



HEALTH, SAFETY & ENVIRONMENT REPORT 2007

Kwinana Ag Chem, Australia

Kwinana Ag Chem in Western Australia manufactures agricultural chemicals.

The plant

The site has a history of chemical manufacturing operations. Since Nufarm acquired the site and plant in 1985 the Company has invested millions of dollars in environmental improvements. The plant manufactures diuron, trifluralin, phenoxy acid compounds and other crop protection herbicides.

Nufarm inherited the site at a time when it did not meet Nufarm's high standards of environmental management. We have therefore addressed and implemented ongoing improvement programs. This responsible approach has significantly improved the site since the acquisition.

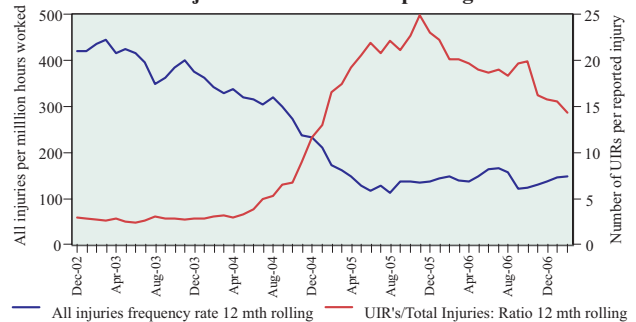
Health and Safety Performance

Nufarm takes a strategic, multi faceted approach to safety performance. Comprehensive training across a range of safety aspects continued in 2006 including BA, search and rescue, OHS, first aid, chemical label safety, standard operating procedures and specific hazardous areas. Behavioural change by employees was supported by the introduction of the 'Take 5' program in addition to other safety programs. 'Take 5' encourages all workers to pause, identify and control potential hazards before proceeding and actioning tasks. A new OH&S course was also introduced that focuses on effective communication of safety issues. It encourages all employees to communicate safety concerns across all levels of the organisation.

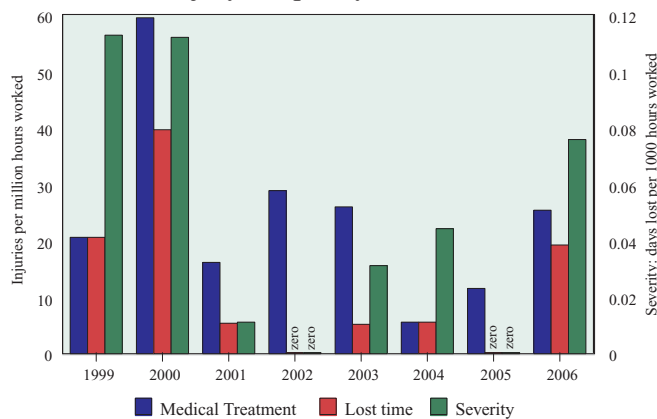
The total injury frequency rate has shown a disappointing increase in 2006 against a zero figure for 2005 i.e. three lost time injuries and one medical treatment injury occurred. Although the injuries were of low severity, that is 3 strains and one allergy, Nufarm still regards this increase as unacceptable, given this site's zero injury objectives.



Injuries and incident reporting



Injury Frequency Rates



Note: All lost time injuries are also counted as medical treatment injuries

Nufarm has a process of monitoring various key performance indicators (KPIs) for this site. The data from this monitoring is used to drive positive change, especially when it comes to reducing the incidence of injury and improving safety.

This site holds bi-monthly occupational health and safety meetings to review site safety performance that is a driver for achieving the best site safety practices. KPI monitoring includes the reporting of injuries (IRs) and unusual incidents (UIRs). One aspect of this review is to drill down and look for trends, in particular 'observed risk'. UIRs are observations of risky situations, but ones that have (not yet) led to an actual incident or injury.

This enables the development of programs to bring about positive changes.

We believe that capturing this information will limit the potential for injuries to occur. This is reflected in the graph in the next column, which has shown over the last few years that, as incident (UIR) reporting has increased, the number of injuries has decreased.

Environmental Performance

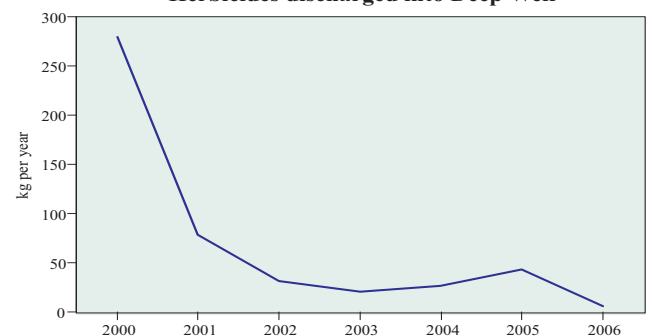
Kwinana operations meet all State Government licence requirements for discharges. All operational areas are bunded and have impervious bases. A highly saline waste stream, containing small amounts of readily biodegradable herbicides, is discharged via deep well injection (DWI) into a confined shale band 1.4km below ground. A search for alternative disposal methods continues and periodical updates are supplied to the Department of Environment and Conservation. Because of the efficient processes in place on this site, little process waste is generated, apart from the saline waste to DWI. Many formulations are now in total recycle generating zero waste. Effluent from vessel washing, contaminated with herbicides, is collected and recycled. Nufarm continues to work towards cleaner production and reduction in waste.

One odour complaint was received from one of our industrial neighbours during 2006.

The Kwinana site is a fully bunded site. Secondary facilities are in place to ensure that any inadvertent spillage of product would be immediately contained should this occur.

