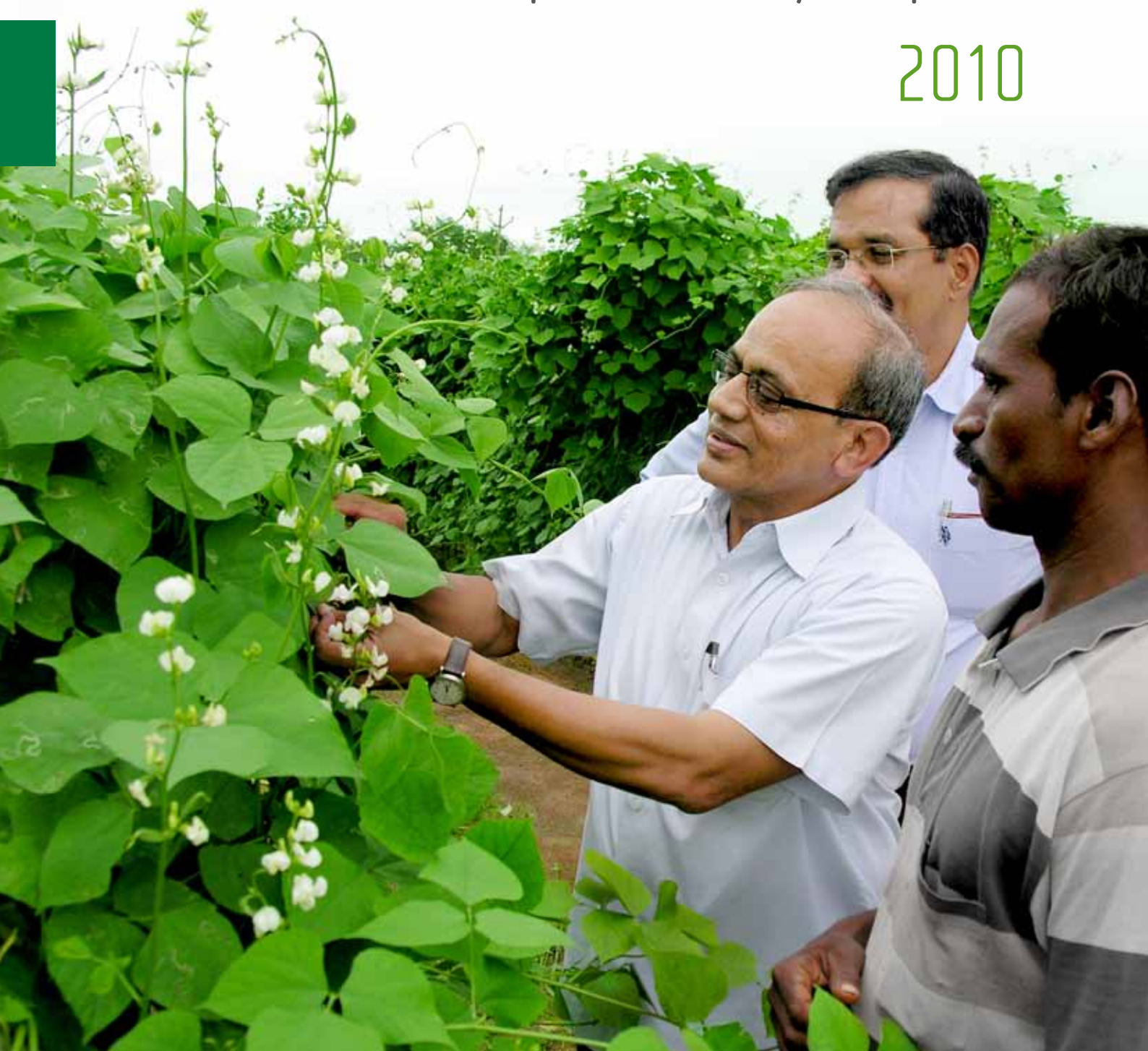


Corporate Social Responsibility Report 2010



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Responsible Care®

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Introduction



"The phase-out plan has been fully accomplished, and with our new village projects we in future try to take a shared responsibility that reaches further out into the community than our traditional business."

Kurt Pedersen Kaalund

A general theme in earlier CSR reports has been the implementation of Cheminova's ambitious phase-out plan for the most toxic, so-called WHO class I products, in developing countries. It is not without a certain amount of pride that now I declare the plan fully implemented – on time and without delay en route. We have achieved our ambitious goal. Along with the phase out of the most toxic products, we have introduced a number of new products thus providing the farmer with alternatives and maintaining the company's position. During the period, the product programme has been extended and modernised so that now we have a far more balanced portfolio of products to cover the farmer's needs.

That the phase out plan has been implemented means that we can now focus on new tasks. Among these are village projects which – in agreement with our mission – aim to demonstrate that with modern farming techniques and correct product use, living conditions for the population in rural areas can be improved. With these projects we try to take a shared responsibility that reaches further out into the community than our traditional business. This is completely in line with the intention of the UN Global Compact which we endorsed last year. Here, it comes naturally to contribute to the abolition of hunger and poverty which is a primary aim in the UN Millennium Goals.

As a whole, the 2010 CSR report constitutes the annual reporting required by members of Global Compact. Additionally, one of the appendices of the CSR report highlights progress concerning the implementation of the principles of the UN Global Compact. Reporting according to GRI indicators has been continued in 2010 and extended with additional areas especially concerning management. This means that GRI level

B has been reached. In two articles in this year's report we are passing on impressions of how manufacturing of ready-to-use products is handled by our own company in Australia and by a toll manufacturer in Uruguay. Employees in the two companies describe how CSR related matters are dealt with in practice. In Cheminova, CSR is used as an integrated management tool which both meets society's increasing demands for ethical and social responsibility and practices quality assurance and risk management. In this way the risk of mistakes and activities contrary to our values is reduced albeit not constituting any warranty.

It is obvious that for our mission, vision and values to become rooted with all employees, a bigger effort than expected is needed. A questionnaire survey has shown considerable support for our mission, vision and values – not least the value "we are good corporate citizens." However, values only create value by leading to action. That is why in 2011 we will intensify the effort to link the values with our everyday tasks.

In 2010, our many stakeholders have again shown great interest in our CSR work and the dilemmas and challenges connected with it. The dialogue has provided us with valuable input and inspiration for the work with this aspect of the company's activities.

It is the hope of my colleagues and myself that the report will be well received and that it will provide the basis of a continued positive dialogue about CSR.

Kurt Pedersen Kaalund
President & CEO
Cheminova A/S

About the report - Responsibility and challenges

This report provides a status of Cheminova's work within the area of Corporate Social Responsibility (CSR) in 2010 and thereby fulfils the reporting requirements set out in the Section 99a of the Danish Financial Statements Act (Årsregnskabsloven). The CSR-activities are founded in Cheminova's Code of Business Principles (see page 48), UN Global Compact (see page 44), the Danish version of the European Chemical Industry Council's (CEFIC) Responsible Care programme (see page 46) and FAO's Code of Conduct [<http://www.fao.org/agriculture/crops/core-themes/theme/pests/pm/code/en/>].

The CSR report gives information about Cheminova A/S, all subsidiaries and joint venture companies with an ownership of more than 50%.

GRI and Global Compact

The specific reporting on Global Reporting Initiative - GRI indicators - provides a systematic overview of our activities. The present reporting represents an increased focus on making use of these indicators which has brought the reporting level up to the desired GRI level B.

The company joined the UN Global Compact in 2009. The present CSR

report therefore forms our first reporting to Global Compact. A separate Progress Report can be found on page 44.

Content of the report

Apart from the usual sections on target fulfilment and target reporting, a number of focus areas are highlighted in the report. Further we address issues relating to the dilemmas and problems in which Cheminova is currently and structurally involved. Sections of the report touch on activities relating to health & safety, human rights, labour standards, environment (both in terms of the manufacture and use of products) and anti-corruption as reflected in the principles of UN Global Compact.

The report follows up on last year's themes and targets. Moreover, separate sections on new areas of activities based on direct interactions with small-scale farmers in their own community are included.

As a new element in this year's CSR report we have included two articles describing the production of finished plant protection products seen from the perspective of one of our facilities (in Australia) as well as of a toll producer (located in Uruguay).

Structure of the CSR work

Organisationally, the CSR work is rooted in Cheminova's top management, the Global Executive Committee (GEC), with whom the CSR work has been agreed and who has approved the content of this report, see the section "Management statement" on page 35. The ongoing work is coordinated by the CSR steering group reporting to the GEC.

The focus areas are chosen by the CSR steering group with the objective of providing an enlightening and systematic reporting on our CSR activities within a number of important areas. The inspiration for selecting the specific issues addressed in the present report is based on input and feedback from the stakeholders which have shown an interest in Cheminova's CSR activities throughout the year.

Dilemmas and shared responsibility

Cheminova's business area is an integrated part of the world's food supply. Through control of plant diseases, pests and weeds, Cheminova's plant protection products contribute to increase and improve the yield of the agricultural crops. Efficient agriculture is one of the preconditions in order to achieve the UN target "End Poverty 2015 - The Millennium Development Goals" which among other things is about reducing hunger, poverty and infant mortality and improving public health. Nevertheless, Cheminova faces a number of dilemmas as a supplier of products to societies and countries where the conditions are significantly different from those in Denmark but where there is a clear need for Cheminova's products in order to ensure the supply of food. Especially regarding safety and correct use of the products, conditions can be criticisable and therefore a special effort is required in this area. Likewise, as a company we have a shared responsibility for contributing to improving environmental and working conditions, especially in connection with



The CSR steering group consists of Ole Zinck, VP, Human Resources, Niels Morten Hjort, Senior VP, Production & Logistics (member of GEC), Christian Bastholm, VP, Safety, Health, Environment & Quality, Uffe Stephansen, Manager, Safety & Health, Lars-Erik Kruse Pedersen, VP, Corporate Communication and Jens Thorsen, VP, Portfolio Management (member of GEC).



In 2010, a capital market day was held at the test farm Ytteborg where Cheminova's business area was demonstrated in test plots.

our own production in developing countries, but also through supplier control and stewardship of our products in relation to users. The CSR report describes how we address such issues.

Openness and dialogue

The report's primary target groups are employees, future employees, the authorities, shareholders, customers and suppliers as well as any individuals and organisations who may have an interest in Cheminova. Stakeholders are thus defined on the basis of importance to our day-to-day business as well as expressed interest in our activities.

Cheminova respects the limitations which the stock exchanges rules, personal data protection and general data protection rules etc. as well as legislation and competition impose on openness, but we do of course engage in an ongoing and open dialogue with the relevant authorities in the countries in which we operate.

The company actively strives to keep well-informed within the many subject areas of relevance to its operations as well as current and potential business areas. Via open literature as well as scientific publications and trade sources, the press, specific searches on topics and the Internet, information and expressions of opinion in respect of CSR-related issues are sought, particularly concerning product properties, side effects and applications, and, in general, issues linked to dilemmas and controversies within the company's sphere of interest.

The company endeavours to ensure and engages in an ongoing dialogue with its neighbours, the local community, authorities, educational institutions, politicians etc.

This is illustrated, among other things, by the fact that the company's

head office in Denmark opened its doors to more than 1,400 interested citizens in 2010, who, based on various interests and backgrounds, wanted to learn more about the company. Further, several politicians including ministers have visited the headquarters with the purpose of discussing energy taxes and their implication on energy demanding environmental protection facilities.

During 2010 various topics have been discussed with Danish politicians at local, regional and national level i.e. location of a new large hospital, pre-hospital readiness and infrastructure/motorway.

In India, future cooperation with authorities among others concerning possible expansion of the production has been discussed with Chief Minister, State of Gujarat, Mr. Narendra Modi.

The company is a significant part of the local society where we operate facilities with people employed. We contribute to the local economy and availability of a variety of jobs. The company makes a point of good neighbour relations and participation in local cultural life and activities. This is of particular importance in geographical areas considered less developed in Denmark and India where we operate. The potential negative influence on the community by running production primarily concerns the environment which is dealt with by the company's extensive efforts described elsewhere in the report.

Several employees are through the democratic system of the society independent of Cheminova elected members of local political fora.

Of primary interest to stock market analysts, a number of investor meetings are held both physically and online and are thus accessible to the company's other stakeholders, including the more than 7,250 shareholders in the parent company Auriga. Shareholders also

receive shareholder letters which, like the investor presentations, provide updates on CSR activities. This material is publicly available on Auriga's and Cheminova's websites.

CSR forms part of the dialogue with the company's customers, many of whom appreciate to cooperate actively with Cheminova in promoting product stewardship and environmental responsibility among farmers. Information on the safe use of products – as mentioned in the section on product stewardship – is an integrated part of all direct marketing of products to end-users particularly in developing countries.

Suppliers are audited with focus on the environment, safety and labour standards in accordance with the company's "Supplier Code of Conduct" which forms the natural basis for a constructive dialogue.













Through the roll-out of the mission, vision and values in 2009 and 2010, the employees have participated in seminars about the practical consequences of the company's values and attitudes for the individual employees in their specific working situations. Like last year, monthly newsletters including topics on CSR related issues were sent to employees in all subsidiaries in 2010.


Such issues are regularly discussed throughout the global organisation in relation to the daily business both at the local level and at the head office in Denmark, e.g. by the works council which, for example, has had the company's policies, employee satisfaction and the whistle-blower function on the agenda.

The company holds an open day event twice a year where the employees themselves have the opportunity to show the company and their workplace to family members, neighbours etc. This dialogue initiative attracted 460 visitors in 2010.

Fulfilling CSR targets for 2010

Overview of targets and fulfilment. Fulfilment of the specific areas is described in the paragraphs 'Follow-up on targets' in the individual sections of the report.

Target	Fulfilment	
Product stewardship		
Phase-out of methyl parathion EC in Brazil		Phased out as per plan
Phase-out of DDVP EC in India		Phased out as per plan
Implementing the company's global labelling policy concerning products which are marketed under Cheminova trade marks		Completed
The remainder of the company's material relating to the safe use of its products will be made accessible to all regions and subsidiaries during 2010		Completed
Production of a modular DVD with safety instructions for end-users		Four short films have been produced and are available on the Marketing Portal
The remaining contracts with those of Cheminova's direct customers which hold registrations on behalf of the company are being changed in 2010 so that the customers contractually undertake to operate in compliance with the FAO's Code of Conduct		94% of the contracts have been changed
In India, a project comprising a small number of villages will be implemented in 2010. The project will be based on product stewardship but with a broader CSR-scope of embedding correct use of plant protection into the daily life and thereby demonstrate the benefits of sustainable product use at village level		CSR programs have been initiated in nine villages
In Brazil, a village project amongst banana growers will be planned in 2010. The project is to be based on product stewardship and will be implemented in 2011		The project has been initiated in minor farms in the state of Goias
Production		
India: Certifying the environmental management system of the production at the Technical Division in relation to ISO 14001 and OHSAS 18001 as per June 30, 2011		According to plan
India: Reduction of the energy consumption at the Technical Division by 3%		The energy consumption was reduced by 15%
India: Reduction of the water consumption at the Technical Division by 5%		Water consumption was reduced by 14%
India: Reduction of the COD emission with the waste water from the production plants by 10%		The emission was reduced by 14%
India: Absenteeism due to accidents at work will be reduced		Reduced from 4.6 to 1.6 lost man-hours per 1000 man-hours

Target		Fulfilment
Production		
Denmark: Certifying of the company's environmental management system in relation to ISO 14001 and OHSAS 18001 is maintained		External audit undertaken in August 2010. One nonconformity corrected
Denmark: Reduction of the energy consumption when producing glyphosate by 5% as per October 1, 2010		Project completed through re-organisation of production
Denmark: Implementation of campaigns to improve the safety culture with the primary aim of reducing the number of lost working days		Campaigns carried out as planned but the number of lost working days has increased from 293 in 2009 to 1055 in 2010, the majority of which were related to unusual icy conditions in the winter
Denmark: Ensure a well functioning emergency preparedness for action on serious accidents through arranging a large scale exercise involving the public preparedness		Large scale exercise held on April 28, 2010
Germany: Absenteeism reduced to less than 4%		Absenteeism was reduced to 3.5%
United Kingdom: Reduction of the ergonomic strain on employees and the exposure to dust		A new installation handling big-bags is now in use
New EU chemicals regulation		
Registration of the pre-registered substances which must be registered before the end of 2010		All 19 substances are registered
Supplier management		
Conducting 10 official CSR audit visits		19 audits conducted in 6 countries
Introduce Cheminova's 'Global QC and CSR manual' to all subsidiaries		Completed
Human Resources		
The employees in Hungary, Colombia and Germany will be invited to a one-day workshop on Cheminova's mission, vision and values		Carried out in Hungary and Colombia. Workshops for the Stähler group including Germany are scheduled for 2011
Summary of the conclusions from the roll-out process in 2009-10 about mission, vision and values in the shape of a corporate edition of Cheminova's values which will in future be used in the presentation of these		The activity is initiated but delayed. Scheduled to be completed in 2011
Implementation of an updating and revision of Code of Business Principles on the basis of the experiences from the roll-out process of mission, vision and values in 2009-10		The roll-out process did not cause any changes of the Code of Business Principles
Make the policy concerning anti-corruption more specific		The policy has been specified and incorporated into the CSR manual

CSR targets for 2011 and beyond

New targets have been established for the years to come. The targets are described in greater detail in the action plan on page 32. The work on the targets which were not achieved in 2010 will continue in 2011.

