

Corporate Social Responsibility Report

2009



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Responsible Care®

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Kurt Pedersen Kaalund

Introduction

One of the core values at Cheminova is that 'we achieve ambitious goals', and with this fourth edition of our CSR report, we describe how far we have come in our continued efforts within Corporate Social Responsibility. Needless to say, the report complies with the increasing reporting requirements for corporate social responsibility in the Danish Financial Statements Act. However, we also describe our work in the field more broadly.

During the past year, I have personally participated in the rolling out of the mission, vision and values of Cheminova among my 2,000 colleagues, and throughout the global organisation I have met a keen interest and enthusiasm for the implementation of the new values. This process and the company's Code of Business Principles have provided us with the necessary experience, to allow us to join Global Compact and hence abide by its 10 principles for good business conduct. In continuation of the reporting from last year, where tables were used to compare our reporting with the internationally acknowledged GRI Index. In 2009, we have formally decided to report in accordance with this index.

The specific results and new goals regarding production, product stewardship, human resources etc. are described in the various sections of the report.

One of our ambitious goals is to completely phase out the most toxic products in developing countries - the so-called WHO class I products - and we fully live up to that objective.

By the end of 2009, 13 of the total 15 phase-outs have taken place as promised, and in 2010 the plan will be executed completely. In 2009 we have discontinued the production of monocrotophos at our plant in India, and our sales of the corresponding class I plant protection product have stopped.

Our subsidiaries, which are affected by the phase-out plan, have made a creative effort in introducing new products better fit for the future. This ensures that the phase-out plan is environmentally and financially sustainable. Farmers as well as the company get the opportunity to replace the old products with alternatives.

During the year we have noticed increasing attention being given to Cheminova's CSR work, including the dilemmas and challenges that come with the production and sale of plant protection products, which are beneficial to the world's food supplies. Our dialogue with various interested parties has been beneficial, and inspired us in our continued work.

It is the wish of my colleagues and myself that the CSR report will be well received, and that it will form the basis of a continued positive dialogue.

Kurt Pedersen Kaalund
President & CEO
Cheminova A/S

About the report

This report provides a status of Cheminova's work within the area of corporate social responsibility in 2009 and thereby fulfils the reporting requirements set out in the new Section 99a of the Danish Financial Statements Act (*Årsregnskabsloven*). This work is based partly on the Danish version of the European Chemical Industry Council's (CEFIC) Responsible Care programme, see page 37, and partly on our Code of Business Principles, see page 38.

The CSR report gives information about Cheminova A/S, all subsidiaries and joint venture companies with an ownership of more than 50%. Companies with an ownership below 50% are not included in the report.

GRI and Global Compact

In 2009 Cheminova has decided to report according to the so-called GRI indicators. This will result in improved systematic reporting - see the section on UN's Global Compact and GRI (Global Reporting Initiative) for further details. We have thus endeavoured to ensure that readers can form an overview of the company's general activities and the regular reporting on these from year to year. The reporting on GRI indicators thereby contributes to the report providing a more systematic picture of our activities.

The company joined the UN Global Compact in 2009 (see the section on the Global Compact and GRI for further details). Consequently, the primary reporting areas within our CSR work over a period of time will be based on issues

selected from each of the ten principles of the UN Global Compact. In addition, the future form of the CSR reporting is under consideration as joining the Global Compact and using GRI indicators all together give new possibilities.

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. This year we have also chosen to address issues relating to the dilemmas and problems which are relevant to Cheminova's business. Several sections in the report touch on activities relating to health, safety and the environment, both in terms of manufacture and use of products.

As mentioned above, the report follows up on last year's themes and targets. Moreover, a separate section on social responsibility provides an account of what we do to live up to our social responsibility, with special focus on social risks such as bribery, corruption and labour rights violations.

What is new in relation to previous years' CSR reports is that we have two articles in which the CSR work is seen from a local perspective in India and Brazil and described by the managers of Cheminova's subsidiaries in the two countries.

Structure of the CSR work

Organisationally, the CSR work is rooted in Cheminova's top management, the Global Executive Committee (GEC), see the section 'Management state-

ment' on page 7. The ongoing work is coordinated by the CSR steering group reporting to the GEC. The steering group consists of the Senior Vice President of Production & Logistics (member of the GEC), the Vice Presidents for Safety, Health, Environment & Quality, Human Resources, Portfolio Management and Corporate Communication, as well as the departmental manager for risk and safety and Cheminova's management assistant. The focus areas are chosen by the CSR steering group on the basis of the above-mentioned wish to safeguard general and systematic reporting on our CSR activities within a number of important areas. The inspiration for the specific issues to be treated is based on input and feedback from the stakeholders who have shown an interest in Cheminova's CSR reports throughout the year. A dialogue with students, for example, has had a bearing on the delimitation of issues, and the interest and commitment of our employees have had a positive impact on the process.

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.

Dilemmas and shared responsibility

Cheminova's business area is an integrated part of the world's food supply. Nevertheless, Cheminova faces a number of dilemmas as a supplier of products to societies and countries where



In 2009, the company in Denmark had more than 1,900 visitors.

the conditions are significantly different from those in Denmark but where there is a clear need for our products. Likewise, as a company we have a shared responsibility for contributing to improving environmental and working conditions, especially in connection with our own production in developing countries, but also through supplier control and stewardship of our products in relation to users. The CSR reporting describes how we address such issues.

