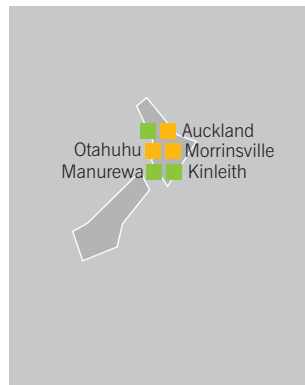


NUFARM LIMITED

Health, Safety and Environment 2002





- Crop protection
- Industrial chemicals
- Fine & performance chemicals

Nufarm's core business is chemical synthesis, marketing and sales. It has more than 2 000 product registrations in over 100 countries.

Nufarm Limited operates manufacturing and formulation facilities in 13 countries and employs more than 2 200 people. It provides customers with a networked production capability to supply the many markets around the world.

Similarly global sales and marketing operations are based strategically to service these markets and provide the necessary technical support to our customers.

In 1995 Nufarm sold 87 per cent of its products in Australasia. Today, more than 50 per cent of total revenues are generated in international markets, including North America and Europe.

Nufarm products help growers protect crops against damage from pests and disease.

Nufarm is the tenth largest crop protection company in the world.

One of the key drivers of the crop protection industry is the increasing demand for improving yields, which is set against a background of increasing population and decreasing land area available for crops.

Other Nufarm products are used in a variety of industries and end products such as fertilisers, explosives, water treatment, pulp and paper, health and medicine, photography, automotive, building, pigments and consumer products.

Key indicators

- Lost time injury frequency rate (LTIFR¹) down to 12.5 (2000: 14.3)
- Medical treatment injury frequency rate (MTIFR²) down to 24.3 (2000: 30.4)
- Severity rate³ down to 0.125 days lost per thousand hours (2000: 0.158)
- 11 manufacturing sites free of lost time injuries for a year (2000: seven)
- Safety expenditure: \$A10.079 million (2000: \$A9.457 million)
- Environment expenditure: \$A19.279 million (2000: \$A12.06 million)
- Total estimated CO₂ release: 247 669 equivalent tonnes (2000: 255 332 equivalent tonnes)
- Total waste generated: 48 885 tonnes (2000: 50 018 tonnes)
- Total waste excluding salt: 19 104 tonnes (2000: 18 075 tonnes)
- Environmental complaints: 40 (2000: 35)

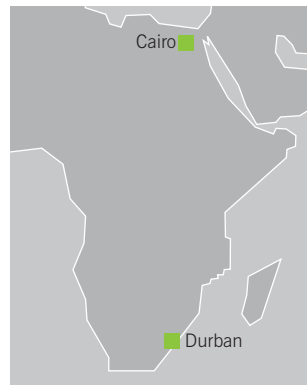
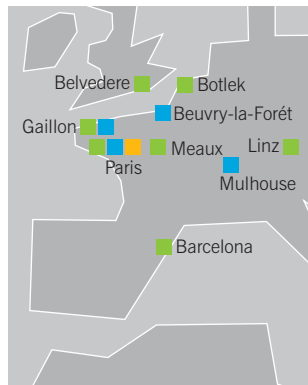
Nufarm Limited corporate annual results

| 12 month financial year | 1999 | 2000 | 2001 |
|---|-----------|-----------|-----------|
| Group sales | \$A1 100m | \$A1 400m | \$A1 320m |
| Operating profit after tax before non-operating items | \$A44m | \$A52m | \$A51.1m |
| Employees | 2 000 | 2 200 | 2 200 |

Nufarm Limited corporate safety targets

| | 2000 Nufarm actual | 2001 Progress | 2003 Nufarm target |
|----------------------------|--------------------|---------------|--------------------|
| LTIFR ¹ | 14.3 | 12.5 | 7.15 |
| Severity rate ³ | 0.158 | 0.125 | 0.079 |

1. number of lost time injuries per million hours worked
2. number of lost time and medical treatment injuries per million hours worked
3. number of days lost per thousand hours worked



Positive progress, but further improvements required

The year 2001 saw positive progress towards achieving the tough corporate targets we have set for key health, safety and environmental performance. Nufarm takes its commitment to meeting these targets very seriously and a continued effort and constant vigilance is needed from all areas of the group's operations.



This is Nufarm's third annual health, safety and environment (HS&E) report. It contains data on the company's performance across a range of parameters, which reflect our success in improving the overall standard of health, safety and environment-related activity. The report also includes a number of case studies and reports on specific achievements and initiatives.



The public reporting of Nufarm's HS&E performance reflects an important message to all of our stakeholders: employees, shareholders, customers, suppliers, and the local communities in which we operate. By setting – and reporting against – highly visible goals, we are placing a high priority on developing a culture of safety and responsibility in relation to our business activities.



It is clear that such an approach is translating into improved performance.



In 2001, the overall safety performance, as measured by the Lost Time Injury Frequency Rate (LTIFR) was 12.5. This compares with a LTIFR of 14.3 for the previous year. Similarly, there was improvement in the severity of injury measurement: 0.125 for 2001 against 0.158 for the year 2000.

The 2003 corporate targets for both of these parameters – LTIFR 7.15 and severity 0.079 – indicate that the improvement shown over the past 12

months will need to continue if these targets are to be achieved.

Manufacturing operations in Australia, New Zealand and South East Asia reported considerable improvements in safety performance, with the North American operations also doing better than in the previous year. The European operations – which represent a substantial level of manufacturing activity – were unable to report an improvement in performance and this is now being addressed via close attention to training and other initiatives.

Our efforts in meeting the various environmental compliance standards and waste and emission targets generally produced good results. A major increase in environmental related expenditure – particularly in relation to the Chicago facility – will bring substantial benefits in this area of our operations over coming years.

We should be satisfied with no less than a consistent record of constant improvement across the range of HS&E performance measurements. The commitment we display at the corporate level must be reinforced at the level of individual businesses, operating sites and at the various activities in which those sites are involved.