Product Stewardship

- FAO's Code of Conduct will in 2011 be included as part of the general sales and delivery conditions. Compliance with FAO's Code of Conduct will be an integrated part of Cheminova's general trade conditions in 2011.
- The modular films with safety instructions will be extended to more countries and markets. In 2011, these films will be available for Cheminova's marketing and CSR employees.

Village projects

India

- The already launched projects in the nine selected villages will be continued in 2011 and 2012.
- Impact assessments and implementation of specific improvements identified will be undertaken in two villages in 2011.
- The project "Aakash Ganga" on water conservation will be initiated in five villages in 2011.
- The project "Saheli" on women empowerment on safety, health and livelihood will be initiated in four villages in 2011.

Brazil

- The project among small-scale banana farmers in the state of Goiás will be continued in 2011 and 2012.
- A new project on community development, safe and environmentally friendly disease management of the

banana crop will be launched among small-scale banana farmers in the state of Sao Paulo in 2011.

Production

India

- The environmental management system of the production at the Technical Division in relation to ISO 14001 and OHSAS 18001 will be certified in 2011.
- Reduction of the energy consumption at the Technical Division by 3% per produced volume in 2011.
- Reduction of the water consumption at the Technical Division by 5% per produced volume in 2011.
- Reduction of the COD emission from the Technical Division and the intermediate plant by 5% per produced volume in 2011.

Denmark

- Certifying of the company's environmental management system in relation to ISO 14001 and OHSAS 18001 will be maintained in 2011.
- The energy consumption will continuously be optimized through retention of the certified energy management system according to DS/EN 16001 and compliance of the Danish Energy Agency's demands on energy management according to DS/EN16001.
- In order to achieve fewer accidents and errors at work a programme for education and training of employees' attitude and behaviour will be organised and accomplished.

Australia

- Absenteeism due to accidents at work will be reduced in 2011.
- Certifying according to ISO 14001 will be maintained in 2011.
- In 2011, the company's policy for safe behaviour will be updated, and training programmes for all employees will be accomplished.
- The quantity of waste for recycling will be increased by 5%.

REACH - New EU chemicals regulation

- Registration of the pre-registered substances that have to be registered before the end of 2013.

Supplier management

- In each of Cheminova's regions the supplier management will in 2011 be anchored with a person with a technical background.

Human Resources

- In 2011, knowledge of the whistleblower function will be spread to all employees of the global organisation.
- In 2011, knowledge of the company's mission, vision and values will be maintained among the employees of the global organisation.
- Communication of the company's anti-corruption policy will in 2011 be accomplished in selected subsidiaries.

Cheminova's business area

Cheminova's primary activities are the development, production, marketing and sale of chemical products for the protection of agricultural crops world-wide.

Products

The company manufactures herbicides, insecticides and fungicides. The products are sold predominantly as ready-to-use crop protection products under the company's own brands, registrations (permits) and labels. A brief description is available on Cheminova's website of general approval procedures for crop protection products [http://www.cheminova.com/en/cheminova/regulatory_assessments/]. Cheminova also supplies active ingredients which are used for further processing to produce ready-to-use crop protection products. Moreover, the company produces and sells a number of fine chemicals for use by the chemical industry as well as micronutrients for the agricultural sector.

The products which are manufactured at the factory in Denmark are almost entirely destined for the export markets while most of the products manufactured at the production facilities in India

and Australia are used locally. Products from the facilities in the UK and the Stähler companies are mainly used in Europe.

Cheminova is a member of various associations, e.g. Croplife, Resistance Management Groups under Croplife, The Confederation of Danish Industry (DI), The Organisation of Processing Industry in Denmark and local trade organisations.

Awards

In 2010, the manufacturing site of Cheminova's subsidiary in the UK, Headland, won an award for "Excellence in Application" given by Deeside College in acknowledgement of an excellent teamwork for a continuous improvement culture in the company. This has made Headland manufacturing an example of what can be achieved.



Harvesting soybeans and planting catch crop at a Brazilian large-scale farm.

Cheminova's business area is products for the control of insects, fungi and weeds.

Phase-out of WHO class I products

- Phase-out plan completed

As the only company in the business Cheminova published a detailed plan for phase-out of the most toxic products in developing countries at the end of 2006. The plan is now fully accomplished without delay.

With the purpose of increasing safety when using Cheminova's products, it was in 2006 decided to phase out the most toxic plant protection products in the developing countries. It includes sales products which according to WHO's classification belong to the categories Ia: "Extremely hazardous" and Ib: "Highly hazardous". The table shows the schedule with countries and products plus status at the end of 2010.

More new insecticides introduced

During the phase-out period focus has been on safe use of the products while they were still part of Cheminova's product portfolio in the specified countries. Further, great efforts have been made to introduce new products - partly products for direct substitution of the class I products, partly quite different products to support Cheminova presence in the market.

It is a rather difficult process to replace a well-known, efficient, cheap and very effective insecticide with new products which are often more expensive and more complicated to use. Typically, more than one new product is needed to efficiently control the same spectrum of insect species as the old product was able to handle.

Cheminova's new position in the market

It is obvious that Cheminova with an average market share of appr. 2% has no decisive influence on the farmer's choice of products. However, we have tried to influence the consumption

pattern in the direction of reduced risk to the user a.o. by removing our own very toxic products from the market and introducing alternatives to the extent possible.

The dilemma can be illustrated by the WHO class I product monocrotophos in India which was phased out in 2009. We have observed that the market has almost totally been taken over by the competitors who still sell this very toxic product to the farmers. Cheminova has developed a new product based on monocrotophos which is significantly less toxic than the old product and thus on par with most other plant protection products used all over the world. The approval procedure for this product has because of staff shortage at the registration authorities not yet materialized so that this product of less toxicity has not yet been approved for marketing. Therefore, it has so far not been possible to take up the competition by means of this improved though more expensive product.

In Brazil on the other hand, Cheminova's sales of methyl parathion in its most toxic form (WHO class I) were stopped at the end of 2010. But among Brazilian cotton farmers we expect this very toxic product to be replaced partly by methyl parathion in a micro-capsule formulation (WHO class II) and partly by malathion which have proven suitable to control the boll weevil. Both these products have already been approved for use in Brazilian cotton.

New fungicide to be produced instead of toxic insecticide

In the autumn 2009, the production of monocrotophos stopped which has given an opportunity to renovate and rebuild this production plant at the subsidiary in India. In the spring 2010, the production plant was ready, and the production of the new fungicide azoxystrobin was initiated.

Even though this new product is made in a rebuilt monocrotophos plant there are not many similarities between the two compounds, neither regarding chemical structure, toxicity nor agricultural use. Azoxystrobin is a low-toxic fungicide sold by Cheminova's subsidiaries for the control of serious fungus diseases in agricultural crops around the world. Productionwise it has in this way been possible to replace a very toxic insecticide with a safe (WHO class U) fungicide (see the outline of classification on page 21).

In 2010, new products constituted about 60% of our turnover which reflects Cheminova's development focus on new products during the last years.

Cheminova's pipeline of new products is in continuous development with more than 50 projects concerning new active ingredients, formulations and further development of existing products. Totally, more than 200 of the group's employees are directly engaged in innovative chemistry, process development, formulation projects and registration. This work demands a close cooperation between large numbers of employees with widely different competences in Cheminova's global organisation.



Personal protective equipment and the effects of the products are demonstrated at an Indian farmer growing cucumbers.



Cheminova stakes on new products

Through the period Cheminova has experienced a significant growth in the sales of new products which all belong to the less toxic categories of plant protection products.

Cheminova's phase-out plan with status

Country	Product	Phase-out year	Status
India	Monocrotophos SL (class I)	2009	Phased out in 2009. Low concentrated granule formulation developed*
	Phorate granular (class I)	2009	Phased out in 2008
	DDVP EC	2010	Phased out in 2010
Brazil	Methamidophos EC (class I)	2009	Phased out in 2009
	Methyl parathion EC (class I)	2010	Phased out in 2010. Micro capsules maintained*
Mexico	Methomyl SP (class I)	2007	Phased out in 2007
	Methyl parathion EC (class I)	2009	Phased out in 2009. Micro capsules and low concentrated powder maintained*
	Methamidophos EC (class I)	2009	Phased out in 2009
Colombia	Carbofuran SC	2007	Phased out in 2007
	Methyl parathion EC (class I)	2009	Phased out in 2009. Micro capsules maintained*
	Monocrotophos SL (class I)	2009	Phased out in 2008
	Methamidophos EC (class I)	2009	Phased out in 2009
Argentina	Methamidophos EC (class I)	2009	Phased out in 2009
Cuba	Methyl parathion EC (class I)	2009	Phased out in 2008
Taiwan	Methyl parathion EC (class I)	2007	Phased out in 2007. Micro capsules maintained*

EC = Emulsion Concentrate; SP = Soluble Powder; SL = Soluble Liquid; SC = Suspension Concentrate

* WHO klasse II produkter

Village projects in India

One of Cheminova's latest initiatives within CSR is engagement in quality of life, growth and sustainability in a limited number of villages located in the states of India where we do business. In cooperation with local players we want among other things to demonstrate that good agricultural practice leads to improved quality of life to the villagers.

Cheminova India - Model village - Service profile

Advisory services	Safe use of pesticides	Education, health and hygiene
<ul style="list-style-type: none"> • Pest identification and correct use of products by university, dept. experts • Demonstrations • Weed management • Seed treatment campaigns 	<ul style="list-style-type: none"> • Promoting safe use • Safety kit distribution • Training women farmers on safety • Awareness about safer formulations • Updating knowledge of local medical doctors 	<ul style="list-style-type: none"> • Clean drinking water • Hygiene of village surrounding • Medical camps • Supporting the needy children for education • Honouring best teachers

"The whole objective of this activity is to train the farmers on best scientific practices and to help them update their knowledge for not only becoming self standing in a period of three years but also for acting as a role model for surrounding villages."

P.N. Karlekar, Managing Director,
Cheminova India Ltd.

Read the entire article on www.cheminova.com

In India, more than 700 million people live in the countryside, and they are directly dependent on the productivity of agriculture and that the harvest is plentiful. As Cheminova's customers are farmers, our products contribute directly to increase and improve the yield, and in that way we contribute to improve living conditions of the population.

Our company in India does a great job to promote safe use of plant protection products. Spreading the message about safe use of our products is in itself quite a challenge, but we have increasing success in doing it. Through contacts and meetings we influence more than 230,000 people per year in respect of using the products correctly and protecting themselves when spraying. This has helped to create a good platform for Cheminova in relation to the farmers and in this way it has been possible to develop the CSR work further.

Projects building on existing resources in the local community

We cooperate with the local population in order to demonstrate that a modern knowledge-based cultivation practice will result in increasing prosperity in the villages. In many places there are both resources and goodwill to draw on as regards agriculture. In addition, it has in the preliminary phase of the projects been very useful for us to draw on the Danish Embassy in New Delhi which as one of few Danish embassies in the world has a CSR office. From its part there has been great interest in our activities and we have been assisted by one of their experts during the start-up phase.

Things have to be done in the right order

The projects were started in 2010 and are therefore in a very early phase, but we have been well received among local politicians, consultants and not least

farmers who have been very interested in participating. The enthusiasm is obvious, also among our own staff in India.

It is important to establish and develop good relations with the population in the villages. One of the first steps has been to comply with some of their wishes - even though they are not directly pertinent to agriculture. The monsoon is a prerequisite to growing crops. But the heavy rain also has some side-effects in the form of for instance flooding resulting in pollution of the drinking water. This means that during the rains, the children often become ill and miss the education at school. Therefore, we have met the wishes for better water supply by giving small water purifying devices to village schools. In return we have experienced the school teachers' interest in and support for the other activities of the projects. The table shows what kinds of activities are included in the project.



“Local ownership to the projects requires that the activities provide agricultural, economic and social value to the village community.”

Ajit Inamdar, CFO, responsible for CSR,
Cheminova India Ltd.
Read the entire article on www.cheminova.com

There is great interest for the village projects in India. Here, a farmer shows his field which is divided according to traditional and new method of cultivation.

Rice can be grown in several ways

In West Bengal near Calcutta (Kolkata) is a village where our project work has been well started up. Like most other places in India, rice is the basic food, and among the farmers there has been great interest in bringing the yield of rice to a higher level. One of the leading farmers has taken up the idea and split his rice field in two areas. In one area the rice is grown traditionally, and the other area is treated according to recommendations of the agronomists as regards fertilization and plant protection. Even though no scientific study of the improvement has been made the farmer is very happy about the result. The prize is that he has been able to harvest substantially more rice in this part of the field.

Sale of vegetables in the market

The village delivers vegetables to the nearby well-attended market which means that a better yield of eggplants, melons etc. will result in a gain which goes further than more rice on the plates. Vegetables and fruit sold in the market give an income that can be

converted to goods and improved standard of living in the village. Tests have been started in the vegetables fields and more information meetings have been planned where improvements on the basis of soil analyses etc. will be discussed with the farmers. There is every indication that new methods will increasingly be introduced already from the next growing season.

The cows also benefit from the projects

Of course, the project also includes training in safe use of plant protection products in all villages. But in addition to that many other activities have been started in order to raise the standards. It may be anything from public health campaigns to simple clean-up depending on the need in the individual village. In one of the villages was held a veterinary day in cooperation with a local interest group “The friends of the cow”. On that day the health of the cows and the milk production were brought into focus.

Common to the projects are involvement and activation of the local population and here an important element is

to establish the necessary cooperation between farmers, resource persons, elected representatives and the local authorities. But the intention is that in the course of three years the full responsibility of the activities will be assumed by the villagers themselves.

Status

Towards the end of the year, an appraisal was made of the effect of the project in the first village. Assisted by the Danish Embassy among others, a temporary report based on interviews and observations has been prepared evaluating the cultural, financial and social effects of the project activities. Focus areas for the future work have also been pointed out. The conclusion is that the initiatives of the project are functioning and among the farmers a certain ownership of the activities has been created but the project should focus on a few strategic areas, and for instance the ownership must be extended by involving the women of the village even more.

Banana project in Brazil: Improved cultivation of bananas by small-scale farmers in Brazil

The project team from Cheminova Brasil has brought innovation and social responsibility to life amongst small-scale banana farmers in a project area in the state of Goiás.

Application of Cheminova's fungicide flutriafol by new precision technology helps small-scale farmers protect banana crop against a devastating fungal disease.

Small-scale farmers in the banana area of the southern part of Goiás on average have less than 10 hectares of land. The most important crop disease in this area is called yellow sigatoga, a fungus that reduces the yield and quality of the banana crop. The livelihood of these farmers depends heavily on production of bananas for local consumption in Brazil. The quality of the produce from the project area is not sufficiently developed to meet the requirements for export.

Disease is the major threat to production

Use of fungicides is vital to the production in this area and flutriafol is an excellent tool against the sigatoga. Fungicides are traditionally sprayed by aeroplane and ground equipment up to 15 times during the growth season. For small-scale farmers this constitutes a burden on their economy as well as on the environment. The project in this area is about improving disease control and thereby creating prosperity in the farming community.

The project is well into the primary phase

The initial phase of the project started in

April 2010, in a process where the idea of introducing a new application technology with flutriafol was discussed with members of the farmers cooperative in the area.

Meetings with local and state extension experts were arranged to evaluate the potential impact of the new method never used before. Efficacy trials had shown very good results with a reduced number of applications of flutriafol. So the farmers and advisors were keen to have this project set in motion.

The Cheminova Brasil team kick-started the activities by training the use of personal protection equipment which was also provided free of charge to all the participating farmers.

Technology and benefit to the farmers

By means of the newly developed low-cost precision equipment it is easy to apply a very small amount of the flutriafol formulation in the axil of the newly formed top leaf of each banana plant. Two millilitres per plant is what it takes. And the protection is so good that a farmer previously applying fungicides 12 times could do with 2-3 targeted axil applications during the season – and even

with a better result. The methodology is simple and quick, and a farmer can treat 2 hectares with about 3,200 plants in one day of work.

Cheaper, better and environmentally friendly are some of the key words the advisors and the farmers use to describe the impact. It has also been noted by the advisors that avoiding mineral oil which is an additive used in the traditional spray operations diminished damage to the roots of banana plants, often seen in the top soil.

Bananas in Brazil

Brazil is the second largest banana producer in the world. The production is mainly consumed domestically where bananas constitute a significant part of the diet with an annual consumption of 30 kg per person.

80% of the banana area is cultivated at low-tech family farms and it is among some of these farmers Cheminova's project has been initiated in collaboration with the Ministry of Agriculture and the local farmers' association.



Dr. Rômulo Rodrigues, Gerente de Aquicultura e Pesca, Governo do Estado de Goiás (governmental advisor on fungi diseases)

“Cheminova’s fungicide is decisive for the development among small-scale banana farmers in the state of Goiás because the product is suitable for use through the new application system meaning effectiveness in the control of the fungi sigatoga.”

Control of fungi diseases in banana plants in Brazil with the new technology where a few drips of fungicide are placed in the axil.