Openness and dialogue

Cheminova respects the limitations which the stock exchanges rules, personal data protection and data protection rules etc. as well as legislation in and concerns about 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 trade literature, the press, searches on subjects 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 engage 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 1,900 interested citizens in 2009, who, based on various interests and backgrounds, wanted to learn more about the company.

Of primary interest to stock market analysts and investors, 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 7,500 shareholders in the parent company Auriga. These shareholders also receive shareholder letters which, like the investor presentations, describe CSR issues among other topics. This material is publicly available on Auriga's and Cheminova's websites.

Corporate social responsibility forms part of the dialogue with the company's customers, and we saw an increasing interest in Cheminova's position in terms of social responsibility and environmental responsibility in this stakeholder group in 2009. In addition, information on the safe use of products – as mentioned in the section on product stewardship – is an integrated part of direct marketing of products to end-users worldwide.

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, the employees have participated globally in an intense discussion about the practical consequences of the company's values and attitudes for the individual employees in their specific working situations. Like last year, frequent newsletters were sent to employees in all subsidiaries in 2009, which also covered CSR-related issues.

Throughout the organisation, the roll-out of the mission, vision and values has contributed to a fruitful dialogue on CSR-related issues. Such issues are regularly discussed at the head office in Denmark, e.g. by the works council which, for example, has had the company's policies, employee satisfaction and, most recently, the whistleblower 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 2009.



UN Global Compact and GRI

Cheminova's mission, vision and values as well as its code of twelve business principles were rolled out in the global organisation in 2009. This process has provided us with the necessary experience for us to join the United Nations Global Compact and to report according to the Global Reporting Initiative (GRI).

Cheminova's twelve business principles are already based on international conventions in line with the issues which the Global Compact comprises.

UN Global Compact

The Global Compact comprises ten principles of social responsibility based on internationally adopted conventions in the areas of labour standards, human rights, the environment and anti-corruption. The strength of the Global Compact is that it is universal and therefore constitutes a good, joint point of reference. For a global company like Cheminova, it provides a useful basis for collaborating with suppliers and other business partners irrespective of their cultural backgrounds.

The Global Compact is the largest voluntary network for corporate responsibility in the world. It places focus on and strengthens the companies' efforts and provides a good point of reference vis-à-vis local communities, legislators, banks, investors and insurance companies which, increasingly, assess the companies on the basis of its social commitment. We expect our membership of the UN Global Compact and our adherence to the related requirements for the company's social responsibility to be welcomed as a further indication of Cheminova's commitment within this area. We also believe that this will have a positive impact on the company's future ability to retain employees and attract new employees of all categories.

UN Global Compact's ten principles

Companies are asked to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption.

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 Standards

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 should 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.

www.unglobalcompact.org

Global Reporting Initiative (GRI)

The Global Reporting Initiative (GRI) organisation has developed a reporting system which ensures a systematic approach to the wide-ranging and, at times, somewhat diffuse concept of sustainable development. The reporting comprises three main areas – economy, environment and society – which are divided into a number of specific subareas. There are a number of 'core indicators' and some 'additional indicators' for each of these subareas. It is Cheminova's long-term objective to report on all the core areas relevant to Cheminova's business.

The GRI system is widely used and internationally recognised, and we believe that it supports the work related to the UN Global Compact. Cheminova has therefore chosen to report according to this system. This has been done in the way that the report contains an appendix which specifies the indicators reported and indicates where the information can be found.

The first references to the GRI reporting system were made in the company's 2008 report. This report complies with GRI Application Level C, and the GRI organisation has checked that the reporting is declared correctly. Further information on the reporting system is available at www.globalreporting.org.

Systematised reporting is of value to the company's stakeholders who by way of this overview are able to quickly find information about areas of special interest. The GRI reporting is found on page 32.

Management statement



Global Executive Committee (from the left): Cesar Rojas, Jaime Gomez-Arnau, Niels Morten Hjort, Martin Petersen, Kurt Pedersen Kaalund, Rico T. Christensen, Mats Edh, Allan Skov, Søren Vedel and Jacob Johansen.

On February 24, 2010, the company's top management, the Global Executive Committee (GEC), considered and approved the CSR report for 2009.

GEC has the overall responsibility for Cheminova's subsidiaries and regions, as well as all the company's other activities, including CSR. Biographical information on the members of the GEC can be found on Auriga's website www.auriga-industries.com.

It is the GEC's view that the CSR report for 2009 provides an accurate picture of the company's CSR activities in the areas described.

Cesar Rojas
President,
Region Latin America

Jaime Gomez-Arnau
President,
Region Europe

Niels Morten Hjort
Senior Vice President,
Production & Logistics

Martin Petersen
President,
Region ANZAC

Kurt Pedersen Kaalund
President & CEO

Rico T. Christensen
Vice President,
Portfolio Management

Mats Edh
President,
Region International

Allan Skov
Senior Vice President,
Development & Registration

Søren Vedel
Senior Vice President,
Finance & Support

Jacob Johansen
Vice President,
Corporate Development

Assurance statement

Assurance Statement for Cheminova's stakeholders from independent auditor

We have assessed Cheminova's 2009 CSR Report for the purpose of expressing a conclusion on the descriptions of goal attainment and financial data contained in the Report. Our assessment does not comprise the information provided in the CSR Report on mission, vision and values as well as the UN Global Compact, but reference is made to the indication below.

