We strive for a high performing culture where our diversity strengthens our ability to service customers and contribute to our communities.

We strive for a workforce that reflects the diversity of our global operations. Our people originate from no less than 63 different countries, speak 37 different languages and at least 15 different cultural backgrounds are represented in our executive and senior management team.

We apply our values to each other, in the recruitment and compensation of our people, in training and development opportunities and in all our dealings with our business partners. Nufarm takes all reasonable measures to ensure equal opportunities for all employees and that we provide a work environment free from discrimination, harassment, sexual workplace bullying, victimisation and vilification.

This year we continued to deliver on our 2018-2021 Inclusion and Diversity strategy and focus areas with oversight and leadership from our executive I&D steering committee. Our goal is to embed inclusion and diversity in the way we conduct our business, wherever we operate around the world. Some of our activities this year include:

- Responding to Covid-19 challenges with flexible and inclusive policies and programs, such as wellness check-ins, flexible working arrangements, and employee assistance programs to maintain high levels of employee satisfaction.
- Establishing, and in some regions, re-establishing, inclusion and diversity councils.
- Focusing on attracting female talent.

- Continuing to educate the business through unconscious bias training and mentoring programs.
- Celebrating diversity across the globe with International Women's Day, Black History Month in North America and European Diversity Week.

## Women at Nufarm

We strive to address the barriers to equality, taking actions to create an inclusive culture and a level playing field and by doing so, empower our staff to actively progress gender diversity.

This year, women represented 26 per cent of our workforce, an increase from 25 per cent last year, but we want to move faster to address this divide. To further our ambitions, we have committed to a revised gender diversity target of no less than 35 per cent of either gender making up our workforce by 2025.

We're working toward this with initiatives that include reviewing how we attract, recruit and promote women to the organisation or from within our own talent pool. In 2021 56 per cent of the appointments to executive and senior management positions were women while women made up 30 per cent (2020: 29 per cent) of all new hires.

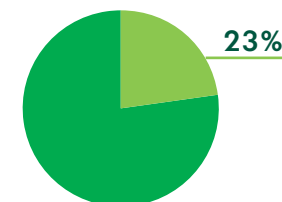
We will continue to report progress on these programs and our gender target through our Corporate Governance Statement, Sustainability Review and [GRI Content and Index](#).



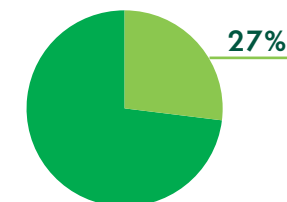
**Our gender target:**  
No less than **35 per cent** of either gender by 2025

## A snapshot of our workforce

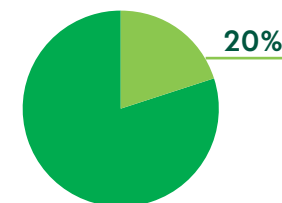
**Asia Pacific**  
1,168 employees



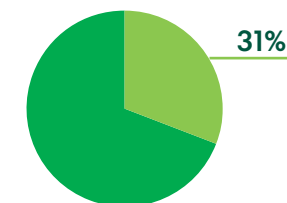
**Europe**  
982 employees



**Latin America**  
99 employees



**North America**  
428 employees



● Women ● Men

2,678 full-time equivalent employees as at 30 September, 2021



## Unearthing the possibilities at Nufarm

Our customers' evolving and changing needs inspire us to stay agile and continually develop the skills and knowledge of our people.

We encourage employees to "own your own growth" and support them with our, "Grow, Plan, Succeed" program, that aligns their priorities and career development goals with customers' needs and our business objectives.

### Our employee value proposition

In 2020 we challenged ourselves to better define the value we provide for employees and explore what is unique about being part of the Nufarm family. The outcome was our new employee value proposition – unearth the possibilities – which supports how we attract, retain and develop our people.



#### Come as you are

We trust and respect one another and celebrate our differences. Feel empowered to be who you are and unlock your potential.



#### Own your own growth

We encourage employees to take advantage of opportunities where together we can all make difference.



#### Stay curious

We want our people to explore new ideas, get creative and be heard.

## Sustainability in action – Chicago Heights renovation

A renovation project at our Chicago Heights site in North America created a much-needed break and meeting area at the plant facility. The restoration took place in a historic portion of the property, once a carriage factory and then later a brewery owned by Al Capone.