The project has three main objectives

- To demonstrate the usefulness of Cheminova's newly developed, environmentally friendly precision technology in the management of important banana diseases.
- To introduce this technology into small-scale agriculture in selected areas.
- To promote community development by improving quality of life of small-

scale banana producers by

- increasing productivity in the project area in Goiás from 14 to about 20 tons/hectare during a 3-year period.
- improving the quality of the fruit produced.
- increasing profitability through an improved classification of the banana produce from this project area.

Formulation and filling activities

A lot of development work goes into developing the industrial-scale recipes used in the manufacturing of end-use products at Cheminova's own factories as well as at toll-manufacturers.

Production of finished products - formulations

Like pharmaceuticals, plant protection products often contain only a limited quantity of the active ingredient. The rest is ancillary materials, fillers and solvents.

Development of formulations

The process of transforming the active ingredient into a finished product ready to be used by the farmer is called the formulation process, and the product itself is a formulation containing an active ingredient mixed with ancillary materials etc. Considerable development work and much experience lie behind the recipe of the finished product. It is crucial that the sales products have the right properties with regard to stability and efficacy and that the environment as well as safety and health are impacted as little as possible when the products are used.

In previous CSR reports we have described how we during the development process are working on optimizing the formulations for instance by using water and vegetable oil instead of unwanted solvents (<http://www.cheminova.com/en/csr/csr-report/>). For instance, micro capsules and other water-based formulations are often less toxic and more user and environmentally friendly. To this must be added the development work behind making different active ingredients play together in mixed products.

Production of finished products

It is also a key element of the work to optimize the formulation process itself to make it applicable in a large-scale industrial production plant.

Cheminova's own production of the active ingredients takes place at the factories in Denmark and India while the active ingredients are further processed into finished products either at our own

plants in Denmark, India, Germany, United Kingdom, Italy and Australia or at external companies - toll formulators - often situated close to the markets where the products are going to be used. Since the products are diluted products, it is a financial and environmental advantage that the formulation takes place close to the market. In this way, transport of large quantities of water, fillers and solvents around the world is avoided.

Two companies making Cheminova products

In the following pages we present two formulation companies that make ready-to-use Cheminova products for the farmers: Our own company in Australia, which Cheminova acquired in 2008, and our long-term partner Proquimur in Uruguay. The articles have been written by senior members of staff of the two companies.



Filling of finished products.

Audit of formulation companies

Cheminova has prepared an ethical code of conduct for companies supplying products and/or services to the group. This includes standards concerning environment, safety, health and human resources. Both Cheminova's own formulation companies and toll formulators must comply with this code. Compliance with the code is an integrated part of the quality control of the companies where audit is a control measurement.

Manufacturing at Cheminova's formulation site in Australia

"The site is by regulatory bodies considered a benchmark for toll manufacturing of crop protection products in Australia."

By Stephen Poole



Australia is the only nation to occupy an entire continent. Its land mass of nearly 7.7 million km². For its size, Australia has a relatively small population of 22.5 million. Approximately 70% reside in the 10 largest cities located throughout the coastal regions. From rainforests and vast plains in the north, snowfields in the south east, desert in the centre and fertile croplands in the east, south and south west, every conceivable climate is present. Only about 6% of Australia is suitable for crops and pasture, a considerable amount (60%) of the land area is suitable for cattle grazing.

Farming in Australia

Australia has become a leading world exporter of grains, meats and wool. Both grains (predominantly wheat and barley) and wool markets around the world are significantly influenced by Australian exports.

The main agricultural crops grown in Australia are wheat, coarse grains (barley, oats, sorghum, and maize), rice, oilseeds (canola, sunflowers, soybeans, and peanuts), grain legumes (lupins and chick peas), sugarcane, cotton, fruits, grapes, tobacco, and vegetables. The main livestock production is in sheep (wool and lamb), beef, pork, poultry, and dairy products.

Farm sizes range from relatively small part-time farms to operations of more than 5,000 hectares. In general, Australian farming is characterized by large scale, highly mechanized and efficient operations.

Manufacturing at Cheminova Mfg. Pty. Ltd., Wyong

Cheminova Mfg. Pty. Ltd. was formed in November 2008 with the purchase of the ex-Bayer CropScience manufacturing plant, located approximately 70 km north of Sydney.

The plant is a toll manufacturing facility primarily providing formulation and packing support to Cheminova's Australian crop protection sales and marketing subsidiary Ospray. However, as a generics toll manufacturer and being in a very competitive manufacturing environment, we also offer manufacturing options to other customers. The plant remains viable by sharing the costs of a highly regulated facility across a broad customer base.

The facility is manned by 30 dedicated employees. It is capable of formulating traditional crop product ranges such as herbicides, insecticides and fungicides and includes a wettable powder plant. The facility also formulates and packs Animal Health products.

Animal Health manufacturing in Australia is a licensed activity under Good Manufacturing Practice principles (GMP), and regulated through the Australian Pesticide and Veterinary Medicines Authority. The APVMA is also the federal government statutory body for the registration of crop protection products in Australia. Animal Health products are a complementary range of formulations, having the same or similar chemistry to some crop protection products.

I am proud to say the site is now considered by regulatory bodies such as the APVMA as the benchmark for toll manufacturing of crop products in Australia. The extension of Good Manufacturing Practice principles across crop protection products as well as for animal health has demonstrated a clear separation from our competitors.

Bradley Rowe, trainee, working at Cheminova in Wyong since the beginning in 2008

"I'm employed as a trainee Formulator and my day consists of formulating and packing chemicals for agricultural products and animal health. Unlike previous chemical companies I've worked for, Cheminova hold high standards towards safety. We have constant updating of workplace safety and training procedures, and also a strong commitment to our environment. With our environment practices of segregation of hazardous and non-hazardous wastes and reuse of recyclable materials, our goal is to have a clean safe workplace with minimal impact to nature and minimizing our carbon footprint".





The formulation plant in Wyong, Australia.

Environment & CSR

By Kerrie Dixon

In line with our vision we strive to create a workplace that is injury, illness and incident free with zero harm to people and the environment. For example all new substances arriving at the site are risk assessed, we have a comprehensive change management process and the elimination of hazards is through engineering or design solutions wherever possible. Viewed as fundamental to achieving our aim of zero harm to people and the environment, we encourage the reporting of incidents, actual and potential, as well as any identified hazards.

Health of employees

We aim to ensure fitness for work and that health matters do not impact on safety at the site. In line with this philosophy pre-employment medicals are conducted, the site operates as drug and alcohol free and via our Employee Assistance Program, free confidential, independent counselling access is offered to employees. In addition regular occupational health safety and environment site meetings are held which provides a forum for employees to raise initiatives as well as any concerns that they may have.

Due to the seasonality of products produced at the site, a large proportion of our workforce is temporary. We work closely with our contracting companies to ensure that their approach to human resource management, including employee relations is consistent with that of Cheminova.

Environment

The site maintains ISO 14001 Environmental Management System Certification and it is our practice to meet or exceed applicable legal and other requirements, promote efficient use of resources, minimise waste generation, increase recycling and prevent pollution through appropriate disposal of waste. In line with this philosophy we recycle wherever possible both with plant manufacture and office based activities and correct waste segregation and spill

control practices are part of everyday activities. Comprehensive training is provided in these areas. We endeavour to monitor all aspects associated with the site's waste generation life cycle and conduct due diligence audits on our waste contractors.

Emergency management

Emergency simulations are part of the improvement process and a simulated spill with associated site evacuation was conducted this year. It was pleasing to note that site responders acted with appropriate professionalism. Key take-aways from the exercise were discussed during a debrief session following the scenario.

Authorities and business partners

At commencement of employment, personnel are provided with The Code of Business Principles. This is seen as providing transparency and as a beneficial direction and advice on conducting business and interacting with government, the community and business partners. The ability to build relationships we view as critical to our long term success.

Our suppliers of materials and labour are also vital to our business. We endeavour to support and engage our suppliers in the importance of meeting the corporate social responsibility requirements of Cheminova.



Kerrie Dixon is working with environment and CSR at Cheminova in Wyong.

Proquimur: A Long term partner in formulation

“All the products are made under strict quality control procedures that cover raw materials, packaging materials, formulation process control as well as quality control of finished products.”

By Alvaro Bazzino



Uruguay is a country in South America that borders Brazil to the northeast and Argentina to the west. With an extension of 176 thousand square kilometres, Uruguay is the second smallest state of South America. Its population counts 3.4 million inhabitants; almost half of them live in the capital, Montevideo.

Uruguay is a consolidated democracy. It also stands out being among the countries with the highest literacy rate of Latin America (97.7% of the total population).

Exports

As a founding member of Mercosur, Uruguay enjoys optimal export possibilities to the other member countries: Argentina, Brazil, Paraguay, Bolivia and Venezuela as well as to the associate member states Chile, Colombia, Ecuador and Peru.

Uruguay is an agro-exporting country, thus products from agriculture: rice, wheat, corn, sunflower, sorghum, barley, soybean and livestock (cattle and sheep) are basic resources of the economy. The main industries are the dairy and derivatives, paper, cardboard, alcohols, cement and oil refining.

Farming in Uruguay

The country lies in the 33°S, 56°W position, with a warm weather that is ideal for farming. Agriculture contributes with approximately 10% of the country GDP, and it is the main source of foreign currency, placing Uruguay in accordance with other agricultural exporters

like Brazil, Canada and New Zealand. Uruguay is a member of Cairns Group of agricultural products exporters.

Proquimur – A Manufacturer of Formulations to South America

Proquimur started formulating and commercializing plant protection products on December 9, 1981. From the beginning, we have attempted to interpret the needs of the agricultural sector, offering solutions that gained rapid acceptance.

After suffering extensive damage in our plant from a tornado in 2002, the company has been reshaped into a modern industrial plant for safe and effective production of agrochemicals.

This plant stands in 2,500 square meters of buildings located in an area of six hectares; the facilities are currently being expanded. Advanced equipment such as dispersers, mills and reactors allow Proquimur to formulate a broad selection of formulations attending the demands from farmers in South America. Our products are advanced as well as basic formulations such as concentrated suspensions, emulsifiable concentrates, soluble concentrates, oil in water emulsions, suspoemulsions, dry powders and pellets.

Today, we have the capacity to formulate 40.000 litres of concentrated suspensions and 30.000 litres of emulsifiable concentrates daily. This capacity of production is projected to increase in 2011.

Safety and Environment

Proquimur counts for all the required licenses and permits for operating the industrial site and the production. These permits include the Industrial and General Permit, the Certificate on Environmental Hygiene Control (CECOHA), the Certificate from the National Environmental Bureau (DINAMA), and certificates on fire prevention, public health and general production permits. Further, the production site is recognized by the US-EPA, and it has been assigned a production establishment number.

All the products are made under strict quality control procedures that cover raw materials, packaging material, formulation process control, as well as quality control of finished products.

Proquimur has developed a policy for sustainable environmental stewardship, both for production and final products. In this sense, the company is very much aware that the conditions of the environment and working environment are of high importance to the people and to the wider society.

National regulations include Law No. 16.466 (1994), which covers the environmental protection and the prevention of negative environmental impacts, and Law No. 17.283 (2000) which is the new general law of environmental protection. These two laws are complemented by the Packaging Law, and by Decree 253/79 which dictates the norms to prevent water pollution.

In accordance with the national regulations Proquimur is carrying out



a strong solid waste management, by classifying the waste for either recycling or shipment for further processing.

Our effluent treatment plants and gas incineration plant both have the authorization from and are controlled by the National Environmental Bureau, DINAMA. Also, we are part of the important environmental programs:

- Responsible Care Environmental Program (ASIQR-Chamber of Industry).
- Country Fire Program (CAMAGRO – Chamber of commerce).

The long commercial relation with Cheminova includes a formulation agreement under which we produce and supply formulated products from Uruguay to several Latin American countries.

Fiorella Sanguinetti, Quality Control and Development, Working in Proquimur since 2004

“Proquimur has given me the opportunity to know an exciting world, the agrochemicals' world, and has given me every satisfaction, both professionally and personally. We work constantly to optimize the quality of our products and in order to achieve this we have formed an excellent team.

The relationship with Cheminova has been essential in the development of Proquimur because I have seen during these years an enormous growth of the company, in infrastructure, in equipment, in quantity of personnel.”



Pablo Deleón, Formulator, working in Proquimur since 1998

“In the company we have important safety equipment, we are continuously updating in the management, control and prevention. It is very important to handle products we work with in a responsible way in order to avoid negative impact for us, for society and our environment.”



Sales and product stewardship for plant protection products

With the phase out of the most toxic products in developing countries, an important milestone of Cheminova's CSR work has been achieved.

Cheminova's sales in 2010

Cheminova's sales of plant protection products include supplies of both active ingredients and ready-to-use formulations to more than 100 countries. In 2010, Cheminova's subsidiaries handled 88% of sales.

For further comments on sales, distribution between product types and geography, please refer to Auriga's annual report.

Sales of the most toxic products

The most toxic products are those which, according to the WHO classification (The WHO Recommended Classification of Pesticides by Hazard and Guidelines to Classification 2009, published in 2010), fall into class Ia "extremely hazardous" and class Ib "highly hazardous". The updated classification guidelines have been applied to identify which of Cheminova's products belong to WHO class I. No products have moved from or to class I when classified according to the new set of guidelines. The active ingredients of Cheminova's 2010 product portfolio which fall into the WHO class I are methyl parathion, DDVP and triazophos, all of which in 2010 were produced by Cheminova. Further fenamiphos and omethoate which are third-party products were sold by Cheminova in the form of formulations, i.e. ready-to-use products.

WHO classification of pesticides based on acute risk

Class Ia	Extremely hazardous
Class Ib	Highly hazardous
Class II	Moderately hazardous
Class III	Slightly hazardous
U	Unlikely to present acute hazard

The active ingredient methyl parathion appears in both class I and class II formulations, while the ready-to-use triazophos-based products all are class II formulations exclusively. Cheminova's phase-out plan covers class I ready-to-use products in countries outside the US, Canada, Australia, Japan and the EU. In 2010, total sales of class I products to all countries were reduced to appr. 3% of total Cheminova sales. The breakdown of products by country can be seen in the table below.

Overview of which class I ready-to-use products Cheminova sold in 2010 and where

Country	Product
Australia	Methyl parathion EC
	Methomyl EC
	Omethoate EC
USA	Methyl parathion EC
Spain	Fenamiphos EC
Brazil	Methyl parathion EC*
India	DDVP EC*

*Phased out during 2010
EC = Emulsion Concentrate

Product stewardship

The underlying principle for Cheminova's stewardship of plant protection products is risk reduction. The cornerstones are:

1. Observance of national legislation concerning approval, marketing and sale of plant protection products in all countries where Cheminova's products are sold. In addition, export is subject to EU legislation and the rules of the Rotterdam convention concerning "prior informed consent" (PIC),
2. Affiliation to the rules of FAO's Code of Conduct,

3. Membership of national/regional trade associations engaged in risk reduction in connection with the use of plant protection products, and
4. Phase-out of all products belonging to WHO class Ia and Ib outside the USA, Canada, EU, Australia and Japan.

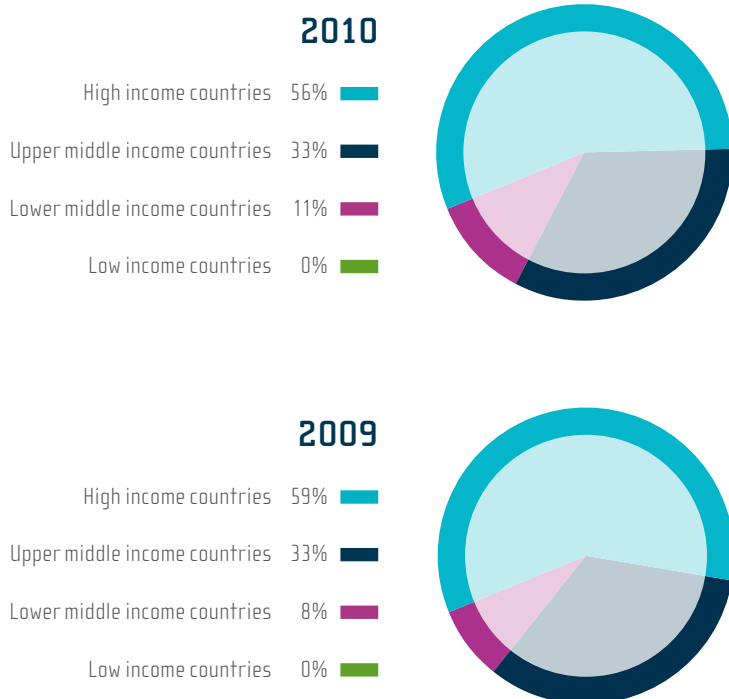
In 2010, focus on safe use and risk reduction has continued. Training and guidance on correct and safe use of Cheminova's products is an important part of the marketing activities in developing countries. Labelling and instructions for use, personal contact with distributors and users and participation in campaigns are some of the tools employed to promote safety. The quarterly reporting to the CSR steering committee on product stewardship from countries and regions that was established in 2009 has continued in 2010. Twice a year the Global Executive Committee meets to discuss CSR. Progress reported from the regions and countries as well as guidance for future activities are on the agenda.