Criteria applied

The criteria for CSR-related goal attainment are stated in the 2008 CSR Report, in which goals as well as success criteria for the focus areas, Product Stewardship, Development and Innovation, Production, EU's New Chemical Policy, Supplier Management and Human resources, are presented. Moreover, in its 2007 CSR Report, Cheminova 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 principles described on pages 39-40. 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

Company 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. 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.

Scope of our work

We planned and completed 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 2009 on pages 9-10 and of the phasing out of Class I products on page 26 is in accordance with the listed criteria for CSR goals, which were published in the 2008 CSR Report;
- the environmental and occupational health and safety data have been recognised in accordance with the criteria stated for preparation of the financial data of the CSR Report.

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 Brazil, India and China.

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. In addition to this, we have performed technical accounting analyses of reported data and have reviewed selected documentation.

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 2009 on pages 9-10 and of phasing out of Class I products on page 26 are not accurate.

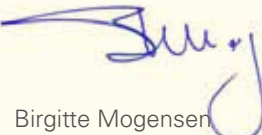
Furthermore, nothing has come to our attention that causes us to believe that the environmental and occupational health and safety data stated on page 29 have not been recognised in accordance with the criteria stated for preparation of the financial data of the CSR Report.

Indication concerning the information provided in the CSR Report on mission, vision and values as well as the UN Global Compact


According to the agreement, we have read the section in the CSR Report describing Cheminova's roll-out of mission, vision and values as well as the Company joining the UN Global Compact; in that connection, we noted the progress of the roll-out of Cheminova's mission, vision and values as well as its code of 12 business principles in 2009, and we noted that in 2009 Cheminova joined the UN Global Compact.

Within this framework, we have, in connection with our work relating to issuing the above statement, been presented with procedures and instructions contained in Cheminova's 'Global QC and CSR Manual'; we have been notified of the ongoing introduction of the Manual at subsidiaries as well the targets established for concretisation of policies and embedding of the CSR work with due regard to the cultural diversity existing in practice at Cheminova and the Group's subsidiaries.

On this basis, we believe that the roll-out of Cheminova's 'Global QC and CSR Manual' is progressing as described, including that the roll-out will support consistent group-wide management of environmental and occupational health and safety issues. As the Company has joined the UN Global Compact, Cheminova's 'Global QC and CSR Manual' is expected in future to be required to include procedures and instructions with due regard to the framework for CSR work defined by the UN Global Compact.


















Birgitte Mogensen
State Authorised Public Accountant
















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

Fulfilling CSR targets for 2009

Overview of targets and fulfilment. Fulfilment of the specific areas is described in the section 'Follow-up on targets' on page 23.

Targets	Fulfilment
Product stewardship	
Phase-out of methyl parathion EC and methamidophos EC in Mexico before end of 2009	 Phased out as per plan
Phase-out of methyl parathion EC in Brazil before end of 2010	 According to plan
Phase-out of methamidophos EC in Brazil before end of 2009	 Phased out as per plan
Phase-out of methyl parathion EC and monocrotophos SL in Colombia before end of 2009	 Phased out as per plan
Phase-out of methyl parathion EC in Cuba before end of 2009	 Phased out as per plan
Phase-out of methamidophos EC in Argentina before end of 2009	 Phased out as per plan
Phase-out of monocrotophos SL and phorate granulate in India before end of 2009	 Phased out as per plan
Phase-out of DDVP EC in India before end of 2010	 According to plan
Implementing the company's global labelling policy concerning products which are marketed under the Cheminova trade marks. Implementation to be completed in most of the organization in 2009 and fully implemented in 2010	 According to plan
All the company's material relating to safe use of its products will be made accessible to all regions and subsidiaries during 2009	 Relevant material from seven subsidiaries has been uploaded to the global marketing portal. The work will be completed in 2010
Production in 2009 of a modular DVD with safety instructions for end-users commences	 The project is commenced according to plan and will be completed in 2010
The contracts with those of Cheminova's direct customers who hold registrations on behalf of the company are being changed in 2009-10 so that the customers contractually undertake to operate in compliance with FAO's Code of Conduct	 According to plan
End-user packaging made of plastic and supplied from the production plant in Denmark will by the end of 2009 carry a warning embossed onto the packaging against re-use of containers	 Implemented with a few exceptions
Development and innovation	
Implement a code of conduct in 2009 concerning requirements to be met by the parent company's external partners in connection with development activities	 Implemented
No more than 10% of the formulations of new active ingredients being developed by the parent company in 2009 will be based on organic solvents	 6 out of 27 formulations are with solvents based on mineral oil

