



HEALTH, SAFETY & ENVIRONMENT REPORT 2007

Lytton, Australia

Lytton in Queensland, Australia, is one of the main Nufarm sites formulating insecticides

The plant

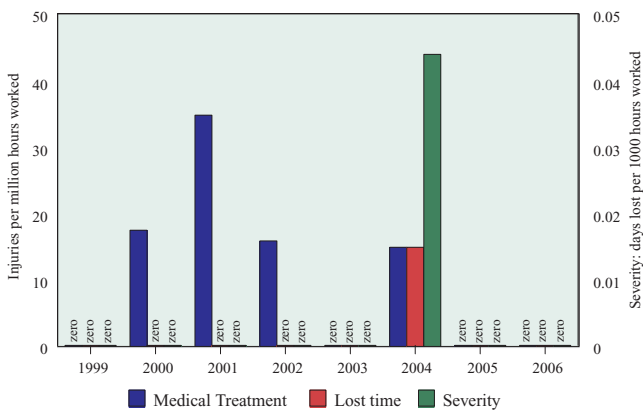
manufactures a range of pesticides in liquid form, principally for the agricultural market. We also formulate products under contract to other companies and this includes products for home gardeners. A small quantity of solid formulations (dusts) are also produced. A little while ago, a process of consolidation commenced; this will see progressive transfer of production from Brendale to Lytton. Some recent progress is reported below.

Health and Safety Performance

Over the last ten years, we have had one incident which resulted in loss of working time (2004). During the last two years, we have not lost time due to injury, nor have we had an injury that requires medical treatment.

We have a strong safety committee, and a group of dedicated employees intent on keeping us working safely. Our main focus is to target incidents that have not resulted in injury and deal with the root causes of the incidents to prevent recurrence that could lead to injury. In 2006 and 2007 our efforts are focused on avoiding injury to people while we are dealing with major engineering projects as we transfer production (and plant) from Brendale to Lytton.

Injury Frequency Rates



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

A Better Working Environment

With the decision made to consolidate the Northern Australian manufacturing operations at Lytton, an upgrade of the facilities was called for. Improvements to the office, laboratory, canteen and amenities areas was completed in 2006, and officially opened by the Australian Operations Manager Mick O'Donnell. The upgrade included repainting and new carpet - all carefully colour matched to give a fresh new feeling to the public areas of the site. The installation of the new amenities block was especially tricky, and involved some clever crane work to manoeuvre the building into position. Everyone agrees that the new facilities are a great step forward, and give a much better first impression to visitors and new staff.



Lifting the new amenities block into position

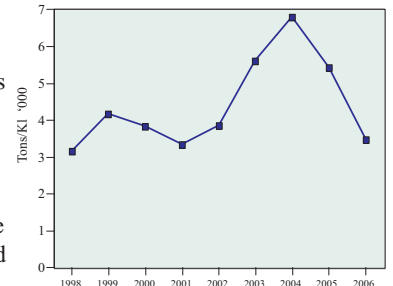


Mick O'Donnell opening our new offices

Wastes

The graphs and table below show the amount of waste generated and annual production rates. There has been a significant downturn in production in the last two years, a result of climatic conditions which lowered the demand for insecticides and fungicides. The low production rate is responsible for the sharp increase of waste/ton. We have dealt with stock that was beyond its shelf life. While the amount of material we have sent to landfill this year has increased, we are working with our waste collection service to identify methods of segregating wastes to improve our recycling effort. All our landfill waste goes to an innovative landfill that is designed to provide energy back to the grid via methane capture. This is due to come on stream in the next 12 months. Our efforts to improve recycling are already showing benefits, with the amount recycled or reused up on the previous year.

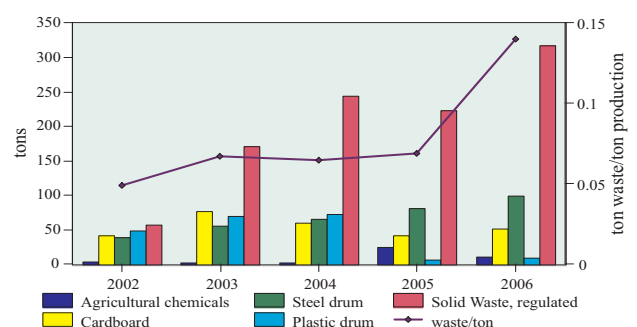
Production



ton	2002	2003	2004	2005	2006
Industrial treatment	4	2	2	25	8
Landfill	57	171	244	223	317
Recycling	128	77	197	128	160
Bioremediation	NA	1.6	2	3	2
Total	189	252	445	380	486

Some anomalies were discovered in previous years' returns. The quantities of waste declared have been revised for the years 2003 - 2005, in both the table and the graph below.