Our local project engineering manager led an enthusiastic team who went to great lengths to use as many reclaimed materials as possible to complete the renovation.

The team used three second hand basketball courts for the wood flooring, dining booths from the Horseshoe Casino, couches and chairs from unused event rental stock, light fittings from Sears, reclaimed bricks and barn wood, antique King Cole Brewery doors, and special touches like transforming the steel ladder that was mounted on the building into a side table.

The results of their hard work is a great place for our people to work and relax. We hope the new space will help attract and retain employees at Chicago Heights and also provide an excellent meeting space for training, special events and customer visits.



## NuLead – Nufarm's leadership framework

At Nufarm we believe continuous improvement and agility are key to meeting the changing needs of both our people and our customers. Engaging with people is a fundamental requirement of a Nufarm leader – it's about creating a safe environment to contribute ideas, continuously learn, and feel empowered to make a difference.

Our NuLead Principles of Create Clarity, Generate Growth, Inspire Others and Deliver Results set clear expectations of our leaders at Nufarm.

### Create Clarity

Helping others to understand how their role contributes to the Nufarm strategy with clear communication and a genuine passion for achieving our goals.

### Generate Growth

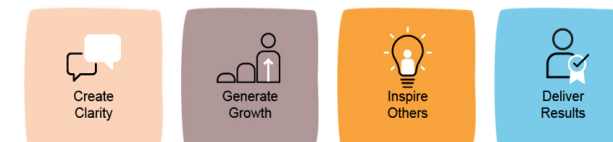
By looking ahead to future possibilities and making decisions that move us forward especially when times are tough. Be enthusiastic about learning opportunities and empower others to own their growth at Nufarm.

### Inspire Others

Encourage others to be their best and leverage our diversity as an asset. Always look for innovative solutions to business challenges.

### Deliver Results

By prioritising and being agile in your decision making. Put the customer experience at the heart of your business choices. Hold yourself and others accountable to achieve results both within the business and with our partners.

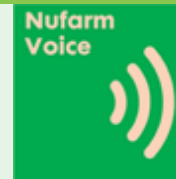






### Listening to our people

This year we introduced a new Employee Survey platform, “Nufarm Voice”, this is our continuous employee listening strategy.



Nufarm Voice empowers managers to more effectively use anonymous employee feedback to fuel meaningful and timely conversations that contribute to positive change.

We run the survey every four months, this continuous listening technique uses shorter and more frequent surveys, allowing us to fine tune our approach and measure the impact in real time.

While the survey is not compulsory, it is gaining positive momentum and we are very encouraged by the level of engagement we have had from our people all across Nufarm. In our most recent survey we achieved an 80 per cent participation rate. We have also seen an improvement in overall employee satisfaction to 77 out of 100. Our goal is to reach 85 and then maintain it.

Nufarm Voice is a tool that allows us to continually listen to our people on the things that matter the most to them and our managers are empowered to put plans in place to respond to the survey results.

Nufarm Voice is helping to “voice” the ideas, experiences and knowledge of all our people, to build a better Nufarm.

“The Nufarm Voice survey is an incredible tool for leaders to check in with their teams and listen to their input, questions and concerns. It is unique to the ag industry and enables us to continuously improve using our most valuable resource – our people.”

Rico Christensen, Group Executive – Portfolio Solutions





1. Our year at a glance

2. Our business

3. Supporting sustainable agriculture

4. Health, safety and wellbeing

5. Reducing our environmental footprint

6. Empowering our people

7. Conducting our business with integrity



7

## Conducting our business with integrity







## Governance framework

Our governance framework, and adherence to that framework, are fundamental in demonstrating accountability to stakeholders and promoting a culture of ethical, lawful and responsible behaviour.

Nufarm is committed to ensuring that its policies and practices reflect a high standard of corporate governance. The Board considers Nufarm's governance framework and adherence to that framework fundamental in demonstrating that the Directors are accountable to shareholders, are appropriately overseeing the management of risk, and promoting a culture of ethical, lawful and responsible behaviour within Nufarm.

To assist Nufarm's Board in carrying out its responsibilities, the Board is supported by the:

- Audit Committee;
- Nomination Committee;
- Human Resources Committee;
- Risk and Compliance Committee; and
- Innovation Committee.

During the year, the Board reviewed the Board Charter and Committee structure to ensure they remain appropriate for Nufarm. This resulted in the establishment of the Innovation Committee, the formalisation of the Risk and Compliance Committee's role in overseeing Environment Social and Governance matters and the responsibility of the overall corporate governance practices of the Company being allocated to the Board.