Fulfilling CSR targets for 2009, continued

Target	Fulfilment
Production	
India: Energy consumption per produced volume is being reduced by 5%. Changes implemented in 2009 with full effect from 2010	 The consumption was reduced by 1.4%
India: For the production of technical goods and intermediates, COD emissions per produced volume are being reduced by 10%. Changes implemented in 2009 with full effect from 2010	 The emission was reduced by 37%
India: For the production of technical goods and intermediates, water consumption per produced volume is being reduced by 8%. Changes implemented in 2009 with full effect from 2010	 The consumption was unchanged
India: Absenteeism due to accidents at work is being reduced in 2009 compared to 2008	 The absenteeism was reduced from 31.9 to 4.6 hours per 1000 man-hours
Denmark: Recertifying the company's environmental management system in 2009 in relation to ISO 14001 and OHSAS 18001	 New certificates were received in February 2010
Denmark: Energy consumption per produced volume of glyphosate is reduced by 5% from mid 2010	 According to plan
Denmark: Carrying out campaigns in 2009 to improve the safety culture with the primary objective of further reducing the number of accidents at work.	 Campaigns carried out according to plan
New EU chemicals regulation	
Implement registration of the pre-registered substances which must be registered before the end of 2010	 According to plan
Supplier management	
Conducting six formal CSR audit visits in 2009	 20 audits conducted
Extending the Supplier Code of Conduct in 2009 so that it covers all subsidiaries	 Included in the Global QC and CSR manual (see below)
Introduce Cheminova's 'Global QC and CSR manual' to the entire company's global organization in 2009	 Introduced in most of our subsidiaries. Will be completed in 2010
Yet another employee in China will be involved in the CSR work in 2009	 Completed
Human Resources	
All employees will be invited to a one-day workshop on the company's newly formulated values	 With the exception of employees in three subsidiaries, all employees have been invited to participate. Will be completed in 2010

CSR targets for 2010

New targets have been established for the years to come. The targets are described in greater detail in the action plan on page 35.

Product stewardship

- Phase-out of methyl parathion EC in Brazil in 2010.
- Phase-out of DDVP EC in India in 2010.
- The implementation of the company's global labelling policy concerning products marketed under Cheminova's brands will be concluded in 2010.
- The remaining material relating to the safe use of the company's products must be accessible to all regions and subsidiaries in 2010.
- The work to produce a modular DVD with safety instructions for end-users will be completed in 2010.
- The remaining contracts with those of Cheminova's direct customers who hold registrations on behalf of the company are being changed so that the customers contractually undertake to operate in compliance with FAO's Code of Conduct. The work will be completed in 2010.
- 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 demonstrating the benefits of sustainable product use at village level.
- 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.

Production

India

- Certifying the environmental management system of the production at the Technical Division in relation to ISO 14001 and OHSAS 18001 no later than mid 2011.
- Reduction of the energy consumption at the Technical Division by 3% in 2010.
- Reduction of the water consumption at the Technical Division by 5% in 2010.
- Reduction of the COD emission with the waste water from the production plants by 10% in 2010.
- Absenteeism due to accidents at work will be reduced in 2010.

Denmark

- Certifying of the company's environmental management system in relation to ISO 14001 and OHSAS 18001 is maintained.
- Reduction of the energy consumption when producing glyphosate by 5% from Q4 2010.
- Implementation of campaigns to improve the safety culture with the primary aim of reducing the number of lost working days.
- Ensure a well functioning emergency preparedness for action on serious accidents through arranging a large scale exercise involving the public preparedness in 1st half 2010.

Germany

- Absenteeism due to accidents at work reduced to less than 4% in 2010.

United Kingdom

- Reduction of the ergonomic strain on employees and the exposure to dust.

New EU chemicals regulation

- Registration of the pre-registered substances which must be registered before the end of 2010.

Supplier management

- Conduct ten official CSR audit visits at suppliers in 2010.
- Complete the introduction of Cheminova's 'Global QC and CSR manual' to all subsidiaries in 2010.

Human Resources

- In 2010, the employees in Hungary, Colombia and Germany will be invited to a one-day workshop on Cheminova's mission, vision and values.
- Summarising the conclusions from the 2009/10 roll-out process in respect of our mission, vision and values in the form of a corporate version of Cheminova's values which will be used to communicate the values in future.
- Reviewing and updating the Code of Business Principles based on the roll-out process conducted in 2009-10 of our mission, vision and values.
- Specifying the anti-corruption policy.

Cheminova's business area and organisation

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

Products

The company manufactures herbicides, insecticides and fungicides. The products are sold especially as ready-to-use crop protection products under the company's own brands and registrations (permits) and labels. A brief description is available on Cheminova's website of general approval procedures for crop protection products [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 industrial use 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 the opposite is true for the production facility in India where most of the production is used locally.

Ownership and organisation

Cheminova is a public limited company of which the Chairman and Deputy Chairman are independent members of the Board. In 2009, the company had about 800 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).