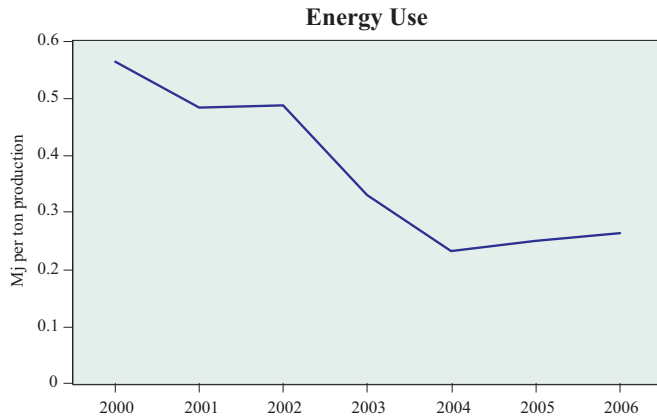
A water treatment plant on site effectively enables the collection and treatment of stormwater falling on the site. After treatment the treated water is discharged and meets all regulatory requirements.

Herbicides discharged into Deep Well



Energy Resources

The site uses a moderate amount of energy from a number of sources, including natural and LPG gas, electricity and diesel. We continue to seek improvements in energy efficiency and reduction in greenhouse gases.



Waste minimisation & packaging waste

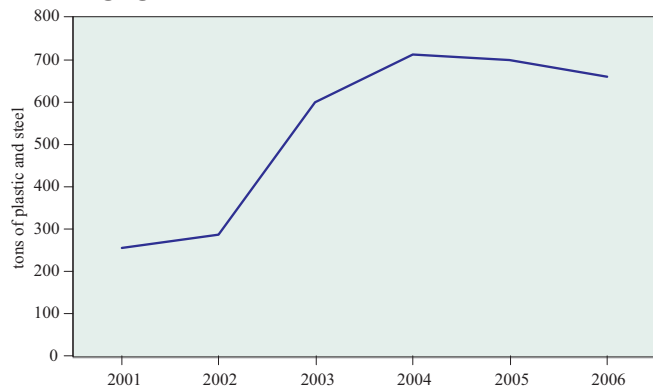
Nufarm is diligently striving to reduce and manage waste generation from manufacturing processes.

Our systems capture waste produced on site and track it through recycling or approved disposal.

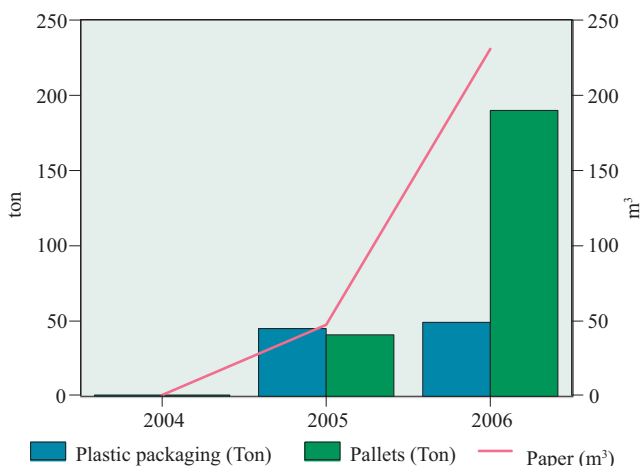
The introduction of refillable 'Envirodrums' and returnable containers during the nineties has had a significant impact on the potential for plastics and steel going to landfill. From 1998 to 2006 the reduction in volume is estimated at 3710 tonnes, a further improvement of 660 tonnes on 2005.

The graphs below show examples of areas of improvement.

Packaging to landfill avoided from use of refillable drums



Ancillary cardboard/paper recycled



Social Responsibility

Nufarm takes its social responsibility very seriously and has, over the years, made significant contributions and returns that benefit our local community.

The focus of this site's community activities is directed to three areas – environment, education and recreation.

For the second year in a row Nufarm's commitment to its community was publicly acknowledged with a Community Commitment award received from the South Coast Regional Chamber of Commerce, in its annual Business Awards.

As a science-based industry Nufarm is eager to promote science as an exciting career option. Some of Nufarm's activities have therefore included such initiatives as science based scholarships and graduation awards to students from local high schools. The scholarships enable students to continue their post-compulsory science studies leading to tertiary education in the sciences.

Nufarm also collaborates with the Royal Australian Chemical Institute to hold the Bayliss Youth Lecture in Rockingham each year. Almost 200 students and general public attend this highly successful lecture. Nufarm also offered eight conference scholarships to Year 11 students to enable them to attend the RACI air water earth INTERACT Chemistry conference in Perth in 2006.

Nufarm is a significant contributor to the Kwinana Industries Education Partnership, an industry/education partnership that is improving the interface between education and industry.

Industry tours are high on Nufarm's agenda and we strive to demystify our sites. The tours attract a diverse audience including secondary and tertiary students, farmers, business, government and community organizations.

The establishment of the Lone Pine nursery at Rockingham High School has benefited from Nufarm sponsorship assistance. This successful combined environmental/horticultural/business project is now well established in the school culture and supplies small trees to local community and business.



Technical Manager Shane Koenig congratulates Professor Lewis on his delivery of the 2006 Bayliss Youth Lecture at Murdoch University Rockingham Campus, "A case study in Forensic Science". Miss Nadine Smith (right), Real World Science Coordinator with the Kwinana Industries Education Partnership was also a guest at the lecture.

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