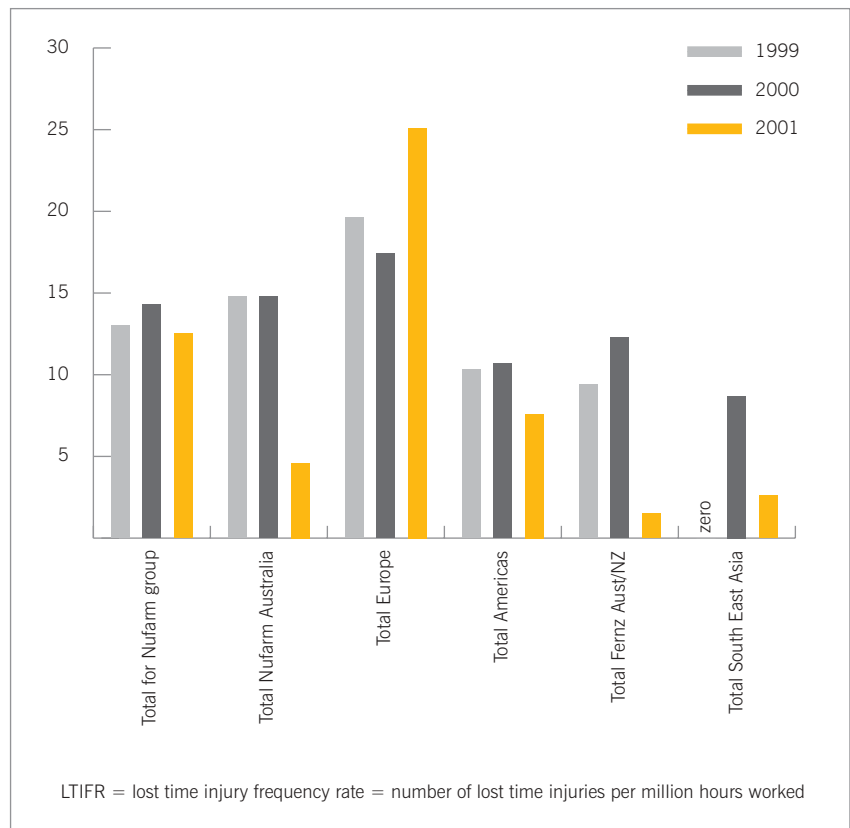
And critically, we as individuals must commit to contributing to that improvement on a daily basis.

DJ Rathbone
Managing Director and Chief Executive
5 June 2002

Improving health and safety



Lost time injury frequency rate



Tough targets

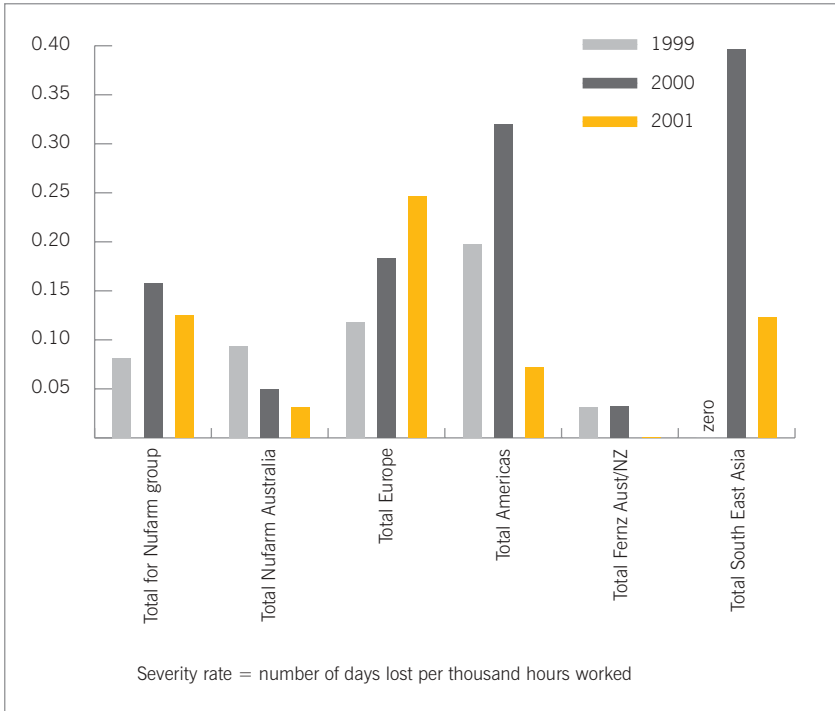
Last year Nufarm committed to meeting two tough targets by 2003. Using the year 2000 figures as a base, we aim to achieve a 50 per cent reduction in both the frequency of serious injury and the severity of injuries.

These targets are not just corporate targets: they also apply to regions and to individual locations.

Some progress has been made and, for the group, the LTIFR in 2001 was down to 12.5 (2000: 14.3).

Australia and New Zealand took the challenge to heart to reduce the LTIFR to 4.6 and 1.5 respectively. South East Asia (LTIFR: 2.6) and the Americas (LTIFR: 7.6) made progress but the European result of 25.1 is very disappointing, given that the LTIFR actually increased over year 2000 (17.4).