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

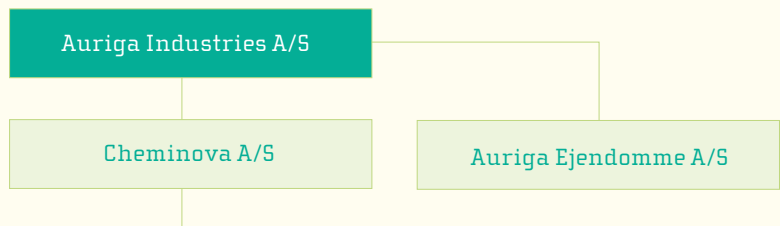
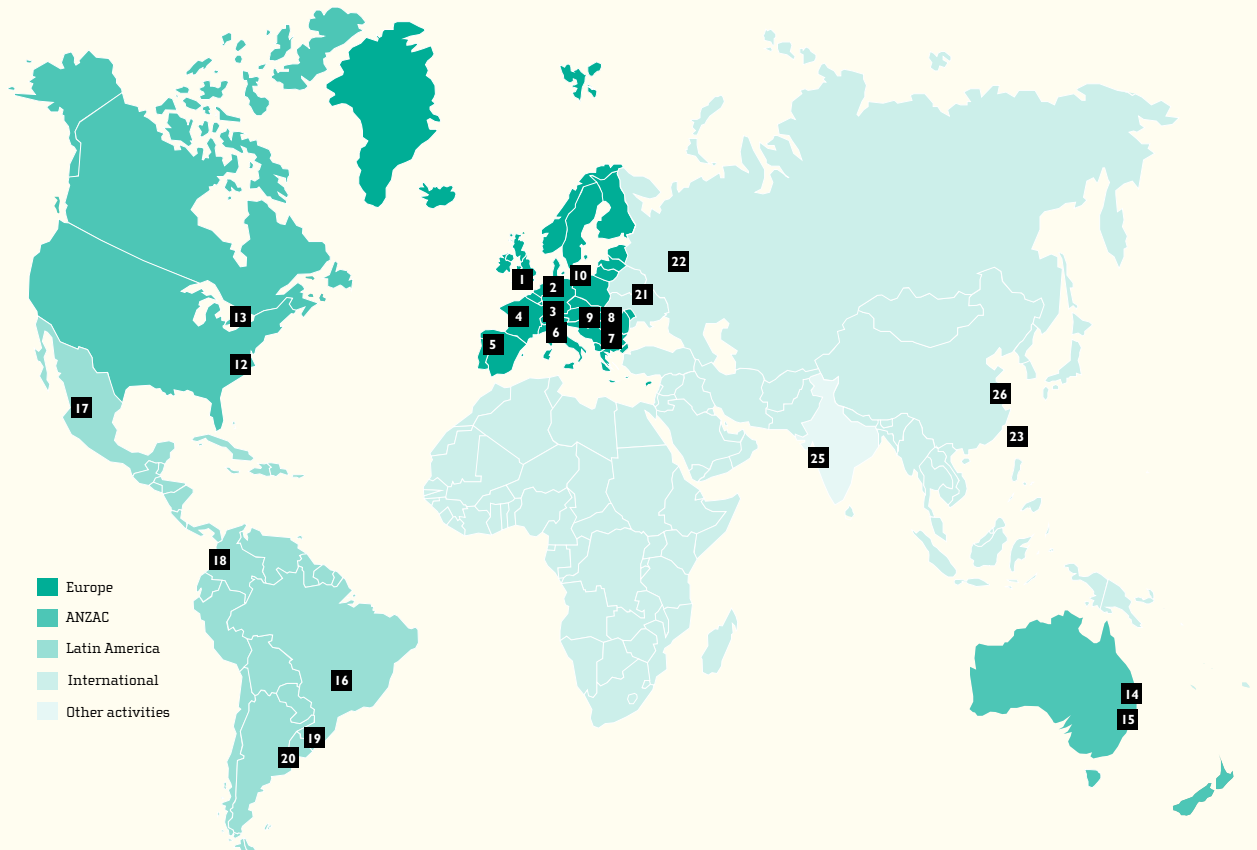
Cheminova's top management, the Global Executive Committee (GEC), has the global management responsibility for Cheminova's regions and other activities such as production and logistics, development and registration, finance and support, portfolio management and corporate development. The GEC also has the overall responsibility for the company's CSR policies and activities – see the section 'Management statement' on page 7 and the section about the report on page 4.

Cheminova's regional organisation is illustrated on the next page.

Awards

In 2010, Cheminova's subsidiary in India has won an award for excellent achievement and transparency in central excise. The award covers activities in 2008-09.





Updated March 2010.

REGION EUROPE

- 1 **Headland Agrochemicals Ltd.**
UK
- 2 **Stähler Gruppe**
Germany [owned: 75%]
 - 1 **Stähler Suisse SA**
Switzerland
 - 2 **Stähler Austria GmbH**
Austria
- 3 **Pytech Chemicals GmbH**
Switzerland
- 4 **Cheminova Agro France S.A.S.**
France
- 5 **Agrodan S.A.**
Spain [owned: 90%]
- 6 **Cheminova Agro Italia S.r.l.**
Italy
- 7 **Cheminova Bulgaria EOOD**
Bulgaria
- 8 **Cheminova Romania Representative Office**
Romania
- 9 **Cheminova Hungary**
Hungary

- 10 **Cheminova Polska Sp. zo.o.**
Poland
- 11 **Cheminova D.O.O.**
Serbia

REGION ANZAC

- 12 **Cheminova Inc.**
USA
- 13 **Cheminova Canada Inc.**
Canada
- 14 **Ospray PTY Ltd.**
Australia [owned: 80,54%]
- 15 **Cheminova MFG Pty.**
Australia

REGION LATIN AMERICA

- 16 **Cheminova Brasil Ltda.**
Brazil
- 17 **Cheminova Agro de México S.A. de C.V.**
Mexico
- 18 **Cheminova Agro de Colombia S.A.**
Colombia
- 19 **Abielux S.A.**
Uruguay

- 20 **Cheminova Agro de Argentina S.A.**
Argentina

REGION INTERNATIONAL

- 21 **Cheminova Representative Office**
Ukraine
- 22 **Cheminova LLC**
Russia
- 23 **Cheminova Taiwan Ltd.**
Taiwan
- 24 **Cheminova Representative Office**
Thailand

OTHER ACTIVITIES

- 25 **Cheminova India Ltd.**
India
- 26 **Cheminova Shanghai Representative Office**
China

Corporate Governance principles in the Auriga Group

Cheminova is 100% owned by the listed parent Auriga Industries A/S. Cheminova constitutes the main activity in Auriga which is listed on NASDAQ OMX, Copenhagen.