In 2010, the safe use of third party products sold by Cheminova subsidiaries has been brought into focus. This has led to restrictions of sales of a herbicide in segments dominated by knapsack spraying.

The following highlights the risk reduction activities in the developing countries - Brazil and India - where the last class I products were sold in 2010.

Brazil

In Brazil, sales of methyl parathion in its highly toxic form were limited to five states where the cultivation of soybeans and cotton is dominated by large-scale professional farmers. Sales of this product were restricted to large packaging (20 litres or larger) that is unattractive



Sales of plant protection products broken down by rich and poor countries 2010

Sales broken down by rich and poor countries according to the World Bank categories of gross national income per capita: Low income USD 995 or less p.a., lower middle income USD 996 - 3,945 p.a., higher middle income USD 3,946 - 12,195 p.a., high income USD 12,195 or more p.a.). Source: World Development Indicators, database World Bank

Sales of plant protection products broken down by rich and poor countries 2009

Sales broken down by rich and poor countries according to the World Bank categories of gross national income per capita: Low income USD 975 or less p.a., lower middle income USD 976 - 3,855 p.a., higher middle income USD 3,856 - 11,905 p.a., high income USD 11,906 or more p.a.). Source: World Development Indicators, database World Bank

to small-scale farmers. No cases of intoxications related to this product were reported through the Planitox 24-hours hotline reporting and first aid assistance system.

In general a series of 155 farmer and customer meetings with all together 11,300 participants were conducted with focus on safe and correct use of plant protection products as well as demonstrations of personal protection equipment.

These activities are being continued with Cheminova's traditional customer base while new CSR initiatives are focused on supporting small-scale banana producers as described on page 14.

Cheminova's subsidiary has continued its partnership in the organisation inpEV whose purpose is to promote proper disposal of used crop protection product containers. The organisation reports a 9% increase in the tonnage of containers collected in 2010.

India

In India, the sale of the last WHO class I insecticide DDVP was discontinued at the end of 2010.

The extensive safe use programme

with training of dealers and farmers has been further expanded to cover more than 230,000 persons in 2010. The programme also includes posters, video shows, demonstrations and hand out of personal protection kits and first aid kits. The activities are carried out in collaboration with local authorities wherever possible. This programme is being continued while new CSR activities are focused on village projects described on page 12.

Other developing countries

In all other developing countries sales and marketing was in 2010 accompanied by safe use activities as mentioned under the four bullet points above. These activities are being continued at the same level or higher despite the completed phase-out of the most toxic products. In future the attention to avoid misuse or inappropriate product handling vs. FAO's Code of Conduct will be continued.

Follow-up on targets

Phase-out of the most toxic substances: Cheminova's phase-out plan has now been completed. During 2010 Chemino-

va has discontinued sales to distributors and farmers in developing countries of the last WHO class I products based on methyl parathion and DDVP. Cheminova has stopped selling these WHO class I products by the end of the year while the use of the products can continue until the stocks of the customers have been depleted. Cheminova's production of the insecticide DDVP took place in the company's production facility in India. The manufacturing of this molecule was ended in June 2010. Please see the article on page 10 "Cheminova's phase-out of toxic products has been completed".

Less toxic alternatives: The development of a WHO class II monocrotophos product by our subsidiary in India has been concluded with a satisfactory result. A new formulation has been developed, which lives up to the WHO classification, and which has been shown in field tests to have a good effect on the relevant insect pests. Approval of the product by the Indian authorities was expected during the first half of 2010 but has been delayed.

Generally in 2010 the company has had continued focus on introducing new



Soybeans grown in Brazil.

products none of which are WHO class I. More information on page 10 (Phase-out of WHO class I products - Phase-out plan completed) and in Auriga's annual report.

Labels: A global labelling policy for products marketed under Cheminova trademarks was prepared and adopted at the end of 2008. The policy is now a part of Cheminova's quality control and CSR management system and, as such, included in the "Global QC and CSR Manual". Implementation and introduction was completed in 2010.

FAO's Code of Conduct in Contracts: During 2009 and 2010 all direct customers holding registrations on behalf of Cheminova A/S have been contacted and requested to sign and return a contract addendum, thereby accepting to comply with the obligations stated in FAO's Code of Conduct. 60 signed documents have been returned - four agreements are in process. In future, FAO's Code of Conduct will be an integrated part of Cheminova's general trade conditions.

Access to safe-use material: All relevant historical and current material from HQ as well as from the subsidia-

ries has been uploaded to the Marketing Portal. Although completed at this point, uploading of material regarding safe use will be an ongoing process and the CSR folder will be updated correspondingly.

Production of a modular DVD with safety instructions: The work was initiated in 2009, inspired by existing material from the subsidiaries in India and Brazil as well as from the EU-supported project "TOPPS". With the assistance of the local subsidiary, a film showing the safe-use of knapsack sprayers was recorded in Mexico in September 2010. The film, which is without subtitles and therefore useable in several languages, is available on DVD in its full length as well as in four short films on various subjects (a. Transportation and Storage, Personal Protection Equipment, Data recording, b. Preparation of spraying, c. Spraying and cleaning of equipment, d. Handling of spillage, Disposal of packaging, Data recording). The DVD contains safe-use instructions of a more general character as well. The safe-use film is uploaded to the Marketing Portal and to the Cheminova homepage.

Activities in Indian villages: The CSR-projects covering a variety of activities

in several Indian villages have been successfully launched and further information can be found in the article on page 12.

Activities among small-scale banana producers in Brazil: This project was initiated already in April 2010 although originally planned to be set in motion by the start of 2011.

Together with education and training in safe use, the new application technology has been introduced and come into use by the farmers. See the article on page 14.

Development

We have continuous focus on developing products with improved environmental characteristics and which offer the same or better efficacy despite reducing the volume of active ingredient used.

An overall purpose behind the development of new sales products, formulations, is to develop products with improved environmental properties.

Improvement of environmental properties is sought by using formulation chemicals, ancillary products, with an attractive environmental profile giving the plant protection products the desired properties. Further, new formulation technology has been developed and applied leading to improved products.

Reduction of drift and evaporation of plant protection products during or after application to crops has been a focus area in 2010. A herbicide formulation with significantly reduced drift compared to conventional products has been brought to market and a patent application on reduction of evaporation from formulations has been published.

Improvement of two of Cheminova's insecticide formulations has been accomplished in 2010, and studies concerning these products' possible

application in public health particularly for control of mosquitoes have been initiated.

For a number of Cheminova's plant protection products, an experimental work with improving the effect per gram applied product has been initiated in 2010. The work has especially focused on fungicides. If an increased effect per gram plant protection product can be achieved it will be possible to reduce the environmental impact as a reduced quantity of product will be required to obtain the desired effect.

In 2010, Cheminova has supported an international research group with association to several European universities and institutions. The project of the group is about investigating the possibilities of reducing mortality after suicide attempts with insecticides. The results of the scientific research are expected to be published in scientific journals.

As general information about Cheminova's strategic focus on development



and innovation, the company has in 2010 published a magazine "Growth through innovation and sustainable development" which can also be read on Cheminova's website.

Test of new formulations for Danish plant production.



Production

We are constantly working on improving environment, health and safety at all production sites.

Data on environment, health and safety for these companies appear from the table on the next page. About 2/3 of the activities take place at the company in Denmark and about 1/5 at the company in India. All producing companies are included in the statements for 2009 and 2010. The statements for the previous years only included the companies in Denmark and India.

According to the below article, the production plant in India has in 2010 focused on odour control.

Detailed information for the other companies included in the statement can be found on www.cheminova.com.

The applied accounting policies can be found on page 50.

94% of electricity consumption, 72.6 GWh, lies in Denmark and India. The main part of this electricity, 72.5 GWh, is produced with natural gas as primary energy source, the remainder is produced with oil as primary energy source.

The significant emissions of treated waste water take place from the production plants in Denmark and India where it is lead to the North Sea and Gulf of Khambhat, respectively.

On Cheminova's factory site in Denmark is a waste deposit containing sulphur, sand and concrete contaminated with low concentrations of organophosphorous chemicals and mercury. The deposit is confined and does not constitute any danger to the surroundings. In 2010, Cheminova has entered into an agreement with the Danish Environmental Protection Agency to dismantle the deposit over a period of time. The first step of this agreement is to conduct a preliminary



The Cheminova group owns the following production companies:

Name	Production	Country	Location
Cheminova A/S	Chemical synthesis, formulation and filling	Denmark	Rønland, Lemvig
Cheminova India Ltd.	Chemical synthesis, formulation and filling	India	Panoli north of Mumbai
Stähler Deutschland GmbH & Co. KG	Formulation and filling	Germany	Stade west of Hamburg
Stähler, Althaller	Formulation and filling	Italy	San Colombano south of Milan
Headland Agrochemicals Ltd.	Formulation and filling	United Kingdom	Deeside, North Wales
Cheminova Mfg. Pty. Ltd.	Formulation and filling	Australia	Wyong north of Sydney

Production, continued

Fact box: Environment, health and safety

	Unit	Note	2010	2009	2008
Water consumption:					
Cooling	Million m ³		34	46	50
Processes and ordinary consumption	Thousand m ³		821	885	971
Energy consumption:					
Natural gas	GWh		385	447	490
Electricity	GWh		76.9	79.9	86.7
Fuel oil	GWh	1	1.8	16.3	13.7
Materials:					
Raw material consumption	Thousand tonnes		116	137	157
Discharge of waste water:					
COD	Tonnes	2	300	200	200
Nitrogen	Tonnes		16	19	23
Phosphorus	Tonnes		9	11	25
Air emissions:					
SO ₂	Tonnes	3	12	22	15
Particles	Tonnes		5.2	5.5	6.7
CO ₂	Thousand tonnes	4	80	106	123
Ordinary waste:					
Recycling	Thousand tonnes		3.3	3.3	3.8
Incineration	Thousand tonnes		0.47	1.11	0.99
Depositing	Thousand tonnes	5	21.1	34.2	34.5
Hazardous waste:					
Recycling	Tonnes	6	145	486	0
Incineration	Thousand tonnes	7	6.8	14.4	11.6
Depositing	Thousand tonnes		2.39	2.44	1.26
Spillage and waste	Number	8	30	35	37
Accidents	Number	9	34	15	24
Accident frequency		9	7.3	3.5	-
Absence from work due to accidents		9	3.0	3.1	-

examination within one to two years of how best to do this. Based on this investigation we expect to establish a dismantling approach and a timeline.

Production sites bordering on protected natural resorts

The production site in Denmark is situated on a 1.3 km² large peninsula called Rønland. About half the area is utilized. Rønland is surrounded by natural resorts. A great part of Harboøre Tange and areas of Nisum Bredning are designated as Ramsar area and EU bird protection area. Further, part of the area is protected and laid out as game reserve. At the beginning of 2010, the working out of an EIA-assessment for Cheminova was finished. It describes the factory's direct and indirect effect on human, fauna, flora, soil, water, air,

climate, ground, material goods, cultural heritage and the correlation between these factors.

Based on the EIA-assessment, the relevant authorities concluded that it is possible to add an addendum to the local municipal plan making a continued development of Cheminova's production at Rønland possible [<http://cheminova.aar.mim.dk/miljogodkendelse/Miljogodkendelser.asp?kapitelid=38&afsnitid=364&dato=11-03-2011&searchtype=3&Fritekst=vvm#Bookmark0>].

Comments on the development from 2009 to 2010

The development from 2009 to 2010 is characterized by the fact that the production in Denmark has been reduced by appr. 25% while in India the production has been increased by appr. 15%

and in the other companies by appr. 30%. As the production in Denmark is by far the largest, it has resulted in essential changes of the reported figures. The pollution potential from formulation and filling is far less than by chemical synthesis.

Note 1: The consumption of fuel oil in India decreased as more natural gas was available compared to 2009.

Note 2: The measuring of COD is subject to great uncertainty when water with a high content of chloride is analyzed as is the case in Denmark. The figures for 2008 and 2009 have been adjusted in order to reflect this uncertainty. The increase is not supposed to be essential. In spite of the great uncertainty of measurements, the COD emission is so low that it does not represent an environmental problem.

Note 3: About 90% of the SO₂ emission takes place from the factory in Denmark where the reduction has been at the company's air incineration plant. The reason is a combination of lower production, shorter operation time and fluctuations in the high efficiency.

Note 4: Changes of the CO₂ emission is predominantly due to changes of the produced quantities. By mistake, the CO₂ emission in Germany has not previously been included - it counts for less than 1% of the emission.

Note 5: The massive fall in production in Denmark resulted in a considerable reduction of the quantity of sludge from the company's biological treatment plant.

Note 6: The quantity of hazardous waste for recycling depends on which products are manufactured and therefore it fluctuates from year to year.

Note 7: The fall is mainly due to the fact that production of glyphosate in Denmark has been reduced significantly.

Note 8: Half of the number of spillage and waste took place in Denmark where the number of incidents has doubled. Both in India and in Australia, there has been much focus on the area and in both places the number has been reduced to one third compared to 2009.

Note 9: The number of accidents at work in Denmark has risen significantly. Few of these accidents - all related to the severe winter with much snow and ice at the beginning of 2010 - lead to very long absences. In a few of the

By Mehernosh M. Behramkamdin,
Technical Director,
Cheminova India Ltd.



Ozone system for odour control

Cheminova India strives for continuous improvement in the manufacturing front to strengthen its commitment to a cleaner environment. The ozone system for odour management is an innovative solution in this direction.

The nature of one of the products manufactured at Cheminova India's Panoli plant for our domestic consumption and for meeting our global requirements is such that the emissions from the drying operation of

odorous products could be a discomfort to the community around the manufacturing unit. In our sustained efforts to minimize the odour we have proactively designed the ozone system to minimize the same. The testimony for the success of this process was evident from the appreciation that we have received from the Gujarat Pollution Control Board. Two inspections have been done by the Board for approving the process which is likely to be completed in 2011.

Innovation

This was the process that I had in-

troduced elsewhere successfully. We employed the same method in Cheminova in 2010 to minimize smell from the production. Ozone is increasingly used in the western world for similar purification in the air conditioning of hotels and the water treatment of swimming pools.

See the whole article "Ozone system for Odour Control by Mehernosh M. Behramkamdin Cheminova India Ltd. on our homepage www.cheminova.com.

other companies the absenteeism has been significant, too. In Denmark, the method of making up performed working hours has been changed which has resulted in changed numbers for accidents and absence from work for 2009 compared to the report for 2009.

Follow-up on targets for 2010

In the following, the targets are stated with the degree to which they have been fulfilled.

India

Completion of ISO 14001 & OHSAS 18001 certification for Technical Division not later than in the middle of 2011:

The plan is followed, and certification is expected to be completed in the middle of 2011 as planned.

Reduction of the energy consumption by 3% at Technical Division in 2010:

Energy consumption was reduced by 14.9% compared to 2009.

Reduction of water consumption by 5% at Technical Division in 2010: Water consumption was reduced by 14.4% compared to 2009.

COD emission with the waste water to be reduced by 10% in 2010: COD emission was reduced by 14.1% compared to 2009.

Reduction of absenteeism due to accidents at work in 2010: Absenteeism due to accidents at work was reduced from 4.6 to 1.6 lost man-hours per 1000 man-hours.

Denmark

Maintain the ISO 14001 and OHSAS 18001 certification: Certification maintained. External audit accomplished in August with one deviation which has been closed.

Energy consumption per produced volume glyphosate to be reduced at the end of 2010 by 5% compared to 2008: Based on changed conditions of the glyphosate production, reduced production and external purchase of an intermediate instead of own production of this, the project of reduction has not been accomplished.

Implementation of campaigns to improve the safety culture with the primary aim of further reducing the number of accidents at work: The planned campaigns have been accomplished but in spite of this, absenteeism due to accidents at work has risen considerably, the majority of which was related to the unusual icy conditions in winter.

Ensure a well functioning emergency preparedness for action on serious accidents through arranging a large scale exercise involving the public preparedness during the first half of 2010: A large scale exercise was arranged in April and evaluated in May. Conclusion: No need for essential changes to Cheminova's emergency preparedness.

Germany

Absenteeism to be reduced in 2010 to less than 4%: The

absenteeism was reduced to 3.5% in 2010.

United Kingdom

The ergonomic strain on employees and the exposure to dust to be reduced in 2010: A new installation for handling of big-bags came into operation thus causing fewer heavy lifts and less dust.

Limy treated waste water is tested before it leaves the factory in India and is pumped to the central treatment plant of the area.



REACH - New EU chemicals regulation

The challenge of incorporating a complex body of laws into Cheminova's routines and achieving the necessary registrations of chemicals which are not plant protection products has proven successful.



The REACH group at work. The group consists of Kirsten Kjær, Manager, Environment & Chemicals, Dorte Schmiege Toft, Chemical Engineer, Bjarke Kynde, Chemical Expert and Lene Lundhus, REACH Coordinator.

A comprehensive and complex set of rules and regulations had to be incorporated into Cheminova's working routines when the REACH regulation came into force on June 1, 2007. The purpose of the regulation is systematically to collect information about the chemicals that surround us in our daily work and continuously have it communicated to the companies handling these chemicals.

We have worked on the task for about five years. At first, the challenge was to

understand what the regulation meant to Cheminova, subsequently to become acquainted with the different IT tools to be used for registration of the chemicals.