Severity rate

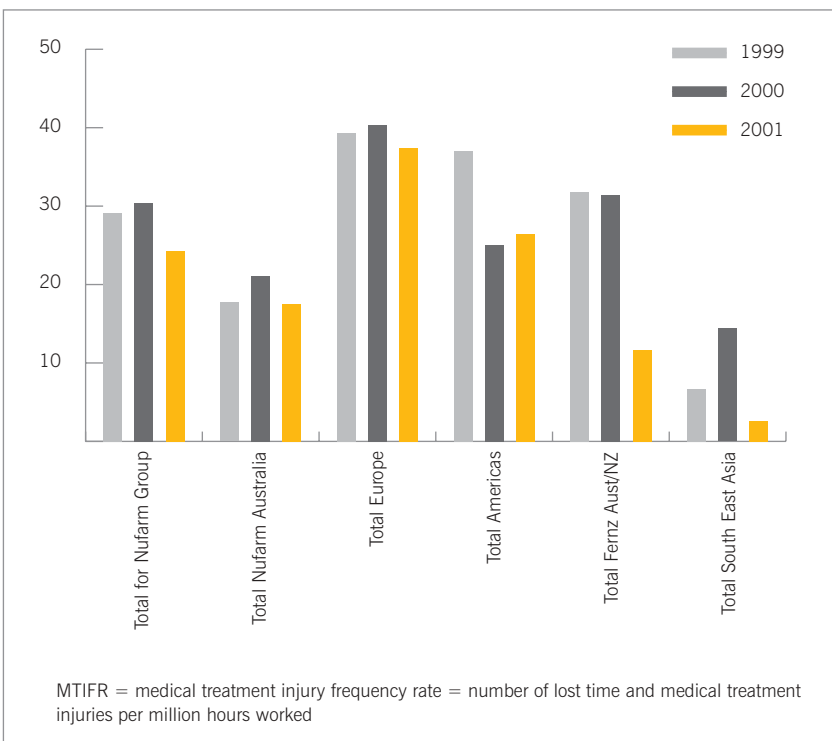


The severity rate (2001: 0.125, 2000: 0.158) decreased in all regions except Europe. The local managers are concerned about this upsetting trend and are making a concerted effort to reverse it and improve the safety culture and attitudes.

Locations are being encouraged to expand their existing safety measures by adopting a broader range of evaluations that take account of not just injury performance but also more responsible behaviour.

Overall the medical treatment injury frequency rate (MTIFR) is decreasing, albeit slowly and with some individual regional exceptions. The group MTIFR for 2001 was 24.3 (2000: 30.4).

Medical treatment injury frequency rate





Involving employees

Barcelona, Spain

In-house training of all employees to improve their HSE commitment and participation at Nufarm España in Barcelona is just one of the results of its recent risk assessment. This forms part of a broader improvement plan that identifies risks and corrects defects.

Lobeco, USA

At Lobeco in South Carolina, USA, the plant safety committee has become more active and has introduced plant-wide audits on job/task performance. Other innovations are the development and promotion of a weekly safety tip and the display of safety slogans throughout the plant to remind employees to work safely.

Merak, Indonesia

As part of the plan to ensure that all plant operators at Merak, Indonesia are trained in first aid, 22 attended an eight hour training session at Akademi Keperawatan Faletahan-Serang, and another eight participated in a joint emergency drill with the local emergency group, Team Koordinasi Tanggap Darurat.

Mulhouse, France

The Nufarm plant at Mulhouse, France, has ISO 9001 certification for fine chemicals research and production and, over the years, has changed its core business to concentrate on fine chemicals. Unfortunately, as the production and sales of fine chemicals increased, injury performance deteriorated to the extent that 2001 was the worst in ten years.

Concerted and consistent efforts to turn this unacceptable performance around began last July when Mulhouse found that most of the accidents in the first half of the year were caused by gaskets not being adapted correctly to the new production process and a malfunctioning warehouse heater.

Since then, new gaskets have been checked and installed, a new heater purchased and changes made to the production process.

In addition, employees are involved with better supervision, more training and a full time safety trainer to increase awareness of unsafe work practices.

Otahuhu, New Zealand

A highlight of the year at Otahuhu, New Zealand was the plant safety quiz where teams from various parts of the site competed against each other. Apart from being a lot of fun for everyone, it showed the benefits that HSE induction and on-going training have in helping create a climate of continuous improvement.

Embedding a culture of safety

As part of strengthening our corporate commitment to health, safety and environment, 27 senior Nufarm manufacturing managers from Australia, New Zealand, the Americas, Europe and England met at the global head office at Laverton in September 2001.

Under the banner of *Safety Works*, the three day health, safety and environment conference was a mix of presentations and syndicate workshops.

Among the topics discussed were Nufarm's values, new attitudes and new actions, calculating risk, managing third party contractors, major hazard facility regulations, insurance and Responsible Care®.

Workshops explored improving manufacturing, health, safety and environment reporting, measuring techniques, safety management tools, environmental impact and setting targets. The risks at Nufarm's many smaller sites were also reviewed.

In reporting back many thoughtful recommendations were made to help embed a strong culture of safety among all employees and contractors.

Sharing best practice

One of the benefits of Nufarm's recent global *Safety Works* conference was sharing best practice within the group. This was nowhere more evident than in the presentation and discussion of Nufarm UK's health care policy and draft restricted work, absence management and rehabilitation programmes.

Along with similar programmes in other Nufarm companies, these recognise that all employees need appropriate and adequate support in dealing with illness and returning safely and efficiently to normal duties.

A restricted work programme creates an environment to help employees return to work earlier than might otherwise be possible and may involve different duties and different hours.

The rehabilitation programme is instigated on medical advice and helps employees returning to work after a lengthy absence. Usually it runs for four weeks and involves any necessary familiarisation and refresher courses or retraining for, among other things, breathing apparatus and first aid.

Nufarm rehabilitation policy

Nufarm is committed to preventing illness and injury in the workplace for all of the company's employees. It is recognised that illness or injury may still occur and therefore all incidents will be investigated and actions taken to prevent recurrence.

Early reporting of injury or illness to the person's supervisor is important.

Nufarm believes that rehabilitation is beneficial to any ill or injured employee and should be started as soon as possible.

Nufarm will ensure that good first aid and high quality medical care is available. Accurate medical diagnosis will be followed by early intervention from a rehabilitation team where necessary.

Every effort will be made to assist employees to the earliest possible return to productive work in consultation with medical practitioners.

Suitable work will be provided by Nufarm whenever possible.

A gradual return to work consistent with medical advice will be provided when required and the company is committed to working with rehabilitation service providers to ensure the best possible outcome for the employee and his or her family.

Successful rehabilitation requires the involvement of all employees on site and Nufarm expects that all concerned will make a commitment to this important endeavour.

Updating safety case progress

Eight Nufarm manufacturing sites are classified as major hazard facilities under various regulations around the world. They are Belvedere (UK), Beuvry-la-Forêt (France), Botlek (The Netherlands), Gaillon (France), Kwinana and Kemerton chlor alkali plants (both in Australia), Laverton (Australia) and Linz (Austria).

Since the two chlor alkali plants were built at Kwinana and Kemerton in Western Australia, they have both operated under hazard management plans similar to the present legislation and have upgraded these to meet the safety case regime.

The others are working on preparing and implementing the safety case regime. The following is an update on some of the progress.