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.

Management and Corporate Governance

Auriga's Board of Directors and the Board of Executives are of the opinion that good corporate governance is the foundation of long-term value creation for the benefit of the shareholders and trustworthiness in relation to customers, business associates, the capital market and all other stakeholders.

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

Corporate governance in the Auriga group is based on the company's Articles of Association and its objectives, values and policies, including Cheminova's CSR policy, and is further founded on good corporate governance principles based on relevant legislation such as the Danish Public Companies Act (*Selskabsloven*), the Danish Securities Trading, etc. Act (*Værdipapirhandelsloven*), the Danish Financial Statements Act (*Årsregnskabsloven*), International Financial Reporting Standard (IFRS) as well as the code of conduct for companies listed on NASDAQ OMX, Copenhagen, and the recommendations issued by the Committee on Corporate Governance.

With the measures implemented in 2009, it is the opinion of the management that Auriga is complying with the recommendations issued by the Committee on Corporate Governance and most recently updated on December 10, 2008.

Reference is made to Auriga's annual report for 2009 and www.auriga-industries.com for further information on Auriga's corporate governance and the company's comments on the

recommendations issued by the Committee on Corporate Governance. Reference is also made to the 'Corporate Social Responsibility' section on page 11 of Auriga's annual report for 2009.

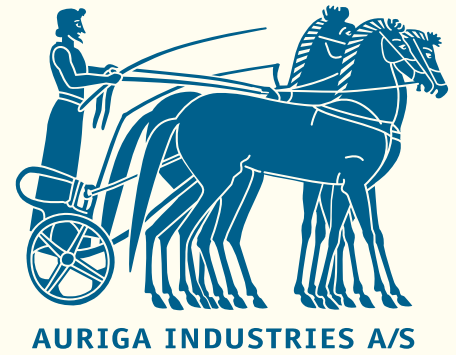
Corporate Governance initiatives in 2009

- To ensure greater transparency, the Board of Directors has prepared a checklist with comments for each corporate governance recommendation. The information can be found at www.auriga-industries.com. For ease of reference, the checklist is presented using the same structure as the recommendations. The objective is to make it easier for shareholders and others to find, process and compare the information.
- Further, a new stakeholder policy - which can also be found on the website - has been adopted.
- The Board of Directors has established an audit committee and prepared its Terms of Reference. For more information, please see www.auriga-industries.com under presentation of the Board of Directors and the Audit Committee. The Audit Committee began its work in April 2009.

Development and growth

Development and growth are crucial for the fulfilling of the ambitious objectives of Cheminova's strategy plan for 2015, Business Plan 'Five-in-Fifteen'. Growth driver will be the many new products introduced by Cheminova during the past few years based on our own development work.

Concurrently with development and growth based on new products, sales of the most toxic crop protection products are reduced through phase-out in all developing countries. Cheminova's ambitious phase-out plan is just one of the actual CSR initiatives following Cheminova's CSR policy. You can see the phase-out plan on www.cheminova.dk.



Business Plan 'Five-in-Fifteen'

Objectives

- Double market share to 5% in 2015.
- EBITDA (earnings) matching the best among peers.
- Increased value creation for the benefit of all stakeholders.

Strategy

- Organic growth through development and sales of new products.
- Acquisitions of complementary products and companies.
- Economies of scale and improved efficiency in all functions.

with a nominal value of DKK 180 million (18,000,000 shares); each Class A share carries ten votes, while each Class B share carries one vote. The Class B shares are listed on NASDAQ OMX, Copenhagen, while the Class A shares are non-negotiable. According to the charter of the Aarhus University Research Foundation, the foundation must hold all Class A shares and at least 51 per cent of the votes in Auriga. In the opinion of the Board of Directors and the management, the existing ownership and share structure is expedient for the long-term positive development of the company.

At the end of the year, the company had approx. 7,524 registered shareholders, representing 78% of the share capital. Approx. 800 employees own shares in the company.

Business-driven CSR

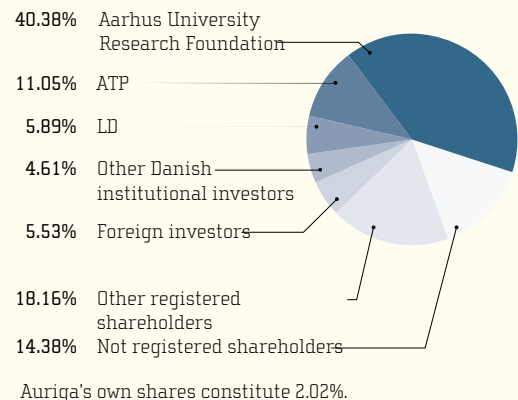
Together with the group's comments on the corporate governance recommendations, the CSR policy reflects many specific initiatives which had already been implemented, but which have now been systematised for the benefit of stakeholders. CSR is becoming increasingly important to customers and investors, and at the same time there is an element of risk management in CSR because all employees and suppliers – wherever in the world they are – know what Cheminova stands for.