It has been a pioneer work as it was quite a new way to coordinate data on chemicals in the EU.

This resulted partly in a substantial exchange of information and partly in numerous changes of how and what information/data we had to submit on

our way to the first deadline on November 30, 2010.

The task was further complicated and prolonged because of flaws and deficiencies on the part of the authorities, among other things IT technical errors, missing practical guidelines and missing technical control tools.

Follow-up on targets for 2010

Registration of the pre-registered substances which must be registered before the end of 2010: The target for 2010 was to register the substances produced in or imported into the EU in quantities of more than 1,000 tonnes per year. In addition to that, the target was to register particularly hazardous substances (endocrine disrupting, carcinogenic or hazardous to the genes) imported in quantities of more than one tonne per year, and finally, to register substances which would currently be of relevance to Cheminova and therefore had to be registered immediately.

On November 30, 2010 Cheminova had attained its end as all pertinent substances had been registered. In that way, Cheminova A/S has registered nine transported intermediates, five isolated intermediates, four substances and one particularly hazardous substance. A total of 19 substances.

Supplier management

A thorough CSR evaluation is made of Cheminova's potential new suppliers of chemical products.

Dennis Dias, Senior Vice President,
Marketing, Distribution and Materials
Procurement, Cheminova India Ltd.



Suppliers assurance in India

Suppliers play an important part in our CSR initiatives. We expect our suppliers to do business in a socially responsible manner. With the experience gained in 2010, we are now in a better position to improve supplier audits with mutual gains for Cheminova and our suppliers.

From the Global QC & CSR Manual our tools consist of:

- Code of Conduct for suppliers
- Supplier Self Assessment
- Audit of the suppliers

In Cheminova India, the programme commenced in 2009, during which we have covered all the suppliers by making them aware of our Code of Conduct and also making them do their Self Assessment. Further, we initiated trial audits for selected suppliers. In 2010, Cheminova India has conducted nine official audits, covering some of the important suppliers of raw material and packing materials across three division viz., Technical, Intermediates and Formulations.

We expect our suppliers to be compliant to basic CSR norms. While the suppliers are independent entities, their

business practices will impact, directly or indirectly, on our brands and reputation. Therefore it is imperative that we ensure that these suppliers embrace and adhere to our code of conduct principles.

See the whole article "Suppliers assurance in India" by Dennis Dias, Senior Vice President, Marketing, Distribution and Materials Procurement, Cheminova India Ltd on our homepage www.cheminova.com.

Cheminova's supplier management is rooted in the "Global QC and CSR Manual" cf. the section "Management access to CSR management" on page 34. Today, the supplier management is fully integrated in the daily work in the primary countries for sourcing of chemicals, India and China. Audit of the companies is an essential factor of the supplier management which partly includes existing suppliers but increasingly is focused on selection of new suppliers. Today, a thorough CSR evaluation is made of potential new suppliers so that we in advance choose suppliers who we expect will be able to comply with our "Supplier Code of Conduct" both now and in the future.

In India, we have our own production of chemical substances for plant protection as well as formulation and filling of such products. Consequently,

we have a large number of suppliers in this country. Therefore supplier management is particularly important here. It is managed by our Indian subsidiary cf. the above article "Suppliers assurance in India".

Follow-up on targets for 2010

Conduct 10 official CSR audit visits to suppliers in 2010: In 2010, we have conducted 19 audits of suppliers - 14 companies producing chemicals, four formulation and filling companies and one supplier of packaging. In addition, we have conducted 20 screenings of potential new suppliers. We have audited companies in China, India, Mexico, Uruguay, Argentina and the USA.

Audits of the existing suppliers have triggered that we have discontinued our cooperation with one Chinese company and dropped several potentially new

suppliers because of non-compliance with our "Supplier Code of Conduct". The discontinuation of the cooperation with the Chinese supplier took place after the company at an audit had been instructed within a time-limit to carry out improvements in relation to some conditions which were unacceptable according to our Supplier Code of Conduct. As the conditions had not been improved a new subsequent audit 10 months later lead to discontinuation of the cooperation even though this means a negative financial effect on Cheminova.

Complete the introduction of Cheminova's "Global QC and CSR Manual" in all subsidiaries in 2010: Introduction completed according to the section "Management access to CSR management" on page 34.

Human Resources

Based on Cheminova's mission, vision and values, a strong company culture and identity is developed which can support the commercial goals.



Growth and sustainability

In 2008, Cheminova's mission and vision were revised and we formulated the five values we want as guidelines for the behaviour in our organisation. Through a long series of workshops in all subsidiaries, we started to implement the mission, vision and values in our organisation. The purpose was to involve all employees in the process and to ensure that the mission, vision and values made sense to the individual irrespective of background, job and tasks. To implement such a revised foundation of the company and not least guidelines on behaviour is a comprehensive and long process. A process that demands constant focus, various activities and plenty of time.

As it appears from below we will continue the activities to ensure that the values play out in the normal daily life. Only in doing so can we ensure the continuous build-up of a strong corporate culture and identity which can support the commercial targets. A behaviour and a mindset which in everything we do can ensure the desired growth and sustainability also in the future. Further, this will contribute to branding the company among our stakeholders.

Employee survey

In continuation of the global roll-out of Cheminova's values, in September 2010 we made an employee survey in the organisation concerning the anchoring of our Business Plan "Five-in-Fifteen" and

our values. The objective of the survey, which was made by an external contractor, was to identify areas for improvement.

The survey was carried out as an anonymous questionnaire among the employees of the global organisation. The percentage of answers was satisfactory as 76% of the employees in Denmark and 70% of the employees abroad responded.

Main results

The part of the survey that concerns Cheminova's five values showed the following results:

High degree of knowledge and acceptance among the employees

The values are seen as positive. There is, however, often some uncertainty about how the management in the lower levels of the organisation wants the values to be put into practice in relation to the specific tasks of work. There is a need for making the role of the individual clear in relation to which behaviour is to be encouraged or reduced in order to make the values live stronger in the normal daily life.

As regards the Business Plan there is a great knowledge and a strong commitment in contributing to realising the achievement of the goals. The areas of improvement especially concern the correlation between the company goals and the specific tasks of the individual employee.

Support to the project "High-Five"

In the Danish organisation we have in 2010 joined the project "High-Five". The project was initiated by The National Network of Senior Executives on the initiative of the former Police Commissioner in Denmark and the Minister for Employment. The patron of the project is His Royal Highness Prince Joachim. The project is financed by pool funds through the Ministry of Employment. The goal of the project is to strengthen the companies' social responsibility by ensuring jobs and training possibilities for people who would otherwise be in risk of marginalization because of delinquency.

The whistleblower function has been revised

As part of ensuring compliance with our Code of Business Principles a whistleblower function was established at the same time as the Business Principles were defined and communicated. Through the whistleblower function the employees can report if they have learned of or have reason to suspect a breach of our Code of Business Principles. The function was based upon complaints being made to a person in Cheminova's organisation and through this channel a number of cases have been handled. But experience has shown that the internal process was a weak point that could create insecurity as regards ensuring the anonymity of the whistleblower.



OUR VALUES

Mission

We help improve quality of life for the world's population by supplying products that help farmers increase yields and quality of crops to satisfy the global demand for food, feed, fiber and energy.

Vision

We create results for our customers by being a sustainable and innovative world-class supplier of a broad range of quality crop protection products. Value creation shall match the best among peer companies to the benefit of all stakeholders.

Values

We achieve ambitious goals
We are innovative
We decide and we act
We recognize results
We are good corporate citizens



In order to remedy this weakness of the whistleblower function, an arrangement was made in 2010 with an external solicitor independent of Cheminova. This arrangement constitutes an extension and improvement of the existing function. It is in everybody's interest and it is of decisive importance that our Code of Business Principles is complied with. We want to ensure this by making it possible that any violation of the code can be safely communicated through the whistleblower function. Anybody can inform about any violation in confidence without the risk of any negative consequences for the whistleblower. The arrangement came into force on February 1, 2011 and from this time on information can be provided to Whistleblow.me. From here the information will anonymously be sent on to the Whistleblower Committee in Cheminova who will subsequently discuss and act on the issue.

Information of violations can be provided by e-mail or regular mail to the following addresses:

mail@whistleblow.me and the postal address: mediationcenter a/s, Strandvejen 203, DK-2900 Hellerup, Attn. Tina Monberg or Pia Justesen. Further information about Whistleblow.me can be found on the website www.whistleblow.me.

Information can also be provided directly to Cheminova's Whistleblower Committee by regular mail or e-mail to the following addresses:

Cheminova A/S, P.O. Box 9, DK-7620

Lemvig, Attn.:

Vice President, SHE & QA, Christian Bastholm, christian.bastholm@cheminova.com or

Vice President, Corporate Communication, Lars-Erik Kruse Pedersen, lars-erik.pedersen@cheminova.com or

Vice President, Human Resources, Ole Zinck, ole.zinck@cheminova.com.

The new function was launched in the entire organisation at the beginning of 2011.

New global profit-sharing scheme

At the board meeting on December 14, 2010 the Board of Directors agreed upon a new profit-sharing scheme which will be implemented in the global Cheminova group. The profit-sharing scheme will in future be based on the operating income less cost of capital, both globally and in the individual subsidiary.

Extraordinary training activities

About 200 operators and workmen at Cheminova's factory in Denmark have participated in an extensive programme of self-elected and compulsory courses. Towards the end of the year a temporary stop of production was affected with the purpose of lowering the tying-up of capital in unnecessarily large stocks. Such a situation would normally result in dismissals but production was expected to be fully resumed at the beginning of the new year and therefore

the company chose to upgrade the employees' level of education with professionally relevant courses. This solution has been very satisfactory both for the employees and for the management.

Follow-up on targets

In 2010 our colleagues in Hungary, Colombia and Germany will be invited to participate in one-day workshops to work with Cheminova's mission, vision and values: The roll-out has been accomplished in Hungary and Colombia while the process in the subsidiary Stähler's organisation, including Germany, will be accomplished in 2011.

Compile the conclusions from the roll-out in 2009-10 of mission, vision and values into a booklet on Cheminova's values that will be used in future communication on values: A detailed plan of activities meant to firmly anchoring Cheminova's mission, vision and values in the organisation was decided in 2010. The work is to be finalized during 2011.

Update the Code of Business Principles based on the experience gained from the roll-out of mission, vision and values in 2009-10: The Code of Business Principles has been changed as regards the whistleblower function.

Make the policy on anti-corruption more specific: A specific anti-corruption policy has been made, adopted and communicated to the management (see also "CSR targets for 2011 and beyond" on page 8).

Action plan

Product Stewardship

Focus area	Target/activity	Timetable	Success criteria
FAO's Code of Conduct	To be included as part of the general sales conditions. Compliance with FAO's Code of Conduct will be an integrated part of Cheminova's general trade conditions	2011	Implemented in all regions and in India. Cheminova's standard contract with direct customers contains direct reference to FAO's Code of Conduct
Marketing Portal	Further country/market specific improvement/adjustment of the present safe-use film	2011	Country/market specific safe-use material (films and other material) ready and available for use on DVD and/or by downloading from the Marketing Portal

Village projects

Focus area	Target/activity	Timetable	Success criteria
India	The projects in the 9 selected villages will be continued	2012	The projects are continued with implementation of adjustments based on the experience gained
	Impact assessments and implementation of specific improvements identified will be undertaken in two villages	2011	Assessments carried out and key improvement criteria identified and documented
	The project "Aakash Ganga" on water conservation will be initiated in 5 villages.	2011	Projects initiated by June 2011
	The project "Saheli" on women empowerment on safety, health and livelihood will be initiated in 4 villages.	2011	Projects initiated by June 2011
Brazil	The project among small-scale banana farmers in the state of Goias will be continued.	2012	Project keeps momentum, and focus on quality of the crop is established
	A new project on community development, safe and environmentally friendly disease management of the banana crop will be launched among small-scale banana farmers in the state of Sao Paulo in 2011.	2011	Project initiated by May 2011

Production

Focus area	Target/activity	Timetable	Success criteria
India	The environmental management system of the production at the Technical Division will be certified in relation to ISO 14001 and OHSAS 18001	June 30, 2011	Confirmation of certification received from the certifying company
	Reduction of the energy consumption at the Technical Division by 3% per produced volume	2011	Energy consumption in 2011 reduced by at least 3% compared to 2010 given an unchanged product mix
	Reduction of water consumption at the Technical Division by 5% per produced volume	2011	Water consumption in 2011 reduced by 5% compared to 2010 given an unchanged product mix.
	Reduction of the COD emission from the Technical Division and the intermediate plant by 5% per produced volume compared to 2010..	2011	COD emission in 2011 reduced by at least 5% compared to 2010 given an unchanged product mix.
Denmark	Certifying of the company's environmental management system in relation to ISO 14001 and OHSAS 18001 is maintained	2011	Activities in Denmark still certified at the end of the year
	Continuous optimization of energy consumption through retention of the certified energy management system according to DS/EN 16001 and compliance of the Danish Energy Agency's demands on energy management according to DS/EN 16001	2011	Energy management system still certified at the end of the year. Completion of energy optimization can be documented
	Education and training of the employees' attitude and behaviour in order to achieve fewer accidents and errors	2011	Education and training accomplished for the health and safety organisation, and programmes for modification of attitudes and behaviour implemented

Focus area	Target/activity	Timetable	Success criteria
Australia	Reduction of absenteeism due to accidents	2011	Absenteeism due to accidents in 2011 has been reduced compared to 2010
	Environmental certification according to ISO 14001 is maintained	2011	Activities in Australia are still certified at the end of the year
	Obtain a more safe behaviour among the employees. The policy is updated and training programmes for all permanently employed are accomplished	1st half 2011	Documentation that all permanently employed have participated
	Quantity of waste for recycling to be increased by 5%	2011	Quantity of waste for recycling increased by 5% compared to 2010

REACH - New EU chemicals regulation

Focus area	Target/activity	Timetable	Success criteria
Chemical safety	Registration of the pre-registered substances that have to be registered before the end of 2013.	2013	Receipts for the registrations received

Supplier management

Focus area	Target/activity	Timetable	Success criteria
Global organisation	In each of Cheminova's regions the supplier management will be rooted with a person with a technical background	2011	Persons have been selected and trained for the task

Human Resources

Focus area	Target/activity	Timetable	Success criteria
Whistleblowing	Spread the knowledge of the whistleblower function to all employees of the global organisation	2011	Code of Business Principles with description of the new whistleblower function has been spread to all employees of the global organisation. Information on the intranet, in the group's internal newsletter and in an article in Cheminova Bladet
Mission, vision and values	Maintain the knowledge of the company's mission, vision and values among the employees of the global organisation and ensure that the values 'live' in the daily life	2011	Leaflet about mission, vision and values with examples of how the values function and manifest themselves in the specific daily life available in at least 2 languages
Anti-corruption	Communication of the company's anti-corruption policy will be accomplished in selected subsidiaries	2011	The subsidiaries are identified. Programme for communication has been determined and accomplishment can be documented

Management access to CSR management

Cheminova's business principles are supported by a global quality control and CSR manual which gives specific directions for the daily work.

Cheminova's management of CSR is built on a "Global QC and CSR Manual". The manual includes relevant policies, a number of procedures describing how to translate the policies into specific action and some documents which can be used to assist the current daily quality control and CSR work.

Policies

The manual includes the following policies:

- Code of Business Principles (page 48)
- Responsible Care (page 46)
- Supplier Code of Conduct (page 49)
- Product Quality Policy
- United Nations Global Compact (page 44)

In addition to policies concerning own production, the policy "Supplier Code of Conduct" based on Cheminova's Code of Business Principles and United Nations Global Compact defines several requirements for Cheminova's suppliers concerning "Human Rights", "Labour Standards", "Environment" and "Anti-corruption". The fundamental principles of this Supplier Code of Conduct appear on page 49.

The policy "Product Quality Policy" focuses among other things on prevention of cross contamination, which ensures that one plant protection product is not

contaminated by another in the finished products which are delivered to the end-users. Another essential aspect of the quality policy is proper labelling of the products including use of pictograms in developing countries. In this relation the policy refers to FAO's guidelines on good labelling practice of pesticides.

Procedures

In order to translate the general policies into practical action in a number of key areas, procedures have been prepared with the following structure: A well-defined specific purpose, demand for specification, definition of the organisational responsibility for these actions and (where relevant) requirements for documentation.

The following procedures relevant to CSR have been prepared:

- Own production of technical products
- Own formulation and filling
- Toll production and purchase of technical compounds
- Toll formulation and toll filling
- CSR management of suppliers and toll producers
- Prevention of cross contamination
- Labelling
- Safety Data Sheets
- CSR indicators. Structure for book-keeping instructions
- Anti-corruption*

- Human rights*
- Labour*

** Prepared and approved in 2010. Training at management level accomplished in the entire organisation.*

Documents

These documents include standard documents as a help to carry out the specific tasks. As an example can be mentioned different documents for carrying out QC and CSR audits. Further, a few general instructions as for instance FAO's "Good Labelling Practice for Pesticides" have been included.

Implementation in the organisation

The manual is the management's access to CSR management in relation to environmental and social relationships. Social relationships include the subjects labour, human rights, community and product responsibility, cf. the enclosure GRI Reporting 2010.

