

Group Risk Policy

Nufarm Limited (Company or Nufarm)
ACN 091 323 312

Adopted by the Board with effect from 27 September 2023.

Group Risk Policy

1. Introduction

We face risk every day in all aspects of our lives. Navigating the risk landscape and thinking about things that may happen helps us to put measures in place to protect ourselves as well as take risks to grow and achieve our goals and ambitions. This is the same for any organisation, like Nufarm, that needs to protect its shareholder value but also take risks to grow its value.

The purpose of the Nufarm Group Risk policy ('the Policy') is to articulate the minimum expectations that the Nufarm Group (including Nuseed) has of its employees regarding how they manage risks. This Policy should be applied in substance over form and its spirit and intention will be referenced when applying it and enforcing it.

1.1. Who does this policy apply to

This policy applies to:

- All Nufarm Group companies (including Nuseed), referred to as 'the Group' from this point forward; and
- All officers, employees, their relatives, interns, contractors, consultants and third-party service providers of the Group.

2. Our Commitment

We are committed to the identification and comprehensive management of risk within the boundaries of our risk appetite. We aim to achieve a culture that seeks to actively manage risk. By integrating risk management practices into strategy setting, corporate planning and decision-making, we take intelligent and informed action in the pursuit of our strategy objectives and value creation. Our approach is based on the principles embodied in *ISO31000:2018 Risk Management – Guidelines* and the *ASX Corporate Governance Council Principle 7: Recognise and manage risk*.

3. Policy Statements

3.1. Common approach to the management of risk

Our common framework for risk management aligns strategy, processes, people, technology and knowledge for the purpose of identifying, analysing, managing and monitoring the challenges and opportunities we face in delivering our strategic objectives. We use the following broad categories to set risk appetite and assess risk:

- Customer outcome (Markets, Customers and Product)
- Health, Safety & Environment
- Financial
- Operational continuity
- Compliance / Regulatory
- Stakeholder / Reputation

The Nufarm Board and Executive Risk & Compliance Committee set this framework and all staff of the Group commit to consistently applying the framework.

3.2. Balance risk and reward in alignment with the Group's risk appetite

To achieve the expectations of our shareholders and ensure the longevity and sustainability of our organisation, the Group must pursue opportunities that involve some degree of risk. We give full and due consideration to the balance of risk and reward, as far as practicable, to optimise the rewards gained from our business activities whilst protecting the Group from adverse impacts.

Our Risk Appetite statement sets the fundamental principles that govern the way we will execute our strategy and the acceptable level of risk. Understanding risk, and our appetite for particular types of risk, is a key consideration in our decision making.

3.3. Manage risk close to the source

Decisions on whether or how to manage a risk are made as close as possible to the source of risk and are aligned to the Group's risk appetite. Leaders are empowered to own and manage risks directly within their decision-making authority.

3.4. Timely escalation where decision/action support is needed

There are times when a risk owner may not be in a position to effectively manage risks assigned to them. We escalate these risks, with as much information as possible, in a timely manner to the next level of management in the Group's organisational hierarchy. We continue to take responsibility for this action until the new risk owner has formally accepted ownership.

3.5. Regular challenge and review of our risks and mitigation strategies

We value diverse thinking and achieving the best outcomes for the Group, therefore, we are open to respectful challenge of our risk assessments and risk mitigation decisions. Governance and monitoring over risk profiles is formalised through Regional Leadership Teams and the Executive Risk & Compliance Committee and the Board (via the Board Audit and Risk Committee).

We recognise that the landscape within which our organisation operates is constantly changing and evolving and therefore we regularly review our risk assessment and mitigation decisions to ensure we are focusing our resources in the areas of most significant potential impact.

4. Breaches of this policy

Breaches of this Policy will be regarded by the Group as serious and may be subject to appropriate disciplinary action.

5. Review of this policy

The Policy will be reviewed annually by the Group Risk, Assurance & Compliance team. Any proposed changes will be recommended by the Executive Risk & Compliance Committee for approval by the Nufarm Board (via the Board Audit and Risk Committee).

6. Related documents

Nufarm Code of Conduct

Nufarm Group Risk Appetite Statement

Nufarm Group Risk Management Framework