The CSR policy is thus part of the group's corporate governance efforts and describes how we want things to be done in order for Cheminova to continue to develop as a value creating and socially responsible workplace.

Owner and capital structure

Auriga has two share classes, Class A shares with a nominal value of DKK 75 million (7,500,000 shares), and Class B shares

Share capital



Social responsibility

Social responsibility in relation to human rights, labour standards, corruption and the whistleblower function.

The information below is based on the UN Global Compact's human relations angle. We are going to focus on human rights (Principles 1-2), labour standards (Principles 3-6) and anti-corruption (Principle 10) and relate these to Cheminova's Code of Business Principles, see page 38. In this code, we have formulated an employee policy which covers labour standards and a business integrity policy which relates to corruption and bribery. From an overall perspective, we consider human rights compliance as the guiding principle for all of our activities. This point of view is also reflected in our mission.

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, fibre and energy.

Human rights

All activities carried out within or by Cheminova and our employees – be it globally, regionally, internally or externally – must be performed with respect for human rights and the employees' interests. In our Code of Business Principles we have described this as follows:

Standard of conduct

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

In order to support the compliance of this we have among other things established a whistleblower function which makes it possible for all employees to report if they consider that our Codes of Business Principles have been violated. This system was promoted in connection with the roll-out of the value 'We are good corporate citizens'. In 2009, there has been no reporting concerning violations of our codes.

In our Code of Business Principles we have implemented and defined the standard of conduct further under the paragraphs on the policies concerning the employees (the rights of the employees) and business integrity (anti-corruption).

Labour standards

Cheminova follows the UN Global Compact's labour standards principles which are identical to ILO's eight basic rights in the conventions regarding labour market conditions. These concern:

- Prohibition and abolition of forced labour (nos. 29 and 105).
- Prohibition and elimination of the worst forms of child labour (nos. 138 and 182).

- Freedom of association and protection of the right to organise and collective bargaining (nos. 87 and 98).
- Equal remuneration and elimination of discrimination in respect of employment and occupation (nos. 100 and 111).

We have summarised the principles in our Code of Business Principles in the section about employees in the following way:

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.

To support compliance with the policy in the supply chain, these principles have been incorporated into our Supplier Code of Conduct which is signed by all major suppliers – after they have been



Products being bagged at a supplier in India.

approved as suppliers to Cheminova in connection with our supplier auditing.

In this way, we contribute to ensuring that the general labour standards principle reaches beyond Cheminova's own organisation.

We want to build up good, long-term relations with our employees, and we have therefore drawn up a conflict policy, which ensures that we always seek to resolve conflicts through dialogue and mediation before resorting to the formal industrial relations conflict solving system. Initially, the policy has been introduced in the Danish part of the organisation and, in a few years' time, the experience gained there will be used to decide whether the policy should be rolled out globally and possibly be incorporated into our Code of Business Principles.

Business integrity

It is crucial to Cheminova that we act responsibly in the contexts in which we are involved. Our Code of Business Principles therefore also states the following:

Legislative compliance

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

Corruption

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.

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

Cheminova has established a whistleblower function which is described in the leaflet on Code of Business Principles. The whistleblower function was formally approved by the Danish Data Protection Agency in 2009. In connection with the approval, we have endorsed the decision of the European Commission on standard contractual clauses for the transfer of personal data to non-EU countries which has also been signed by the respective regional presidents. This ensures that employees

outside the EU are protected against any negative consequences of using the whistleblower function.

The purpose of the whistleblower function is to safeguard the possibility of internal control to ensure that everyone in the organisation complies with Cheminova's Code of Business Principles.

Future work

To ensure that everyone works according to the same CSR principles, our Code of Business Principles is handed to all new employees. The principles, including our whistleblower function, are described in a leaflet which is available in thirteen languages [http://www.cheminova.com/en/cheminova/code_of_business_principles.htm].

In 2009 we conducted a roll-out process in respect of our mission, vision and values aimed at inviting everyone in the organisation to participate. The process, which will be completed in 2010, is described in further detail in the section about Human Resources under Follow-up on targets.

The many workshops held have provided valuable input for a further description of Cheminova's values and also for updating, elaborating and clarifying our Code of Business Principles.

CSR work in India

For Cheminova India, CSR is not only a serious commitment but also key to achieving growth.

By P.N. Karlekar, President, Cheminova India Ltd.



P.N. Karlekar

India is the world's largest democracy with a population of about 1.1 billion spread across 29 states and 6 union territories. There are 114 languages and over 900 dialects. Thus, 16% of the world population lives in India on 2.5% of the world's land mass. 70% of Indians live in villages and are largely dependent on agriculture for their livelihood. Agriculture makes up 18% of the GDP, utilizing 160 million hectares of land area with the average farm size holding 1.3 hectares.