The manual has been implemented in the organisation in 2009/10. It is also available in internet versions on the Marketing Portal. Cheminova's global Safety, Health, Environment & Quality Department has the editorial responsibility for the manual.

Management statement




Kurt Pedersen Kaalund
President & CEO





Rico T. Christensen
President,
Region North America




Mats Edh
President,
Region International




Jaime Gomez-Arnau
President,
Region Europe




Niels Morten Hjort
Senior Vice President,
Production & Logistics





Jesper Barslund Jacobsen
Senior Vice President,
Finance & Support




Jacob Johansen
Vice President,
Corporate Development




Cesar Rojas
President,
Region Latin America

As per March 10, 2011, the company's top management, the Global Executive Committee (GEC), considered and approved the CSR report for 2010.

GEC has the overall responsibility for Cheminova's subsidiaries and regions as well as all the company's other activities, including CSR.

It is the GEC's view that the CSR report for 2010 provides an accurate picture of the company's CSR activities in the areas described.




Allan Skov
Senior Vice President,
Development & Registration




Jens Thorsen
Vice President,
Portfolio Management

Assurance statement

Assurance Statement for Cheminova A/S's stakeholders from independent auditor

We have assessed Cheminova A/S's 2010 CSR Report for the purpose of expressing a conclusion on the descriptions of goal attainment and non-financial data contained in the Report as well as its capacity as Communication of Progress Report (COP Report) occasioned by Cheminova A/S's affiliation with the UN Global Compact.

Criteria applied

The criteria for CSR-related goal attainment are stated in the 2009 CSR Report, in which goals as well as success criteria for the focus areas, Product Stewardship, Production, EU's New Chemical Policy, Supplier Management and Human Resources, are presented. Moreover, in its 2007 CSR Report, Cheminova A/S published criteria for phase-out targets relating to Class I products as regards product types, years and geographical areas.

The criteria for preparation of financial data contained in the CSR Report are evident from the accounting policies described on pages 50-51. These contain information concerning which of the Group's businesses and activities are included in the types of data reported as well as Management's reasons for selecting environmental and occupational health and safety data.

Responsibilities

Cheminova A/S Management is responsible for preparing the CSR Report, including for setting up registration and internal control systems with a view to ensuring reliable reporting. Company Management is furthermore responsible for specifying acceptable reporting criteria as well as selecting data to be collected.

Moreover, Cheminova A/S Management is responsible for preparing a COP Report presenting Cheminova A/S's progress in respect of supporting the UN Global Compact sustainability principles.

Our responsibility is, on the basis of our work, to express a conclusion on the information contained in the CSR Report regarding goal attainment and financial data as well as on the Report as a COP Report.

Scope of our work

We planned and performed our work in accordance with the International Auditing Standard ISAE 3000 (assurance engagements other than audits or review of historical financial information) for the purpose of obtaining moderate assurance that

- the status of attainment of established CSR goals for 2010 on pages 6-7 and of the phasing out of Class I products on page 11 is in accordance with the listed criteria for CSR goals, which were published in the 2009 CSR Report;
- the environmental and occupational health and safety data stated on page 26 have been recognised in accordance with the criteria stated for preparation of the non-financial data of the CSR Report;
- the CSR Report in its entirety is consistent with the Company's CSR activities and progress with a view to supporting the UN Global Compact.

The assurance obtained is moderate as compared to that of an audit. Our work has therefore, based on an assessment of materiality and risk, primarily included inquiries concerning goal attainment, including on a judgemental sample-basis obtaining documented confirmations regarding goal attainment from local managements, interviews with selected key managerial employees responsible for the goal attainment and review of selected documentation.

Moreover, our interviews included the production companies in India and Denmark, and we paid visits to the sales companies in India and Mexico.

The criteria stated concerning statement of environmental and occupational health and safety data, as described in the accounting policies, have primarily

been assessed from inquiries concerning procedures for calculation and measurement of the concrete data. Furthermore, we have performed technical accounting analyses of reported data and have reviewed selected documentation.

We have reviewed the Report with a view to assessing its informative value in relation to expectations for a first-year COP Report. Through interviews with Management and selected key employees, we have gained insight into Management's commitment and status of embedding of the UN Global Compact and Cheminova A/S's values with relating specific activities.

We have noted the strategic management level of ambition and have on a sample basis tested the existence of local management awareness.

As agreed with Cheminova A/S Management, we have not performed any procedures relating to the reliability of the GRI reporting for 2010.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the descriptions covering the status of the attainment of CSR goals for 2010 on pages 6-7 and of phasing out of Class I products on page 11 are not accurate.

Furthermore, nothing has come to our attention that causes us to believe that the environmental and occupational health and safety data stated on page 26 have not been recognised in accordance with the criteria stated for preparation of the non-financial data of the CSR Report.

We confirm that the CSR Report is Cheminova A/S's first COP Report, and based on the total work performed, nothing has come to our attention that causes us to believe that the CSR Report in its entirety is not based on specific activities and thus Cheminova A/S's progress with a view to supporting the UN Global Compact.

Copenhagen, March 15, 2011

PricewaterhouseCoopers

Statsautoriseret Revisionsaktieselskab

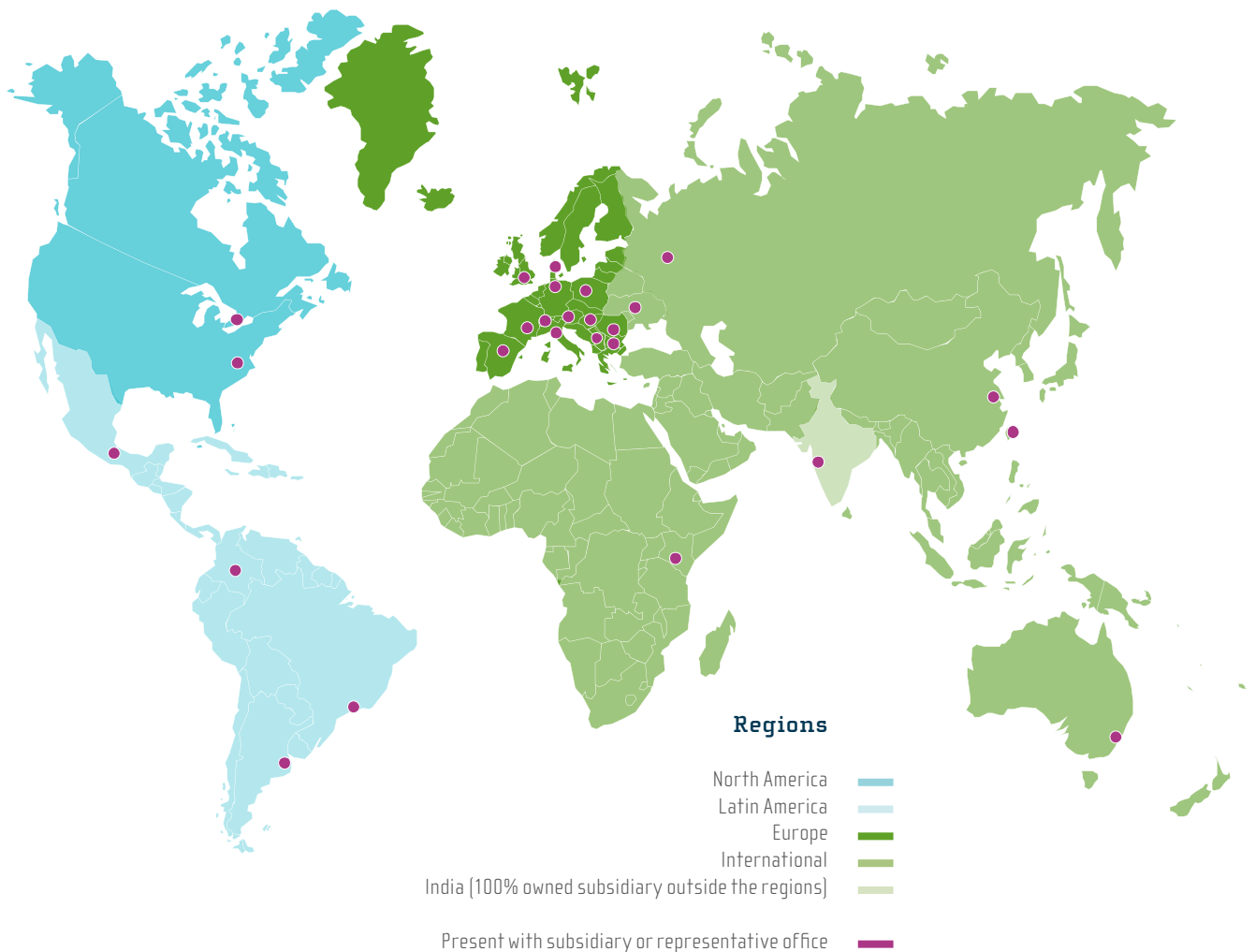


Birgitte Mogensen
State Authorised Public Accountant



Jens Pultz Pedersen
MSc (Engineering), Diploma
(Business Economics)

Ownership and organisation



Cheminova is a private limited company of which the Chairman and Deputy Chairman are independent members of the Board. In 2010, the company had about 850 employees in Denmark and about 1,200 employees abroad. Cheminova is owned by Auriga Industries A/S which is listed on NASDAQ OMX Copenhagen (the Copenhagen stock exchange). The boards of Auriga and of Cheminova consist of the same members.

The main stockholders of Auriga (owning more than 5% of the capital) are Aarhus University Research Foundation

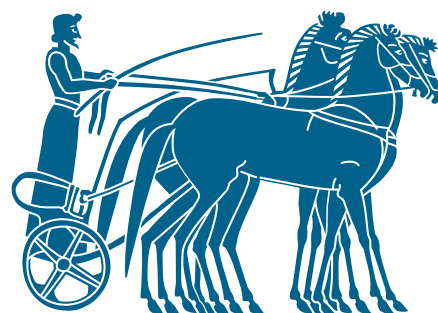
(which supports scientific research at the university [www.au.dk]), The Danish Labour Market Supplementary Pension Fund (ATP) and The Employee's Capital Pension Fund (LD).

Cheminova's global organisation is structured as a matrix organisation with global functional areas across the line responsibilities of the regions. The CSR activities are integrated in all of the company's global functional areas with employees assigned CSR reporting responsibility for geographical areas in all regions.

Cheminova's top management, the Global Executive Committee (GEC), has the global management responsibility for Cheminova's regions and other activities such as Production & Logistics, Development & Registration, Finance & Support, Portfolio Management and Corporate Development. GEC also has the overall responsibility for the company's CSR policies and activities – see the section "Management statement" on page 35 and the section about the report on page 4.

Corporate Governance

Good corporate governance as a prerequisite both for creating value for shareholders and supporting the group's trustworthiness in relation to customers, suppliers, employees and all other stakeholders.



AURIGA INDUSTRIES A/S

Cheminova is 100% owned by Auriga Industries A/S, which is a listed company. Cheminova is the main activity in Auriga.

It is the overall strategic objective of Auriga to ensure the long-term value creation for the benefit of the company's shareholders, employees and other stakeholders. It is the intention to further develop Cheminova – via organic growth and acquisitions – with a view to remaining competitive and an attractive business in terms of earnings.

Please, see Auriga's Annual Report 2010 for more information about the group's strategic objectives, focus areas and outlook of the financial development in the coming years.

Corporate governance

The overall corporate governance is conducted based on:

- The recommendations on good corporate governance, which outline guidelines for the management structure and practice for corporate governance.
- Cheminova's mission, vision and values creating the scope for the company.
- Corporate Social Responsibility describing ie. the Code of Business Principles and norms applicable to the conduct of the employees in the company and in relation to the outside world.
- Internal policies concerning rules and procedures for selected risk areas.

Auriga's Board of Directors and Executive Board must ensure an appropriate group management structure at all times and develop an efficient risk management and control system to handle the economic and financial affairs of the company as well as a responsible, sustainable business approach. The Board of Directors focuses on the company's long-term interests and value creation for the benefit of shareholders and all other stakeholders.

Corporate governance in Auriga builds on relevant legislation such as the Danish Companies Act (Selskabsloven), the Danish Securities Trading Act (Værdipapirhandelsloven), the Danish Financial Statements Act (Årsregnskabsloven), IFRS and the Rules for Issuers on NASDAQ OMX Copenhagen, while Auriga's Articles of Association, objectives, values, policies and best practice for enterprises of the same size and of comparable international reach form the basis of good corporate governance.

On April 8, 2010, the Danish Committee on Corporate Governance published a new and revised set of Recommendations on Corporate Governance. Auriga's Board of Directors has reviewed the recommendations on the basis of the "comply-or-explain" principle, and in the opinion of the Board of Directors, Auriga complies with the recommendations. Auriga's comments on the recommendations are collated in the statutory report on corporate governance published at www.auriga-industries.com > Auriga Industries > Corporate Governance.

Corporate Social Responsibility – business-driven CSR

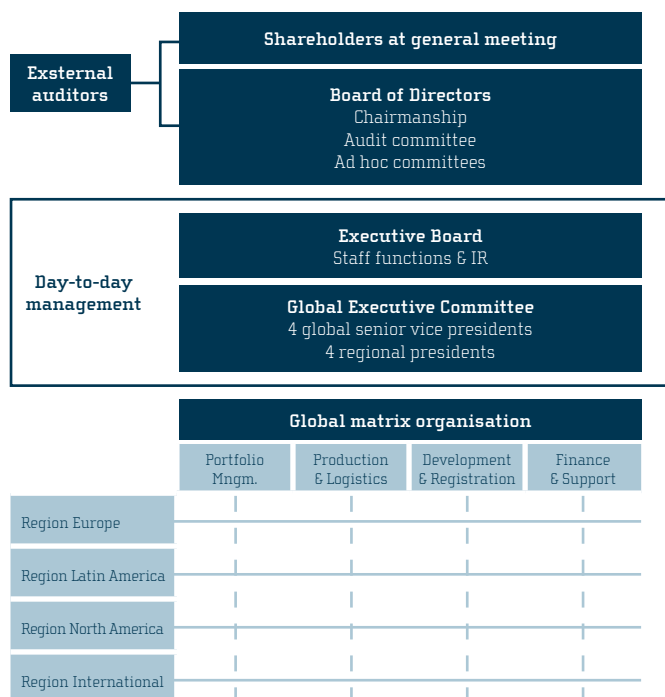
Through responsible growth and sustainable development, Auriga wants to create value for shareholders and all other stakeholders. The value creation takes place based on respect for employees and regard for the interests of society and the environment by developing and applying responsible business methods in operations and activities all over the world.

In Cheminova, it is a core value to be good corporate citizens and sustainability has already for many years been a natural aspect of our business as regards development, production and sales as well as the management and organisation of the entire company worldwide. CSR is used as a management tool to both meet the increasing demands for ethical and social responsibility around us and as part of our quality assurance and risk management.

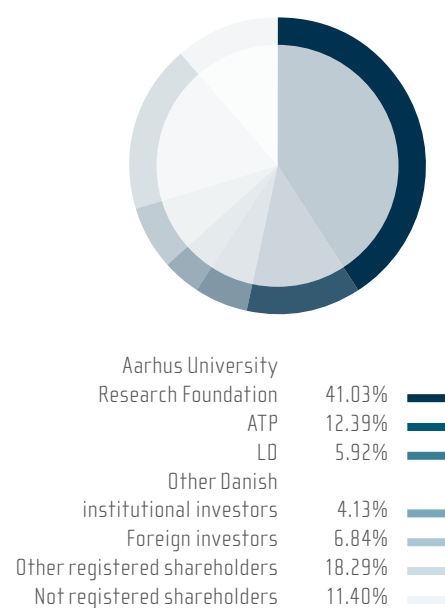
The growing globalisation of Cheminova imposes greater and different requirements on the group's CSR policy and the way in which it communicates about and controls its CSR activities. Based in Denmark, the company operates globally with activities in a number of countries. By using CSR as a management tool, it is ensured that Cheminova's 12 business principles and standards are complied with, for example principles and standards concerning humane and safe working conditions.

Cheminova's business principles and standards are available in 13 languages

Corporate Governance Structure



Share capital



Auriga's own shares constitute 1.4%

and constitute the group's CSR policy, which corresponds to the United Nations Global Compact's ten principles for responsible business conduct in the areas of human rights, labour, the environment and anti-corruption. Against this background, Cheminova has decided to commit itself to the United Nations Global Compact initiative, which outlines the UN's recommendations to businesses around the world on how to conduct themselves as good citizens.

Cheminova's procedures for ensuring that the CSR policy is complied with by the global organisation includes a whistleblower arrangement. The whistleblower system was revised in 2010 and means that, regardless of country and position, Cheminova makes it possible for its employees to notify an external, independent party of any instances of non-compliance with the CSR policy which they observe.

Auriga wants all employees in the global organisation to know the contents of Cheminova's CSR policy and the principles behind the United Nations Global Compact policy framework. We support the UN's human rights, protect our employees, fight corruption and look after the environment and have now prepared the first progress report in line with the UN's guidelines. The progress report is an integrated part of this CSR report for 2010.