Wastes



Complaints

We are pleased that we have not received any odour complaints from our neighbours for the second year running. The improvements to our scrubber system three years ago are responsible for the reduction in odour. In addition, of course, our people are very aware of the potential for odour release and take particular care to prevent it.

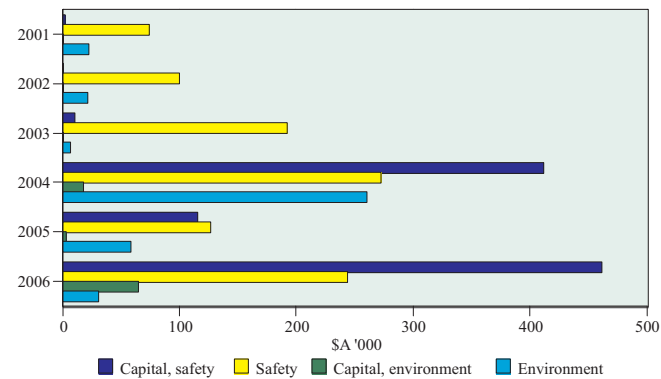
Expenditure

Capital spent on safety matters included:

- replacement of a vessel that was becoming risky
- overflow protection for some tanks
- aids to improve safety of ergonomics on filling lines
- improvements to anti-static safeguards
- production of a new induction video

The investment on environmental issues included additional fire protection, bunding and improved waste tanks.

Expenditure



New Warehouse

In last year's report, we forecast that we would construct a new warehouse during 2006. Regulatory approval was slower than we hoped, and we only just managed to start building at the end of 2006. The photos below show construction progress in March 2007. Nufarm Lytton's new warehouse, a key element of the overall Northern Region Consolidation Project is expected to be completed by the end of May 2007. The warehouse will significantly expand and improve the site's storage capacity, allowing for future manufacturing expansion.



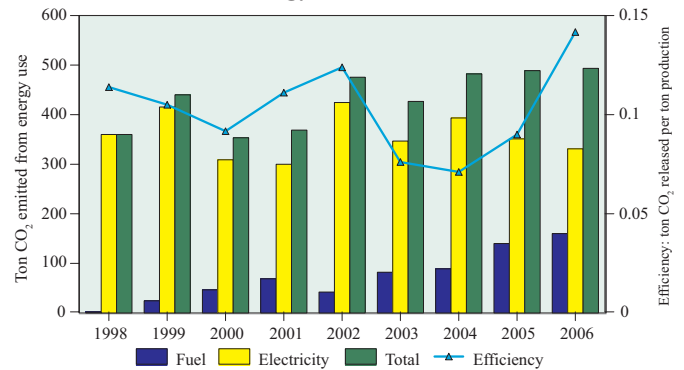
The new warehouse during early construction phase

Energy Use

Our site is a modest user of energy.

There was a major reduction in production during 2006, due in part to the drought across much of Australia, excess carry-over stock from the previous year and transfer of some production to other parts of Nufarm. There is a significant amount of baseline energy demand, hence the energy use per ton of production rose sharply. We expect this to return to more traditional values once climatic conditions and demand return to normal.

Energy Performance



Major Hazard Facility

The Lytton site is classified as a Major Hazard Facility under the Queensland Dangerous Goods Safety Management Act. In October, the site hosted a Whole of Government audit of our entire Safety Management System. This involved 13 different representatives from three government departments; the fire brigade, EPA and the local council, and was held over two days. Some areas were targeted for improvement, but on the whole, these were areas we were working on (such as training), and the auditors specifically commented on the spirit of openness and co-operation shown by the staff at our facility. Overall, it was a very pleasing result, and a credit to all those involved.

Community

TIME FOR SHARING!

During December 2005, the Brendale and Lytton sites collected food and toy parcels for the Wynnum Community.

The project was enhanced by our local Bayside Christian Family Church in conjunction with several 'not for profit organisations' helping families in crisis. Single mothers represented a majority of these families. The food and toys were the only gifts they received for Christmas. Volunteers in the area distributed the parcels, to each family. The joy in the children's eyes and the relief in their mother's expression were worth the effort.

Nufarm gave generously. The intention was to raise for 1 family however the response was so great that we ended giving to 3 families!



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