Belvedere, UK

Both the UK Health and Safety Executive and the Environment Agency accepted Nufarm UK's safety case for the Belvedere plant on first submission and are now using it as a benchmark example of best practice. Since then, the plant has completed its first compliance audit, with others to be done every six months.

Laverton, Australia

For the past two years, many people at Laverton have been preparing the safety case for the site, one of 47 major hazard facilities in the state of Victoria.

Submitted to Worksafe Victoria in February 2002, the safety case has been reviewed and the site issued with a five year unconditional licence.

Nufarm Laverton is only the second company to be granted such a licence in Victoria, Australia and now operates in accordance with its defined safety management system.

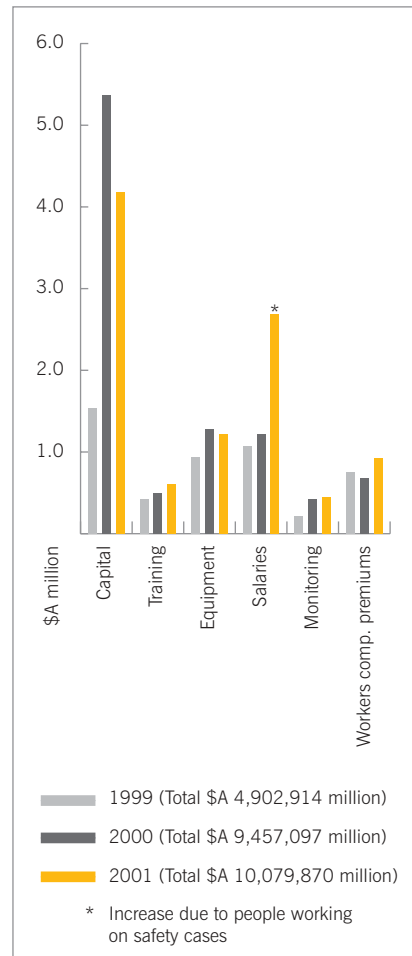
Linz, Austria

In Europe, the equivalent of major hazard facility legislation is the Seveso II guidelines (96/82/EU). The Linz plant has begun meeting its Seveso II obligations by developing an internal emergency plan and an information system about accidents. This is available to the authorities and, on request, to members of the general public.

Nufarm Linz is sharing information with its neighbouring Seveso II companies about actions to be taken in case of an accident to prevent any domino effect in the industrial park where it is located and has distributed information sheets to the wider community.

Further progress on the safety report is pending until the revised Seveso II guidelines are published.

Safety related expenditure



Increasing expenditure on people

Overall safety expenditure increased slightly in 2001 but there was a marked increase in the investment in people, in line with Nufarm's public commitment to improve its performance.

Working free of LTIs

In 2001, 11 Nufarm manufacturing sites worked for a year free of lost time injuries (2000: seven) and for three sites (Kwinana chlor alkali, Merak and Kinleith) this was the second such year in succession. Both the plants at



Sites free of lost time injuries 2001

| | 2001 |
|---------------------------------|------|
| Botlek, The Netherlands | ✓ |
| Calgary, Canada | ✓ |
| Chicago, USA | ✓ |
| Croplands, Australia | ✓ |
| Kinleith, New Zealand | ✓ |
| Kwinana chlor alkali, Australia | ✓ |
| Lytton, Australia | ✓ |
| Mastra, Australia | ✓ |
| Merak, Indonesia | ✓ |
| Morrinsville, New Zealand | ✓ |
| Otahuhu, New Zealand | ✓ |



Nufarm safety awards 2001

| | 2001 |
|------------------------|---------------|
| Adelaide, Australia | 8 years |
| Albany, New Zealand | 250 000 hours |
| Belvedere, UK | 250 000 hours |
| Calgary, Canada | 500 000 hours |
| Chicago, USA | 300 000 hours |
| Croplands, Australia | 200 000 hours |
| Croplands, New Zealand | 6 years |
| Kinleith, New Zealand | 6 years |
| Laverton, Australia | 420 000 hours |
| Lytton, Australia | 200 000 hours |
| Merak, Indonesia | 567 000 hours |
| Naturf, Australia | 216 000 hours |



Merak and Kinleith are to be congratulated for working six consecutive years without lost time injury.

Recognising safe behaviour

The Nufarm safety awards for lost time injury free operations were instituted in 2000.

As Nufarm has both small and large manufacturing sites, small sites receive an award for a five year period LTI free, while large sites must work 200 000 hours LTI free.

In 2001, 12 sites received the award (2000: six).

Even though the award is not necessarily given every year to smaller sites who have worked an additional year free of LTI, five small sites did win the award for a second year in a row.

With larger sites, the award may not be for a full year but must be for an uninterrupted working period of at least 200 000 hours. Three larger sites won the award for a second year in a row.

Nufarm is committed to ensure that the way we do business presents a high level of protection for the health and safety of our employees, customers, the public and the environment.



Recognising achievements

Belvedere, UK

The UK chemical industry employs over 250 000 people and one of its rising stars is David Haydon, Belvedere management accountant.



Awarded a highly commended certificate in the CIA Chemical Industry Young Person of the Year for London and South East England, David was assessed on his appreciation of the issues facing the chemical industry, his ability to convey to others the excitement and opportunities the industry offers and his commitment to the industry, as well as his job performance, leadership skills, sensitivity and good humour.



A committed contributor to the local community, David is also a volunteer at the local gym that helps and encourages the development of young people.

The President of Indonesia, Mrs Megawati Sukarnoputri, congratulates Komarudin Gandasmita, Merak plant manager, at the award presentation on 18 January 2002 in Jakarta.



David Haydon receives his certificate from the UK CIA.

