



HEALTH, SAFETY & ENVIRONMENT REPORT 2007

Merak, Indonesia

PT Nufarm Indonesia formulates and repacks a range of crop protection products, primarily for use within Indonesia, and exports to Vietnam, Myanmar, Papua New Guinea and Puerto Rico.

The plant

formulates pesticides for the Indonesian market and exports to some countries, mostly in the ASEAN region. We have a steady increase in production and have expanded our product range to support sales demand. The marketing goal in 2006 focused on the rice market, the largest market in Indonesia. Additional products were added to our range. We are now able to almost completely cover the rice market and are in a strong position to compete.

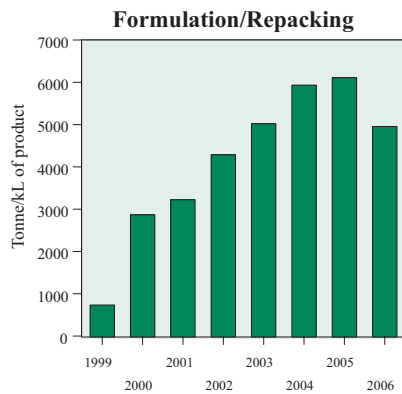
Herbicide : Lindomin 865 SL, Rhodamine 865 SL – 2,4-D amine
Metafuron 20 WP, Metafuron 20 WG – Methyl metsulfuron

Fungicide : Booster 250 EC – Difenconazole , Sinergy 300 EC – Difenconazole + Propiconazole

Insecticide : Pro 100 SL – Imidacloprid, Chix 25 EC – Beta Cypermethrin. Numectin 20 EC – Abamectin, Brantas 25 EC – lamda Cyhalothrin

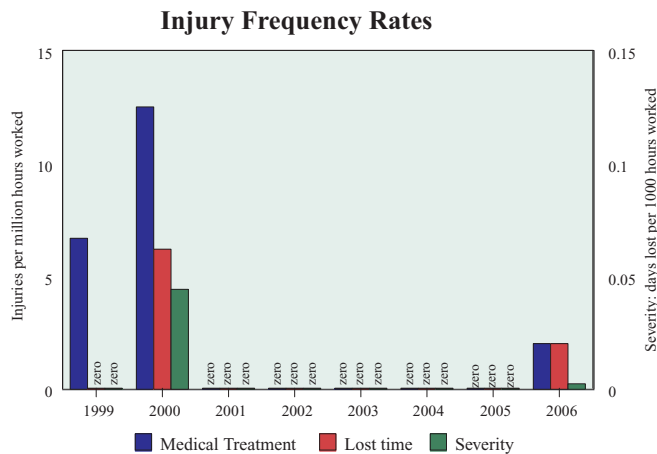
PGR : Gibgro 20 T, Gibgro 10 SP – Gibberellic acid.

With the expansion of the product range to cover more than just herbicides, we face the challenge of increasing production while operating the plant safely. In 2006, there was a drop in production volume mainly due to a long, dry season in Indonesia.



Health and Safety Performance

We have worked for ten years in the factory without serious injury. The injuries in the graph below are to our people in the sales area who were involved in traffic accidents. The factory has received another safety award from Nufarm, having worked 1,800,000 hours free of serious injury. This milestone has been reached by injury free production over a period of more than six years.



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

We are also very pleased to have received an award from the President of Indonesia as the only company in the Serang region that was accident free in 2006.



National Award for Safety



Widyarso our GA manager proudly received 2006 National Award of 'Plant with Zero Accident'

Bulan K3

Participating at "Bulan K3", an activity conducted by Banten Province, we received the Blue Award as an 'Environment Friendly Plant', which we have received every year since 2001. Our team was runner up in Labor Regulations and the HSE Quiz.



Yudi P, Aat R and Zahreal stand tall as runners up in the Quiz Competition

Wastes

Our trees around the plant have grown and therefore shed more debris which we need to burn. 2,4-D technical raw material was supplied in 25 kg bags, leading to more packaging waste, yet the volume of final ash we generated was the same as in previous years; the key is to maintain the efficiency of our incinerator.

| | 2002 | 2003 | 2004 | 2005 | 2006 |
|-----------|------|------|-------|-------|-------|
| Landfill | 0.2 | 1.6 | 1.47 | 1.00 | 0.89 |
| Recycling | 94 | 22.4 | 153.6 | 232.2 | 163.2 |
| Sea | 0.06 | 0.11 | 0.16 | 0.135 | 0.131 |

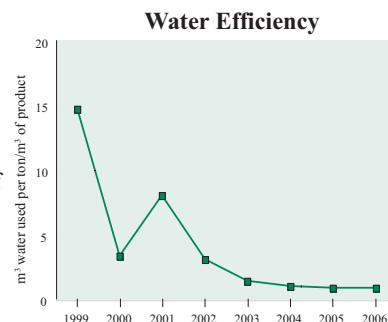
Training for Emergencies

We participated in other activities in “Bulan K3”, and as our yearly program, we held a fire fighting competition; each department sent a team for hose and hydrant drill, dry chemical fire extinguishers and use of self contained breathing apparatus.



Water Efficiency

In our formulation operations, we recycle all of our wash water to the next formulation. Our scrubber water is also re-used in the formulations. Apart from the water used for domestic purposes, most of the additional water is sold as part of our formulated products. Our efficiency of 0.92 m³ in 2006 is similar to last year's use 0.90 m³ per ton/kl of product.



Energy Performance

There has been a small increase in the average use of energy per quantity of production. This has been caused by some changes in standard packaging and the machines used.

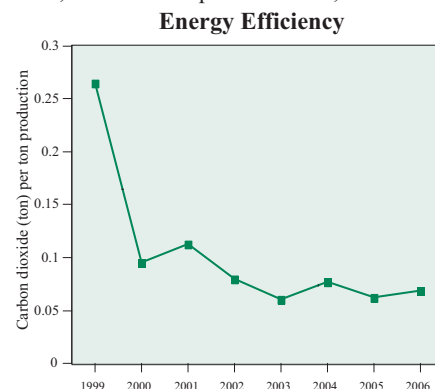
Previously we only used shrink labels for Lindomin, now we use those labels also for Kleenup, Bimastar, Nufaris and Tanistar, all of which are products. As a result, we have increased the use of the heat tunnel for shrink labels by a factor of four.

Heat seals were previously only used for products which were packed in our FILPAC Filler Machine, but now except for 5 L size, all bottles are heat or induction sealed.

The changes are to improve security of the products in their packages. Instead of one compressor, we now operate two to supply sufficient compressed air for our packaging operations. Having said this, we continue to look for energy savings, resulting in only a

marginal overall increase in energy use.

We have estimated the amount of CO₂ emitted due to energy use at 341 ton in 2006.



Expenditure

In the safety area, we focused on bringing our fire water supply up to date and improved some instrumentation in the laboratory. On the environment, we have improved our capacity to hold fire water on site in case of an emergency. The total expenditure was similar to that of last year.

| \$A | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|-------------|---------|---------|--------|---------|--------|--------|
| Safety | 205,286 | 182,483 | 45,552 | 231,588 | 37,246 | 72,960 |
| Environment | 13,636 | 32,208 | 5,386 | 14,470 | 66,718 | 23,027 |

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