Each of the Committees has a Charter which sets out the membership structure, roles and responsibilities and meeting procedures for each. Generally, these Committees review matters on behalf of the Board.

Details on each of the Committee's key activities are outlined in the Corporate Governance Statement on our corporate website.

## Board renewal

Board renewal is important to ensure that Nufarm has the right mix of tenure, skills, experience, knowledge and diversity to oversee the Group.

During the year, Anne Brennan retired from the Board with Lynne Saint and Dr David Jones being appointed as independent Non-executive Directors in December 2020 and June 2021 respectively. In addition, Frank Ford advised of his intention to retire from the Board at the conclusion of the 2021 Annual General Meeting.

The percentage of female Non-executive Directors is 25 per cent, a decrease compared to 29 per cent as at 30 September 2020, however steady compared to the prior full 12 month reporting period ending 31 July 2020. The decrease is due to the addition of a new Non-executive Director in 2021.

At Nufarm, we recognise that new directors bring fresh thinking and new ideas which greatly add to existing corporate knowledge and expertise. Full details of our Board and their skills can be found in pages 51 to 52 of our [2021 Annual Report](#).

## Refreshing our corporate policies

We progressively refresh key elements of our governance framework, keeping our corporate policies abreast of current external expectations and requirements.

This year we reviewed our [Human Rights Policy](#) which reflects our commitment to protecting human rights in our business and supply chain. This is supported by our Code of Conduct, which we relaunched early November 2020. The Code outlines the behaviours expected of our people and people who work on behalf of Nufarm.

In July 2021, we established a [Climate Change Policy](#), which sets the framework for our response to the opportunities and risks that climate change is anticipated to bring to the agricultural industry.

Nufarm is committed to conducting business with high ethical standards and in full compliance with the law, including all anti-bribery, anti-corruption and other related laws in all countries which Nufarm operates. Nufarm's [Anti-Bribery and Anti-Corruption Policy](#) was adopted by the Board in October 2020 and describes the mandatory requirements for Nufarm group companies, employees, contractors and other relevant parties to ensure that the risk of corruption and bribery is managed within Nufarm.





## Our risk management framework

Our Board is responsible for overseeing Nufarm's risk management framework and has delegated responsibility of the ongoing risk management program, procedures, auditing and adequacy and effectiveness of the enterprise risk management to the Risk and Compliance Committee.

Last year we established an Executive Risk, Health, Safety and Environment Committee to assist with overseeing, directing and supporting the implementation and operation of the risk management framework and internal compliance and control system across the Company.

During the year, the risk management framework and policies and procedures were reviewed and updated to align to the concepts and principles identified in the Australia/New Zealand standard on Risk Management (AS/NZ ISO 31000:2018).

This framework is used for identifying and assessing contemporary and emerging financial and non-financial risk; such as cyber-security, Covid-19 impacts, privacy and data breaches, increased geo-political risk and climate change.

Our [2021 Annual Report](#) identifies relevant sustainability risks to our business and our risk management approach. These include: impact on our product strategy from a changing regulatory environment, climate change, weather volatility, loss of key personnel, safety incidents, environmental damage and non-compliance.

Further information on our risk management framework can be found on page 48, and recognised risks on pages 26 to 29, of our [2021 Annual Report](#).

## Modern slavery

We prepare a Modern Slavery Statement under the Australian and UK Modern Slavery Acts and take action to identify and minimise the risk of modern slavery in our supply chain and operations.

Our focus has primarily been on the largest component of our procurement spend in countries that are at higher risk of modern slavery practices. Vendors in these countries are subject to third party corporate social responsibility (CSR) assessments by our partner Ecovadis. These assessments consider a number of human rights factors, including child and forced labour.

We are also strengthening our internal assessment, training and employment policies to minimise the risk of modern slavery within our operations.

Oversight of our modern slavery risks and response lies with our Board Risk and Compliance Committee. We have governance frameworks in place through our [Human Rights Policy](#), [Whistleblower Policy](#), [Global Supplier Code of Conduct](#) and [Integrity Helpline](#).

Further details can be found in our Modern Slavery Statement. We publish this in March, six months after the end of the financial year, our latest statement is our [2020 Modern Slavery Statement](#).





Delivering more  
sustainable solutions  
over more acres  
every year