Calgary, Canada

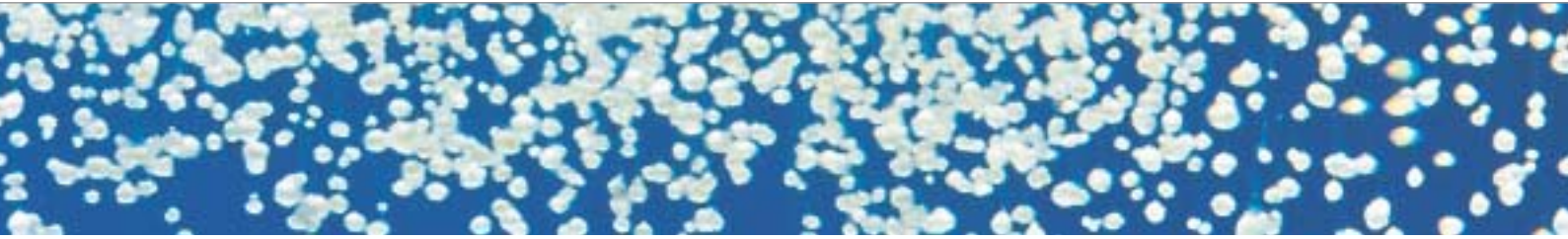
CropLife is the global federation representing the plant science industry and CropLife Canada recently recognised Nufarm's Calgary operation as a model of excellence in its recent videotape on stewardship initiatives in the industry.



Earth Day at Lobeco



A global leader in stewardship programmes, CropLife Canada used the Nufarm Agriculture plant to illustrate all aspects of its recent industry manufacturing code of practice and operating standards.



Also, by reducing water and wind erosion through improved producer awareness and best management practice, the Alberta Reduced Tillage Initiative, headed by Darryl Matthews, Nufarm's commercial manager, took out the silver category of the Alberta Premier's Award of Excellence 2001.

The project was a joint effort between agribusiness, wildlife and production organisations, together with education and government agencies.

Lobeco, USA

Lobeco Products Inc of South Carolina is the proud recipient of a 2002 Civitas* Award for Business and Community Excellence. The Greater Beaufort Chamber of Commerce made the Community Stewardship Award to Lobeco for its extensive community service, including on-going reading and Earth Day programmes for James J Davis Elementary School.

* Civitas is Latin for city, state, citizen or citizenship

Merak, Indonesia

On 18 January 2002, the Indonesian Government recognised Nufarm Indonesia's four years without lost time accidents. In a presentation in Jakarta, the President of Indonesia, Mrs Megawati Sukarnoputri, presented the award to Plant Manager, Komarudin Gandasmita.

The Merak plant was also recognised as environmentally friendly in October 2001 when the District Mayor presented a Green Award.

Cleaning up the office

Every year Australia uses 3.5 million tonnes of paper and cardboard; the equivalent of 160 000 large semi-trailers. Recycling just 750 000 tonnes of this saves about 15 million trees. These simple facts have hit home at Nufarm and recycling is now a way of life.

Most Australian facilities have paper, cardboard, glass and bottle recycling programmes. These have been extended to include printer cartridges, mobile telephones, batteries and accessories. Just some of the products that can be reclaimed and reprocessed include nickel, cadmium, plastics, gold and copper.

Employees with answers

Laverton, Australia employees have found a way to reduce effluent discharges and water consumption by 10 per cent by recycling reactor washings and generally improving procedures.

Other health, safety and environment initiatives include reducing forklift traffic, defining 'no go' areas better, improving Envirodrum filling procedures and reducing waste by recycling some bulk bags. Employees are also conducting trials on better ways to segregate waste.

Performing in our environment

Working with nature: marine organisms possible herbicide source

Nutrient levels on Australia's Great Barrier Reef are high and the warm shallow water should be an ideal environment for weeds, as well as the corals, sponges, sea squirts and clams that thrive in symbiotic relationships with photosynthetic organisms. But there are few weeds. Researchers believe this may be due to marine organisms secreting herbicidal compounds that are very effective at low concentration and deter invasion by plants.

Since Nufarm began its collaboration with James Cook University and the Australian Institute of Marine Science in 2000, over 7 000 marine extracts and micro-organisms from Australia's Great Barrier Reef have been screened. Nufarm's chemistry group in France and Australia's CSIRO Molecular Science are now investigating several interesting leads.

If any findings of the research and development programme relate to the development of new herbicides, Nufarm has the exclusive, worldwide commercialisation licence with royalties on product sales going to James Cook University and the Australian Institute of Marine Science.

Zero discharge to water or ground

Nufarm bought the Riverdale manufacturing facility in Chicago Heights, Illinois in 1999. Immediately a wide range of capital projects began to upgrade environmental, safety and working conditions in the plant that manufactures a range of herbicide formulations for the North American agricultural, turf and speciality markets. The work is now complete.

Safety expenditure included improving fume and dust extraction, reactor charging, electrical distribution, raw material and finished product storage, as well as building heating, access floors and fire suppression.

The principal environmental improvement was the major site remediation project, which has been completed with the full acceptance of the USEPA.

The whole operating site is contained and all loading, unloading and storage of raw materials, finished goods and returnable containers are within individually closed and bunded (dyked) areas.

Part of the site remediation was the disposal of some 12 500 tonnes of contaminated soil from construction foundations or defined hot spots. Once complete, the entire site was sealed with an impermeable layer. This contains any residual contamination and also provides a clean, safe operating base for vehicles and people.

Chicago Heights' large capacity collection pond and the sealing of the site combine to ensure that water from process, firefighting and storms can all be contained on site. In addition, the system of stop valves means that only clean rainwater is ever released into the stormwater drainage system.

All internal and external storage tanks, process buildings and warehouses are contained individually and road and rail tankers are loaded and unloaded in separately contained facilities.

Emissions to the atmosphere are now well within permit levels due to improved fume scrubbing and dust filtration. The scrubber liquors are recirculated to process.

The final part of the improvement programmes was to update the risk management programme and the integrated contingency plan, including emergency response, for equipment, procedures and the new organisation.

Environment expenditure

| | 1999 \$A | 2000 \$A | 2001 \$A |
|----------------------------|------------|------------|-------------|
| Capital | 7 674 405 | 7 539 799 | 13 730 346 |
| Capital for rehabilitation | 190 214 | 1 495 400 | 119 637 |
| Clean-up costs | 13 730 | 197 698 | 8 271 |
| Monitoring costs internal | 824 969 | 801 476 | 1 419 992 |
| Monitoring costs external | 593 739 | 1 292 698 | 1 651 701 |
| Environment training | 590 300 | 51 696 | 160 027 |
| Licences | 312 409 | 459 226 | 232 155 |
| Other costs | 182 000 | 222 184 | 1 957 010 * |
| Total | 10 381 767 | 12 060 177 | 19 279 139 |

* Increase due to destruction of accumulated waste



Monitoring and training

The noticeable trend in environment-related expenditure in 2001 is the increase in costs of internal monitoring and training: we are improving our awareness, as well as the way we track the effect of our operations across all our sites.