Share capital

Auriga's share capital of DKK 255 million is divided into Class A shares with a nominal value of DKK 75 million (7,500,000 shares) and Class B shares with a nominal value of DKK 180 million (18,000,000 shares). Class A shares are non-negotiable and carry ten votes per share of DKK 10. Class B shares are listed on NASDAQ OMX Copenha-

gen under the symbol AURI, ID code DK0010233816, and are freely negotiable. Class B shares carry one vote per share of DKK 10. Please, refer to Auriga's annual report for more information about share trading and share price development in 2010.

Owners

At the end of 2010, a total of 7,249 shareholders were registered in the company's register of shareholders, representing a share capital of DKK 225,910,320 or just over 89% of the share capital. At the end of 2010, just under 7% of the share capital was owned by foreign shareholders. Auriga's majority shareholders are the Aarhus University Research Foundation, owning all Class A shares, besides ATP and LD each owning more than 5% of the share capital or voting rights.

GRI reporting 2010

The page numbers refer to the relevant sections of this report, and AR refers to page numbers in Auriga Annual Report 2010.

F = Fully reported; P = Partly reported.

Information about the company		Links		Page
1. Vision and strategy				
1.1	Statement from the president, CEO and the Global Executive Committee	-	F	3 and 38
1.2	Description of essential impacts, risks and opportunities	http://www.auriga.dk/en/finance/annual_reports/annual_reports.htm - AR 2010, p. 16	F	-
2. Organisational profile				
2.1	Name of the organization	-	F	1
2.2	Primary brands, products, and/or services	http://www.cheminova.com/en/insecticides/nexide/ http://www.cheminova.com/en/herbicides/glyphos/ http://www.cheminova.com/en/fungicides/impact/	F	-
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures	http://www.auriga.dk/en/auriga_industries/corporate_structure/	F	37
2.4	Location of organization's headquarters	-	F	56
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	http://www.auriga.dk/en/auriga_industries/corporate_structure/	F	37
2.6	Nature of ownership and legal form	http://www.auriga.dk/en/investor_relations/share_information/share_capital.htm	F	-
2.7	Markets served	http://www.auriga.dk/en/finance/annual_reports/annual_reports.htm - AR 2010, p. 12	F	22 and 37
2.8	Scale of the reporting organization	http://www.auriga.dk/en/finance/annual_reports/annual_reports.htm - AR 2010, p. 4 + notes p. 34-58	F	-
2.9	Significant changes during the reporting period regarding size, structure, or ownership	-	F	4 and 50
2.10	Awards received in the reporting period	-	F	9
3. Report parameters				
<i>Aspect: Report profile</i>				
3.1	Reporting period for information provided	-	F	50
3.2	Date of most recent previous report	March 23, 2010	F	-
3.3	Reporting cycle	-	F	50
3.4	Contact point for questions regarding the report or its contents	-	F	2
<i>Aspect: Report scope and boundary</i>				
3.5	Process for defining report content	-	F	4
3.6	Boundary of the report	-	F	4
3.7	Limitations on the scope or boundary of the report.	-	F	4
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations	n.a.	F	-
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report	-	F	34 and 50
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement	n.a.	F	-



Information about the company		Links	Page	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	n.a.	F	-
3.12	Table identifying the location of the Standard Disclosures in the report	-	F	40
3.13	Verification	-	F	36 and 40
4. Governance, commitments and engagement				
<i>Aspect: Governance</i>				
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	-	F	35
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	http://www.auriga.dk/en/auriga_industries/management_02/board_of_directors.htm http://www.auriga.dk/en/auriga_industries/management_02/executive_board.htm	F	-
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members	http://www.auriga.dk/en/auriga_industries/management_02/board_of_directors.htm http://www.auriga.dk/en/auriga_industries/management_02/executive_board.htm	F	-
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	-	F	4
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements) and the organisation's performance (including social and environmental performance)	http://www.auriga-industries.com/en/auriga_industries/corporate_governance/bonus_scheme_01.htm	F	-
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	http://www.auriga-industries.com/en/auriga_industries/corporate_governance/	F	-
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics	http://www.auriga-industries.com/en/auriga_industries/corporate_governance/	F	-
4.8	Internally developed statements of vision, values, principles etc. and their implementation	-	F	30, 34, 48 and 49
4.9	Procedures of the Board for overseeing the organisation's economic, environmental and social management and performance	http://www.auriga-industries.com/en/auriga_industries/corporate_governance/report_on_corporate_governance.htm http://www.auriga.dk/en/finance/annual_reports/annual_reports.htm - AR 2010, p. 14-15	F	-
4.10	Processes for evaluating the Boards own performance	http://www.auriga-industries.com/en/auriga_industries/corporate_governance/report_on_corporate_governance.htm http://www.auriga.dk/en/finance/annual_reports/annual_reports.htm - AR 2010, p. 15	F	-
<i>Aspect: Commitments to external initiatives</i>				
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation	-	F	3, 10 and 38
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses	-	F	2, 4, 44 and 46
4.13	Memberships in associations	-	F	9

GRI reporting 2010, continued

Information about the company			Links		Page
Aspect: Stakeholder engagement					
4.14	List of stakeholder groups engaged by the organizations	-	F	5	
4.15	Basis for identification and selection of stakeholders with whom to engage	-	F	5	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	-	F	5	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded	http://cheminova.aar.mim.dk/miljogodkendelse/Miljogodkendelser.asp?kapitelid=38&afsnitid=364&dato=11-03-2011&searchtype=3&Fritekst=vvm#Bookmark0	F	10 and 25	

Indicators of Company's CSR			Links		Page
Economics					
	Management approach		F	38	
Aspect: Economic performance					
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	http://www.auriga.dk/en/finance/annual_reports/annual_reports.htm - AR 2010, p. 4	F	39	
EC3	Coverage of the organization's defined benefit plan obligations	http://www.auriga.dk/en/finance/annual_reports/annual_reports.htm - AR 2010, note 21 p. 47-48	F	-	
Aspect: Market presence					
EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	http://www.cheminova.com/en/csr/_labour_practices/	F		
Environment					
	Management approach		F	34	
Aspect: Materials					
EN1	Materials used by weight or volume	-	F	26	
Aspect: Energy					
EN3	Direct energy consumption by primary energy source	-	F	26	
EN4	Indirect energy consumption by primary source	-	F	25	
Aspect: Water					
EN8	Total water withdrawal by source	-	F	26	
Aspect: Biodiversity					
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-	F	25	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	-	F	25	
Aspect: Emissions, effluents and waste					
EN16	Total direct and indirect greenhouse gas emissions by weight	-	F	26	
EN20	NO, SO, and other significant air emissions by type and weight	-	F	26	
EN21	Total water discharge by quality and destination	-	F	25 and 26	
EN22	Total weight of waste by type and disposal method	-	F	26	
EN23	Total number and volume of significant spills	All spills are of insignificant volume	P	26	

Indicators of Company's CSR		Links	Page	
Aspect: Products and services				
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	http://www.cheminova.com/en/cheminova/regulatory_assessments/	F	10, 24 and 28
Labour practices and decent work				
	Management approach		F	34
Aspect: Occupational health and safety				
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related facilities by region	-	F	26
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	http://www.cheminova.com/en/csr_/labour_practices/	F	-
Human rights				
	Management approach		F	34
Aspect: Freedom of association and collective bargaining				
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	http://www.cheminova.com/en/csr_/labour_practices/	F	34
Aspect: Child labour				
HR6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour	http://www.cheminova.com/en/csr_/labour_practices/	F	34
Aspect: Forced and compulsory labour				
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour	http://www.cheminova.com/en/csr_/labour_practices/	F	34
Society				
	Management approach		F	34
Aspect: Community				
S01	Impacts of operations on communities, including entering, operating, and existing		F	5
Aspect: Corruption				
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures		F	34
Aspect: Public policy				
SO5	Public policy positions and participation in public policy development and lobbying		F	4
Product responsibility				
	Management approach		F	34
Aspect: Customer health and safety				
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	http://www.cheminova.com/en/cheminova/regulatory_assessments/	F	-
Aspect: Product and service labelling				
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	http://www.cheminova.com/en/cheminova/regulatory_assessments/	F	-

UN Global Compact

Progress report on the implementation of the principles of the UN Global Compact.

Cheminova has supported the United Nations Global Compact since 2009. We support the endeavors to make globalization more socially and ecologically compatible and to raise standards in the fields of human rights, labour rights and environmental protection and in the fight against corruption. The following table shows the activities and management systems at Cheminova that support the 10 principles of the Global Compact and the results which were achieved in the period under review. Information on the Global Compact can be found at www.unglobalcompact.org. The page numbers refer to the relevant sections of this report.



The ten principles of the United Nations Global Compact:

Human rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

Labour

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses are asked to support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

Systems	Measures 2010	Achievements 2010
Human Rights		
Principle 1: Support of human rights	<ul style="list-style-type: none"> • Code of Business Principles (p. 48) • Human Rights Position (p. 34) • Supplier Code of Conduct (p. 49) 	<ul style="list-style-type: none"> • Executed (p. 34) • Executed (p. 7)
Principle 2: Exclusion of human rights violations	<ul style="list-style-type: none"> • Code of Business principles (p. 48) • Human Rights Position (p. 34) • Supplier Code of Conduct (p. 49) • CSR management of suppliers and toll producers (p. 34) 	<ul style="list-style-type: none"> • Executed (p. 34) • Executed (p. 7)
Labour Standards		
Principle 3: Observance of the right to freedom of association	<ul style="list-style-type: none"> • Code of Business Principles (p. 48) • Labour Protection Position (p. 34) • Supplier Code of Conduct (p. 49) • CSR management of suppliers and toll producers (p. 34) 	<ul style="list-style-type: none"> • Executed (p. 34) • Executed (p. 7) • Executed (p. 7) • Executed (p. 7)

	Systems	Measures 2010	Achievements 2010
Principle 4: Abolition of all forms of forced labour	<ul style="list-style-type: none"> • Code of Business Principles (p. 48) • Labour Protection Position (p. 34) • Supplier Code of Conduct (p. 49) • CSR management of suppliers and toll producers (p. 34) 	<ul style="list-style-type: none"> • Make a position on Labour Protection (p. 34) • Roll-out the position on Labour Protection (p. 34) • Roll-out of the Supplier Code of Conduct (p. 34) • Roll-out of the CSR management of suppliers and toll producers (p. 34) 	<ul style="list-style-type: none"> • Executed (p. 34) • Executed (p. 7) • Executed (p. 7) • Executed (p. 7)
Principle 5: Abolition of child labour	<ul style="list-style-type: none"> • Code of Business Principles (p. 48) • Labour Protection Position (p. 34) • Supplier Code of Conduct (p. 49) • CSR management of suppliers and toll producers (p. 34) 	<ul style="list-style-type: none"> • Make a position on Labour Protection (p. 34) • Roll-out the position on Labour Protection (p. 34) • Roll-out of the Supplier Code of Conduct (p. 34) • Roll-out of the CSR management of suppliers and toll producers (p. 34) 	<ul style="list-style-type: none"> • Executed (p. 34) • Executed (p. 7) • Executed (p. 7) • Executed (p. 7)
Principle 6: Elimination of discrimination	<ul style="list-style-type: none"> • Code of Business Principles (p. 48) • Labour Protection Position (p. 34) • Supplier Code of Conduct (p. 49) • CSR management of suppliers and toll producers (p. 34) 	<ul style="list-style-type: none"> • Make a position on Labour Protection (p. 34) • Roll-out the position on Labour Protection (p. 34) • Roll-out of the Supplier Code of Conduct (p. 34) • Roll-out of the CSR management of suppliers and toll producers (p. 34) 	<ul style="list-style-type: none"> • Executed (p. 34) • Executed (p. 7) • Executed (p. 7) • Executed (p. 7)
Environment			
Principle 7: Precautionary environmental protection	<ul style="list-style-type: none"> • Code of Business principles (p. 48) • Responsible Care (p. 46) • Supplier Code of Conduct (p. 49) • HSEQ management systems (p. 34) • CSR management of suppliers and toll producers (p. 34) • FAO's Code of Conduct (p. 21) 	<ul style="list-style-type: none"> • Roll-out of the Supplier Code of Conduct (p. 34) • Roll-out of the CSR management of suppliers and toll producers (p. 34) • Implement ISO 14001 and OHSAS 18001 at the Technical Division in India no later than mid. 2011 (p. 6) • Contractually ensure that direct customers which hold registration on behalf of the Cheminova operate in compliance with FAO's Code of Conduct (p. 6) • Registration of the pre-registered substances which must be registered before the end of 2010 (p. 28) 	<ul style="list-style-type: none"> • Executed (p. 7) • Executed (p. 7) • Implementation plan followed (p. 6) • Executed (p. 6) • Executed (p. 7)
Principle 8: Specific commitment to environmental protection	<ul style="list-style-type: none"> • Code of Business Principles (p. 48) • Responsible Care (p. 46) • Supplier Code of Conduct (p. 49) • HSEQ management systems (p. 34) • CSR management of suppliers and toll producers (p. 34) • FAO's Code of Conduct (p. 21) 	<ul style="list-style-type: none"> • Phase out the use of WHO class I product in developing countries (p. 10) • Reduction of the energy consumption at the production site in India (p. 6) • Reduction of the COD emission at the production site in India (p. 6) • Reduction of the water consumption at the factory in India (p. 6) • Reduction of the energy consumption at the production site in Denmark (p. 7) 	<ul style="list-style-type: none"> • Executed (p. 6) • Executed (p. 6) • Executed (p. 6) • Executed (p. 6) • Executed (p. 7)
Principle 9: Diffusion of environmentally friendly technologies	<ul style="list-style-type: none"> • Code of Business Principles (p. 48) • Responsible Care (p. 46) • Supplier Code of Conduct (p. 49) • CSR management of suppliers and toll producers (p. 34) 	<ul style="list-style-type: none"> • Roll-out of the Supplier Code of Conduct (p. 34) • Roll-out of the CSR management of suppliers and toll producers (p. 34) • Reduction of the energy consumption at the production site in India (p. 6) • Reduction of the COD emission at the production site in India (p. 6) • Reduction of the water consumption at the factory in India (p. 6) 	<ul style="list-style-type: none"> • Executed (p. 7) • Executed (p. 7) • Executed (p. 6) • Executed (p. 6) • Executed (p. 6)
Anti-corruption			
Principle 10: Measures to fight corruption	<ul style="list-style-type: none"> • Code of Business Principles (p. 48) • Anti-corruption Position (p. 34) • Supplier Code of Conduct (p. 34) • CSR management of suppliers and toll producers (p. 34) 	<ul style="list-style-type: none"> • Make a position on Anti-corruption (p. 34) • Roll-out the position on Anti-corruption (p. 34) • Roll-out of the Supplier Code of Conduct (p. 34) • Roll-out of the CSR management of suppliers and toll producers (p. 34) 	<ul style="list-style-type: none"> • Executed (p. 34) • Executed (p. 34) • Executed (p. 34) • Executed (p. 34)
General CSR issue			
	<ul style="list-style-type: none"> • Code of Business Principles (p. 48) • Responsible Care (p. 46) • FAO's Code of Conduct (p. 21) 	<ul style="list-style-type: none"> • In India, a project comprising a small number of villages will be implemented. The project will be based on product stewardship but with a broader CSR-scope of embedding correct use of plant protection into the daily life and thereby demonstrate the benefit of sustainable product use at village level (p. 12) 	<ul style="list-style-type: none"> • The implementation plan followed (p. 12)

Responsible Care



Responsible Care®

The Responsible Care® Program of the Association of Danish Process Industries.

Declaration of commitment.

1. Company policy

The company shall develop and comply with a policy with prospective objectives of a continuous improvement within the areas of environment, safety and health. This policy shall form a constituent part of the overall policy and strategy of the Company. The Company policy on environment, safety, and health shall involve the entire organisation of the Company and be taken into account in the planning and implementation of all Company activities. The environment management system in the company can profitably be arranged so that there circularly will be undertaken a re-evaluation of the system.

2. Employee commitment and responsibility

The Company shall keep their employees at all levels well informed on the Company policy on environment, safety and health.

The Company shall foster commitment and responsibility among its employees and ensure an active employee contribution to fulfil the objectives.

The Company shall promote individual alertness among employees to sources of pollution and issues relevant to safety and health. The Company shall establish well-defined responsibilities among its employees and offer regular and adequate training enabling of their employees to fulfil their responsibilities.

3. Effective resource utilization

The Company shall strive to achieve the lowest achievable impact on the surrounding as a whole by:

- Minimising the use of raw materials and energy
- Minimising the process emissions
- Minimising the risk of accidents and limiting the consequences of accidents
- Minimising the health risks for employees

4. Process- and product development

New processes are arranged and existing processes are adapted and improved with the aim of providing a sustainable development. An evaluation of the technical and economic possibilities and the social demands as a whole shall be taken into consideration. With new constructions and extension of existing facilities around the world, the possibilities of using clean and safe technology shall to be taken into consideration.

In developing new products the Company shall take into account the total consumption of raw material and energy resources during production, use or disposal after use or of residual products formed during production or use.



Responsible Care®

5. Monitoring, registration and documentation

The Company shall at regular intervals monitor process emissions to the working environment and the surrounding environment, preferably by generally approved methods. The Company shall register all accidents and incidents and investigate the events and causes with a view to utilising the experience for future prevention.