Rehabilitation costs are down as we complete work on cleaning-up problems sometimes inherited with acquisitions. We are working hard to bring new locations into line with Nufarm's standards.

Environmental tests compliance

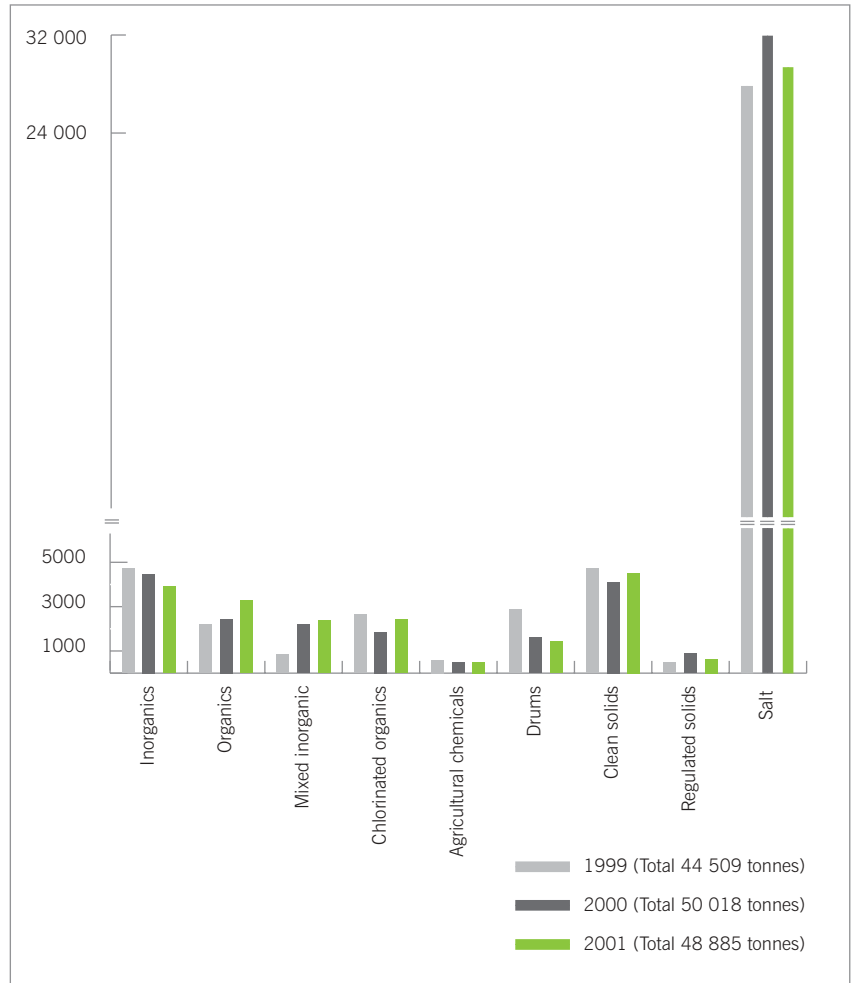
During the year, 11 of Nufarm's locations achieved 100 per cent compliance (2000: eight). Unfortunately some sites did not do as well as they did last year and management attention is focused firmly on recovery.

Environmental tests compliance

| | 1999 % | 2000 % | 2001 % |
|---------------------------------|--------|--------|--------|
| Barcelona, Spain | | 50 | 66.67 |
| Belvedere, UK | 98 | 99 | 98 |
| Beuvry-la-Forêt, France | 94 | 89 | 94.59 |
| Botlek, The Netherlands | 100 | 93 | 100 |
| Cairo, Egypt | | | 100 |
| Chicago, USA | 100 | 100 | 100 |
| Durban, South Africa | | 100 | 97.65 |
| Gaillon, France | 78 | 75 | 100 |
| Kemerton, Australia | 85 | 90 | 100 |
| Kwinana Agchem, Australia | 100 | 100 | 100 |
| Kwinana chlor alkali, Australia | 100 | 100 | 100 |
| Laverton, Australia | 100 | 100 | 99.96 |
| Linz, Austria | 100 | 100 | 100 |
| Lobeco, USA | 99 | 100 | 100 |
| Lytton, Australia | 100 | 100 | 100 |
| Manurewa, New Zealand | 94 | 94 | 98 |
| Meaux, France | | | 100 |
| Merak, Indonesia | 99 | 99 | 98.23 |
| Morrinsville, New Zealand | 82 | 94 | 95.30 |
| Mulhouse, France | 100 | 96 | 91.05 |
| Otahuhu, New Zealand | 97 | 96 | 86 |
| Total Nufarm | 99.38 | 98.43 | 98.50 |
| Total number of tests | 33 918 | 25 891 | 23 620 |



Types of waste



Minimising waste

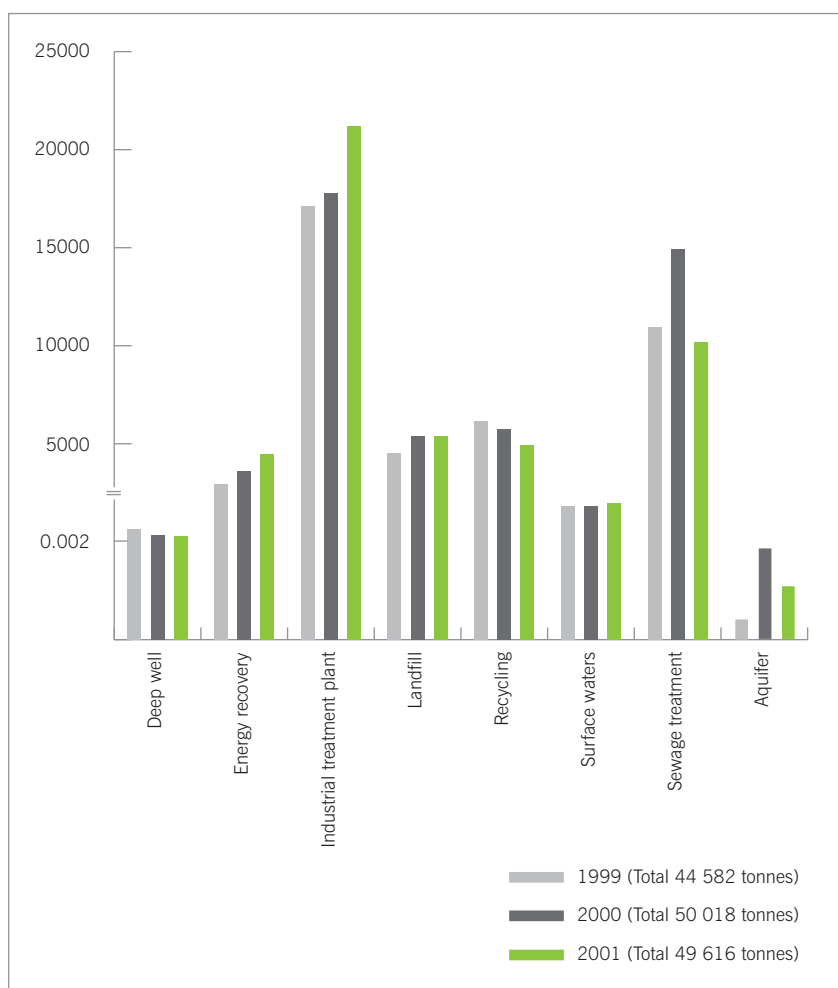
In the past two years, there is little change in the data on types and destination of wastes. We believe that, despite selling some businesses and acquiring others, this is largely due to the more accurate reporting that has been a natural flow-on of better management, setting targets and publishing our data.

Egyptian initiative

Now making Nufarm’s agricultural proprietary products, subsidiary Framchem used to toll-formulate pesticides and has stored waste on site.

There is no environmentally friendly way to dispose of this waste in Egypt and, rather than ship it to Europe for disposal, Framchem is working with a cement company to trial incineration methods.

Waste destination



Meeting waste parameters for nine years

Lobeco Products Inc (LPI) is in an environmentally sensitive area of South Carolina, USA and takes great care to minimise its impact on the environment.

It has an enviable record with no reportable releases through its wastewater treatment plant for the past nine years.

The on-site, complete mix, activated sludge wastewater treatment plant, upgraded in 2001, biodegrades waste

to meet the parameters set by the local, state and federal authorities.

Wastes are neutralised with 55 per cent magnesium hydroxide and equalised in a one million gallon lined lagoon.

Biodegradation is in two 0.5 million gallon above-ground tanks, which also have jet aerators. The waste settles in two new 45 foot diameter clarifiers, installed along with an automatic antifoam addition system for the aeration tank last year at a cost of \$A1 186 683. The waste is held for

discharge in ponds, with drying beds removing the solids.

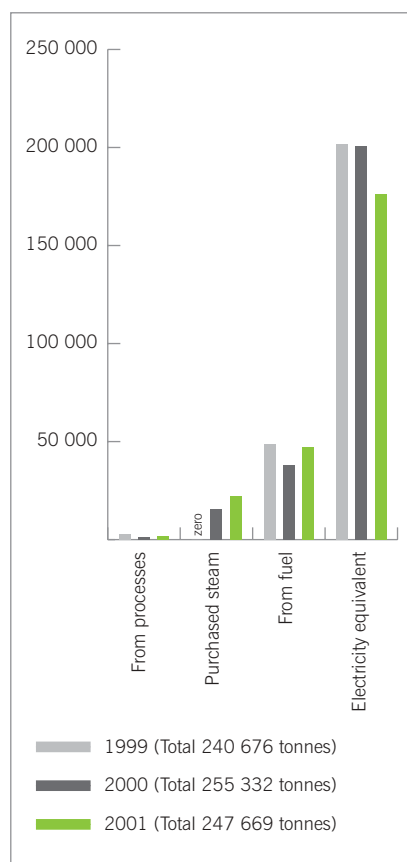
Steel drums are crushed for steel recovery and LPI's solid waste, mostly generated by equipment cleanout, water-soluble waste dye sludges and empty bag liners, is separated and recycled back into processes for further reductions.

Herbicide toll manufacturing produces the largest hazardous waste stream and this ethyl chloride, methanol and water mixture is incinerated in Texas.

Under LPI's beneficial waste management tracking system, any waste generated is recorded on a waste description sheet before being delivered to the waste row pad. A waste inventory identification number is assigned and recorded in the waste management log for inventory inspections. Waste treatment, responsibilities and timelines are set and monitored to ensure that waste is dealt with promptly and responsibly.

The previous owner has remediated the low level contamination of small areas of soil on site and minor contamination of the aquifer below the site. Now, under DEHC supervision, the rate of both active and natural remediation is monitored.

Estimated CO₂ released



Emissions to air

| | 2000 kg | 2001 kg |
|----------------------------------|------------|--------------------|
| CO | 4 197 | 4 809 |
| Freon | 30 | 130 |
| Herbicides | 406 | 390 |
| Inorganics | 2 103 | 554 |
| NOX | 23 925 | 16 094 |
| Particulates | 3 376 | 4 423 |
| Phenolics | 19 | 43 |
| VOC | 129 940 | 346 510 (112 510)* |
| Total | 163 996* | 372 952 |
| Total (without Beuvry-la-Forêt)* | 163 996 | 138 952 |

* The 2000 data does not include Beuvry-la-Forêt which did not submit in 2000. Since then it has measured solvent losses in its complex multi-stage syntheses by mass balance and has now submitted the results.

Greenhouse gas emissions

The total estimated CO₂ includes emissions from thermal power stations but not nuclear ones. Overall CO₂ emissions are down, which is pleasing, more so because the 2000 data did not include purchased steam used at Botlek and the 2001 data does.

The Nufarm Coogee plant at Kemerton in Western Australia has made substantial improvements in its unit consumption of energy. Its energy consumption is now 6.5 per cent lower than in 1999, the equivalent of 3 760 tonnes of CO₂ per annum.