The companies' measurements and registrations form the basis for regular documentation of the results about the environment, safety and health conditions. The Company shall regularly evaluate performance compared to objectives. Relevant and agreed upon data about emissions, resources and safety is yearly stated by the company that then report these to the Association of Danish Process Industries.

6. Supplier

The company shall encourage its suppliers to deliver environmentally, health and safety sound raw material and products.

By means of specific demands and instruction the Company shall ensure that suppliers of equipment and services are chosen among those who fulfil the demands according to the policy on environment, safety and health.

7. Customers

The Company is responsible that customers receive all relevant information on correct processing and use of the Company's products including information on disposal of residual products, and information of relevance for subsequent processing as far as available.

8. Transport and storage

The Company shall ensure safe and regulatory compliant transport to and from the Company by demanding transporters to provide relevant training and instruction to drivers and others involved in transport activities.

The company shall ensure safe storage of raw material and products in the company as well as urge the other parts in the supply chain to fulfil the guidelines therefore.

9. Communication

The company creates increased dialog with suppliers, customers and other relevant parts in the supply chain.

The Company shall cooperate openly with the competent authorities on issues relevant to environment, safety and health. The Company shall provide adequate documentation on such issues to the authorities. On the basis of documentation provided by the Company to the authorities the Company may regularly inform the neighbours and other society stakeholders on issues of environment, safety and health.

10. Cooperation

The company contribute to the experience exchange between Responsible Care companies among other things about subjects as reducing emissions and accidents as well as handling of supplier relationships.

Code of Business Principles

Code of Business Principles



Corporate Social Responsibility

2011



To all Cheminova's employees:

As a responsible management we wish to ensure that the way we run the company is in accordance with international conventions, local legislation and the management values that we want to promote in the whole group. Therefore, we have prepared a number of codes of business principles. Everybody within our organisation must be familiar with the principles so that we together can continue our development making Cheminova the value-creating and socially responsible company we all want.

Best regards
Kurt Pedersen Kaskund
President and CEO

Code of business principles

Cheminova's code of business principles describes the company norms to which all the company's employees conform no matter where in the world they are. The code supports our approach to governance and corporate responsibility.

1. Standard of conduct

Cheminova conducts its operations with professionalism and openness and with respect for the human rights and the interests of its employees.

2. Legislative compliance

Cheminova's companies and employees are required to comply with the laws and regulations of the countries in which they operate.

3. Management

All the Cheminova group's companies and departments are independently managed under Cheminova's regional structure and global functions. It is the responsibility of Cheminova's Board of Executives to ensure that each company and each department is managed in accordance with the group's code of business principles.

4. Employees

Cheminova is committed to a working environment based on mutual trust and respect in which everyone takes responsibility for the performance and reputation of the company.

Cheminova recruits, employs and promotes employees solely on the basis of the qualifications and skills required for the work to be performed. The company is committed to safe and healthy working conditions for all employees. The company does not use involuntary labour, forced labour or child labour. Cheminova respects the dignity of the individual and the employees' right to freedom of association. The company endeavours to ensure good communication and good working relations.

5. Customers, distribution and consumers

Cheminova continuously strives to comply with FAO's code of conduct and the principles of responsible care in relation to the distribution and use of pesticides. It is furthermore ensured that each Cheminova company is a member of a local/regional industrial organisation which, among other things, is involved in product stewardship. In addition, all Cheminova companies have product stewardship as an integrated part of their marketing programmes and, moreover, participate together with other stakeholders in risk-limiting activities.

6. Shareholders in the publicly listed holding company Auriga Industries A/S

Cheminova operates in accordance with internationally accepted principles of good corporate governance. The company will submit timely, regular and reliable information to shareholders on activities, organisational structure, the financial situation and performance, as well as objectives and strategy.

7. Suppliers

Cheminova will ensure a mutually beneficial relationship with suppliers and will formalise the expectations of the suppliers in a separate code.

8. Other business relations and partners (including joint ventures)

It is important to Cheminova that its business relations and partners comply with ethical standards, and the company will endeavour to ensure such compliance both when entering into agreements and in the ongoing cooperation.

9. The environment

Environmental impacts are an important factor in connection with the manufacture and sale of chemicals. Responsible behaviour in this area is highly important to Cheminova, which entails that the company strives for continuous improvements in the area.

10. Competition

Cheminova believes in free competition and fully endorses the OECD's guidelines for competition.

11. Business integrity

Cheminova does not, directly or indirectly, receive or offer bribes or other improper advantages in order to achieve business or financial gain. Any demand for or offer of a bribe must be rejected immediately and reported to the management. Employees must not offer, give or receive gifts to a value exceeding locally acceptable triviality limits.

12. Conflicts of interest

All Cheminova employees are expected to avoid personal activities or financial interests that could conflict with their responsibilities towards the company. Cheminova employees must not attempt to gain benefits for themselves or others through misuse of their position.

Whistleblower function

Any violation of the code can be communicated through the whistleblower function. The function means that anybody can inform about a violation in confidence, and the information will of course not have any negative consequences for the whistleblower as it is in our common interest that the code is complied with. The information can be provided to Whistleblow.me which is owned and operated by the solicitors Tina Hørborg and Pia Justesen. Whistleblow.me is independent of Cheminova. Unless otherwise desired by the whistleblower, any contact to Whistleblow.me will always be passed on anonymously to the whistleblower committee at Cheminova which will then undertake an investigation and take required action.

Information of a violation can be provided by e-mail or regular mail to the following addresses: mail@whistleblow.me and the postal address: mediationcenter@cheminova.com, Strandvejen 203, DK-2900 Hellerup, Attn: Tina Hørborg or Pia Justesen. Further information about Whistleblow.me can be found on the website www.whistleblow.me.

Information can also be provided directly to Cheminova's Whistleblower Committee by regular mail or e-mail to the following addresses:
Cheminova A/S, P.O. Box 9, DK-7620 Lemvig, Attn:
Vice President, SHE & QA, Christian Bæstholm, christian.baestholm@cheminova.com or
Vice President, Corporate Communication, Lars-Erik Kruse Pedersen, lars-erik.pedersen@cheminova.com or
Vice President, Human Resources, Ole Zwick, ole.zwick@cheminova.com.

February 1, 2011

Fundamental principles in the Code of Conduct for suppliers to Cheminova A/S

Supplier Code of Conduct

1. All applicable laws and regulations of the country where operations are undertaken must be complied with.
 2. No forced or compulsory labour may be used, and employees shall be free to leave employment after reasonable notice.
 3. No child labour may be used.
 4. Discrimination in employment related decisions may not take place, and no employee suffers harassment, physical or mental punishment, or other form of abuse.
 5. The right of employees to collective bargaining shall be respected.
 6. Wages and working hours will, as a minimum, comply with all applicable wage and hour laws and rules and regulations, including minimum wage, overtime and maximum hours in the country concerned.
 7. No improper advantage may be sought, including the payment of bribes, to secure delivery to Cheminova.
 8. Safe and healthy working conditions will be provided for all employees.
 9. Emergency procedures shall be established to prevent major accidents that can cause harm to health or the environment.
 10. Operations will be carried out with care for the environment.
-

Accounting policies, CSR

Data on the environment, health and safety cf. page 26 in this report have been included and calculated according to the accounting policies described below.

Reporting period

January 1 up to and including December 31, 2010. The CSR report is published once a year.

Extensive activities

Data are calculated for Cheminova's companies in Denmark, Germany, India, Italy and the United Kingdom. Cheminova's residential property is not included in the accounts.

The following addresses are included in the accounts:

Cheminova A/S
Thyborønvej 78
DK-7673 Harboøre
Denmark

Cheminova India Ltd.
Formulation Division
242/P, G.I.D.C. Estate
Panoli - 394 116
Dist.: Bharuch
Gujarat, India

Cheminova India Ltd.
Technical Division
241, G.I.D.C. Estate
Panoli - 394 116
Dist.: Bharuch
Gujarat, India

Cheminova India Ltd.
Intermediate Division
27, 28, G.I.D.C. Estate
Panoli - 394 116
Dist.: Bharuch
Gujarat, India

StählerTec Deutschland GmbH & Co. KG
Stader Elbstrasse 26-28
D-21683 Stade
Germany

Stähler, Althaller
Str. Com.le per Campagna, 5
I-20078 S.Colombano al Lambro (MI)
Italy

Cheminova MFG Pty. Ltd.
16 Lucca Road
Wyong, NSW 2259
Australia

Headland Agrochemicals Limited
Rectors Lane, Pentre
Deeside CH5 2DH
United Kingdom

Water and energy consumption has been included because they are important resources. Emissions to the air and waste water are stated using parameters which give an overall impression of the quality of the waste water and air emissions which are significant in relation to the surroundings, and where it is also possible to make comparisons with other companies. Likewise, it has been decided to provide information about the volume and handling of waste, which is an expression of both a resource and an impact on the surroundings. Operational disruptions are primarily calculated because they are an expression of how the group handles situations which can develop into serious environmental impacts. The safety and well-being of employees is important for the group. It has therefore been decided to provide information about the number of accidents at work, the accident frequency and absence from work due to accidents.

Environmental impacts resulting from transport have not been calculated.

Important changes in relation to the last reporting period

The accounting principles used in the report for 2009 are without significant changes used in the report for 2010.

Water consumption

Water consumption both for cooling and processes etc. has been calculated on the basis of water meters. However, the water consumption for cooling towers in India has been estimated.

Energy consumption

The consumption of natural gas, electricity and fuel oil is based on meter readings. Energy consumption when using natural gas (which is measured in Nm³) and fuel oil (which is measured in litres) is then calculated using conversion factors. In Denmark, the latest conversion factors set by the Danish Energy Authority are used. In India, the conversion factors are set by Cheminova. Natural gas consumption includes the gas consumed to generate power for sale.

Raw materials consumption

Chemical synthesis

Raw materials are defined as basic substances that, through chemical reactions, contribute to the product molecule. They also comprise substances that are actively involved in the chemical reaction and consequently transformed, but which do not necessarily end up in the molecule.

Formulation

Active ingredients, solvents (excluding water), emulsifiers and other substances are included in the statement to the extent to which they form part of the product.

Filling

Formulations purchased from another Cheminova company or from third parties are considered raw materials. Packaging is not included in the calculations.

The amounts are measured.

Waste water

Waste water includes sanitary waste water. The volumes of waste water are



measured. However, the volume of sanitary waste water in Germany has been estimated. The concentrations of COD, nitrogen and phosphorus are determined through chemical analyses of water samples taken according to a fixed control programme.

Air emissions

SO₂

At the production plants in Denmark, air emissions are the sum of contributions from consumed natural gas/fuel oil and contributions from the underlying processes. SO₂ emissions are calculated by multiplying consumption by a conversion factor determined by the authorities.

Emissions from the SO₂ scrubber are determined as emissions during normal operations plus emissions during the time the scrubber is not operating (out time). Emissions during normal operations are determined with two performance measurements without distinguishing between whether it is SO₂ or SO₃. Emissions during out time are determined as the average of six measurements in 2006 multiplied by the out time. A performance measurement is made up of three one-hour concentration and flow measurements carried out on the same day.

From the air-incineration plant, the emission of SO₂ is determined by means of two performance measurements multiplied by the operating time.

At the production plants in India, the emission of SO₂ is determined on the

basis of concentration measurements which are made according to fixed programmes, blower capacity and operating time.

Particles

The concentration in the discharges is measured. The air flow is measured, estimated or calculated on the basis of data for blowers and operating time.

CO₂

Contributions from consumed natural gas/fuel oil are calculated by multiplying consumption by conversion factors.

In Denmark, there are additional process-related contributions from the air-incineration plant and from the waste-water incineration plants. The substances which are incinerated in the air-incineration plant give rise to lower CO₂ emissions, which are based on figures from 2005. This process-conditional contribution at the waste-water incineration plants is calculated on the basis of a mass balance for the glyphosate plant. This calculation is based on measurements of the incoming raw materials and the outgoing finished products.

Waste

All waste types are weighed by the company. Waste is classified by Cheminova according to guidelines issued by the authorities.

Spillage and waste

The number of spillage and waste is calculated by counting the number of internal reports. Reporting is made ac-

cording to two categories, with the total number being reported.

Category 1 incidents are those which lead to significant pollution of the environment outside the production site, and include those overstepping the environmental authorities' terms for emissions.

Category 2 incidents are those that lead to pollution at nuisance level, including increased emissions of substances in relation to normal values, the generation of additional waste and detecting new substances in the inflow to the biological waste-water treatment plant in or outside the production site.

Work environment

The number of accidents at work is counted for all employees under the organisational structure. The number is counted on the basis of reports to the authorities. However, only the accidents at work which have resulted in absence for a minimum of two days are included.

The accident frequency is the number of accidents at work per one million man-hours worked.

Absence due to accidents is the number of lost man-hours per 1,000 man-hours worked.

The number of man-hours worked does not include breaks but does include time spent on courses.

Glossary

Active ingredient:

Active chemical in its pure or technical form.

Auditing:

Review of accounts.

BNP:

GDP (Gross Domestic Product).

BOD:

Biochemical Oxygen Demand – English term for BI5 (five days' biochemical oxygen consumed).

Cairns:

Group of agricultural exporting countries, established in 1986, with a commitment to reforming agricultural trade.

Carbofuran:

Insecticide, primarily used in rice and potatoes in Colombia.

Chemical synthesis:

Process, where chemical compounds react with each other so that new compounds are formed.

Class I product:

A product, which according to WHO's recommended guidelines is classified as highly hazardous or extremely hazardous.

COD:

Chemical Oxygen Demand - measure for the content of organic compounds in water.

CSR:

Corporate Social Responsibility. Social, environmental and ethical demands made between companies, customers, interested parties and collaboration partners.

DDVP:

Insecticide used in rice in India.

Emulsifiable concentrate:

Mixture of a liquid active ingredient, solvents and surfactants that enable the product to be diluted with water to a low concentrate spray fluid.

FAO:

The UN's Food and Agriculture Organisation.

FAO's Code of Conduct:

FAO's international guidelines concerning the distribution and use of pesticides.

Fenamidophos:

Insecticide used against soil-living pests (nematodes).

Formulation:

Active ingredient to which has been added accessory agents that make the product ready-to-use as control agent.

Fossil fuel:

Coal, oil and gas.

GDP:

Gross Domestic Product.

GEC:

Global Executive Committee. Cheminova's top management group.

Glyphosate:

The active ingredient in the herbicide best known under Monsanto's trademark Roundup®. Cheminova is selling it under the trademark Glyphos®.

GNI:

Gross National Income.

GRI:

Global Reporting Initiative with guideline for reporting on CSR.

ISO 14001:

International environmental certification covering the surrounding environment.

Marketing Portal:

An internal website with useful information concerning marketing.

Methamidophos:

Insecticide used e.g. in cotton and soybeans.

Methomyl:

Insecticide, in Mexico mostly used in cotton and vegetables.

Methyl parathion:

Insecticide mostly used in cotton.

Microcapsules (microcapsule formulation):

Fluid product where the active ingredient is encapsulated in microscopic capsules which are dispersed in water.

Monocrotophos:

Insecticide mainly used in cotton and rice.

Nm³:

Normal cubicmeter (volume at standard pressure and temperature).

NO_x:

Total concentration of all nitrogen oxides calculated as NO₂.

OECD:

Organisation for Economic Cooperation and Development.

OHSAS 18001:

International environmental certification covering the working environment.

Omethoate:

Insecticide among others used to control mites in Australia.

Pesticides (plant protection products):

Collective name for insecticides, herbicides and fungicides.

Phorate:

Insecticide used against soil-living pests.

PIC:

Prior Informed Consent (Prior informed consent that has to be established before a product from the PIC list is exported).

Product stewardship:

Overall description of responsible management of a company's products.

Ramsar areas:

Wetlands where wildlife is protected according to the convention of wetlands of international importance, particularly as habitats for birds.

REACH:

Registration, Evaluation and Authorisation of Chemicals (Common EU regulation on documentation requirements concerning chemicals).

Registration data:

Test results and documentation that must be submitted to the authorities in order to obtain sales permissions.

Responsible Care:

Objectives concerning responsible conduct, adhered to by Cheminova.

Suspension concentrate:

An active ingredient in solid form suspended in water with surfactants which enables the product to be diluted with water to a low concentrate spray liquid.

Suspo-emulsion:

A mixture of water-insoluble active ingredients dispersed in an aqueous solution, where some are in suspension and others are emulsified in water.

Third-party products:

Sales products not produced by Cheminova but bought from other suppliers.

Triazophos:

Insecticide used in particular in cotton in India.

Unintended incidents:

Operational disruptions with a brief effect on the external environment.

WHO:

World Health Organisation.



Statement GRI Application Level Check

GRI hereby states that **Cheminova** has presented its report "Corporate Social Responsibility Report 2010" to GRI's Report Services which have concluded that the report fulfills the requirements of Application Level B.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

25 March 2011, Amsterdam

Nelmar Arbex
Deputy Chief Executive
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance.
www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 17 March 2011. GRI explicitly excludes the statement being applied to any later changes to such material.



“World food production will need to increase by 70 percent to feed a population of over nine billion people in 2050. With limited land, farmers will have to get greater yields out of the land already under cultivation.”

Jacques Diouf, Director-General,
Food and Agriculture Organization of the
United Nations World Food Day, October 2010