The modern membrane plant supplies chlorine for the manufacture of titanium dioxide and also produces caustic soda, hydrochloric acid and sodium hypochlorite. Unlike older chlorine plants, no Nufarm plants use mercury or asbestos diaphragms.

Kemerton's power savings come from four principal initiatives:

- reducing over-voltage by a proprietary additive to the cathode side of the electrolytic membrane cell;
- phasing in several frequency drives to replace either fixed speed or throttled valves;
- an on-going programme to reduce iron levels in the caustic circuit (since levels of almost six parts per million in 1997, the iron is now less than one part per million); and,
- using new technology to improve the cathode performance.

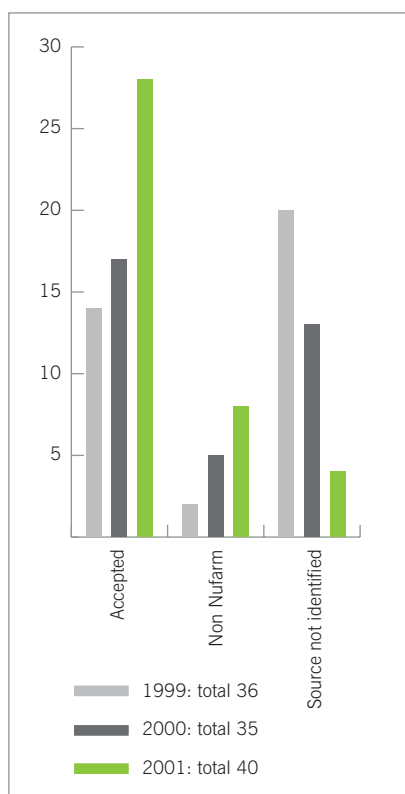
Originally the plant's cathodes were nickel-coated and these are being replaced by platinum-coated plates that operate at lower voltage. Five cells of 34 are complete and each year another five will be replaced.

Botlek fined

In May 2001, while a tar vessel was being cleaned at the Botlek plant, there were 27 odour complaints. Action has been taken to prevent it happening again but the plant was fined NLG5000.



Complaints



How complaints are helping

While there appears to be a sharp rise in the number of complaints received and accepted as sourced from Nufarm operations, this is due to the active community programmes the locations have established with their neighbours.

In Gaillon, Normandy, where Nufarm has its largest French manufacturing plant, the company has taken the initiative to work with the community to deal with odour problems.

The plant manufactures a range of agricultural, performance, automotive and intermediate chemicals.

Nufarm has established and trained an external nose committee to raise the alert on odours. While this meant an increase in complaints in 2001, the information is reliable and is helping Gaillon improve its performance.

Cleaning up the farm

Through its membership of Avcare, Australia's only industry organisation representing the manufacturers and distributors of both crop production and veterinary health products, Nufarm is working to ensure a cleaner environment for the community by solving the problem farmers have disposing of non-returnable chemical containers.

drumMUSTER, a joint initiative with the National Farmers' Federation and the Australian Local Government Association, provides planning and financial support to local councils so fewer 20 litre containers end up as landfill in municipal tips.

By the end of March 2002, with everyone working together, drumMUSTER collected almost two million containers, which represents removing 3 158 tonnes from the waste stream. drumMUSTER has also run 147 inspector training courses for 1 407 inspectors and 18 approved processors.

In addition, the Commonwealth, State and Northern Territory Governments are working together on ChemCollect, a free collection, storage and destruction scheme for unwanted and de-registered agricultural and veterinary chemicals used by farmers. By the end of 2001, 1 180 tonnes of unwanted chemicals had been collected and processed.





Responsible Care®

Responsible Care® is an initiative of the international chemical industry to improve the health, safety and environmental performance of its operations and to increase community involvement and awareness of the industry.

Nufarm is a foundation member of the programme that now operates in 46 countries. The International Council of Chemical Associations has released its Responsible Care Status Report 2000 and it may be downloaded from www.icca-chem.org

Reporting strategy

In this, our third health, safety and environment (HS&E) report, which we produce for our staff, governments and regulators, communities and other interested stakeholders, we compare our calendar year performance in 2001 with previous years.

We have used your comments and feedback to improve the report in line with public expectations and have tried to do so in a way that is easily understood by people of many different languages.

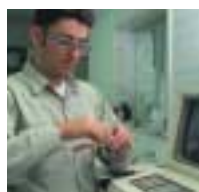
As this report contains corporate and regional information only, it can be misleading at site level so we also publish about 25 separate location reports.

Each covers a principal manufacturing operation around the world and includes data on individual performance and local trends, targets and progress. Where appropriate, these are translated into languages other than English.

These site reports are also a valuable learning tool and are one of the ways we share knowledge and experience across the Nufarm group.

We produce the information in good faith and it is based on our own, ever-improving reporting procedures. This report includes updated information for previous years and we have corrected data errors where we have tracked down anomalies.

Our auditing procedures and global reporting system remain basically unchanged from the discussion in the previous Nufarm HS&E Report, which is accessible on our website at www.nufarm.com. This website also contains additional information that may be useful, as well as links to individual locations.



Nufarm Limited

103-105 Pipe Road
Laverton North
VIC 3026 Australia

Telephone +61 3 9282 1000
Facsimile + 61 3 9282 1007

www.nufarm.com

The Nufarm Limited Health, Safety and Environment Report 2002, produced by Reporting Reputation and designed by Blue Boat Design, is printed on paper that carries the recycled symbol. It is made of 50 per cent recycled paper and 50 per cent oxygen bleached pulp. The site inserts are printed on fibre sourced from managed renewable plantation forests and produced in a paper mill with internationally recognised environmental standards and an ongoing commitment to the conservation of natural resources.

Health, safety and environment policy

Nufarm is committed to ensure that its activities present a high level of protection for the health and safety of its employees, customers, the public and the environment.

A personal commitment from all employees is essential in promoting and achieving this objective.

The company will ensure it has safe working conditions, define safe work practices, train its employees and provide information for the control of hazards in the workplace and for the protection of the environment.

Supervisors and managers will be held accountable for the safety and occupational health of their people and for the environment protection measures in activities over which they have control.

The company's objective is to carry out its business with no adverse effect on its people, the community and the environment, and to strive for sustainable development and continual improvement.