The Green Revolution

In the mid 1960s the Green Revolution not only elevated India from hunger and starvation but also made it self sufficient in food and today India is a significant exporter of many food grains. India now produces over 235 million tons of food grains. The Indian economy has grown consistently by more than 6% p.a. for the last 8-9 years and has been able to handle the impact of the global downturn of 2008 more effectively than most other economies and also recovered faster. This consistent growth has resulted in an expansion of the middleclass which now consists of more than 300 million people and drives the demand for quality and safer food products.

On the other hand, however, India has a large illiterate and poor population. Due to lack of awareness and education, 20-40% of the crop is lost annually due to weeds, insects and diseases. This obviously leads to very high growth

potential for crop protection products, which can help the farmers prevent crop losses and produce more food, feed, and fibre. However, due to illiteracy, the general awareness of safe use of pesticides is very different from what is seen in Denmark. We are therefore convinced that the CSR initiatives taken up by developed countries like in Scandinavia need to be implemented in countries like India.

Cheminova India is taking up this challenge to improve CSR standards wherever we can. We fully realize that this initiative is a process and the challenge is to design and implement it in such a way that it takes firm roots in the Indian reality.

Manufacturing – Cheminova India

We run an efficient manufacturing facility for large scale production with processes designed in our own R&D, scaled-up with our own team of engineers through an in-house pilot plant facility with very high environmental and safety standards.

Since becoming part of the Cheminova group 10 years ago, safety, environment and production efficiencies have improved significantly. In general, our CSR-activities certainly have brought us well on to the road to stand out as one of the best facilities amongst peer companies in terms of state-of-the-art facilities for production and for treatment of effluents. The R&D centre is focused on in-house development of environmen-

tally friendly production technologies for technical and formulated products and is fully integrated with the main development centre in Denmark. The major task with CSR is setting targets, reporting progress and making sure that things really happen. This has given us a handle for managing changes better. A good example is the construction of the new waste incinerator which came on stream in 2008. This successful implementation has genuinely triggered our appetite for further projects to improve the environmental and safety standards.

Safety first in the incinerator project



Pramod Dudhe

Project manager Mr. Pramod Dudhe had an interesting comment in regard to striving to reach high safety standards: - When we started building the incinerator, we were aiming for achieving zero accident compliance with major emphasis on training construction workers. It was indeed a challenge to make the workers appreciate that their safety on the site was as much the concern of the company as it was to themselves. Although we didn't reach 100% of what we wanted, we are pleased that we reached very close to our objective with only one minor incident which did not result in injury or loss of work time. In addition to the actual achievement, I am convinced that



Audit visit in India.

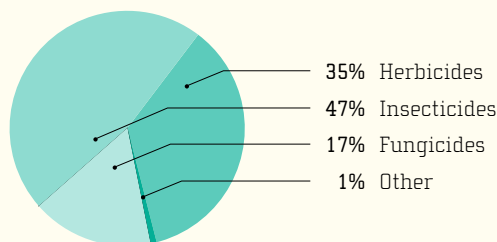
Facts about India

Area: 3,287,590 km² (No. 7 in the World).
 Inhabitants: 1,095,351,995
 (No. 2 in the World).
 Average annual income per inhabitant
 (purchasing power): 2,740 USD.



The Indian flag

The Indian market for plant protection products has a value of about 1 billion USD a year, corresponding to about 2.5% of the world market. The market for plant protection products is divided in this way:



The most important markets for plant protection products (crops): Rice, cotton, fruit, vegetables and grain.

we learnt a lot and are now wiser on how to implement these ideas for our future projects.

Attitude and values

Frankly one must admit that making technical installations and changes in the production facility is the easiest part. The real challenge lies in our mind, beliefs and behaviour. Sacrificing a little now in order to gain in the longer run is not always easy.

Implementing the mission, vision and values and creating a strong link to the key business requirements and translating the values into actions to achieve our goals is one thing. Another is anchoring and making the values meaningful to the individual in his job. Actually, this challenge turned out to be a joyful process.

We used the format of a few lectures combined with a treasure hunt where the teams had to identify the values by solving a puzzle and demonstrating all the values to unlock the treasure code. I believe this creative approach could be an inspiration for our colleagues in Denmark and other parts of the world.

For Cheminova India toxic products are now a no-go

Back to agriculture - back to our customers. The usage practice of plant protection products in India in general leaves a lot to be desired. But we concentrate our efforts on our own customers. We are committed to phase out the WHO class I (most toxic) products and wher-

ever possible substitute these with less toxic products. Phorate (Luphate) was replaced by a safer product in 2008 and before the end of 2009, monocrotophos (Luphos 36 SL) was removed from the product programme and the last WHO class I product, DDVP 76% EC (Luvon), will be phased out in 2010.

Needless to say, losing traditional monocrotophos means reduced revenues. But the process helped us to look forward and concentrate on new development. Not only were we able to develop a monocrotophos insecticide product with reduced toxicity thanks to advanced formulation technology, we even created a patented product. Never before have we been able to make 11 successful new product introductions in a single year as we did in 2009. These new launches have given our team increased confidence. And now the team has geared up to bridge the gap created by the phase-out of Luphos. The monocrotophos plant is being converted to produce other products, notably the new fungicide azoxystrobin in 2010.

Safe use programmes

Continued emphasis on safe use programmes for farmers distinguishes Cheminova from others and we will be able to leverage this for business development.

Further, our plan is to develop village projects on safety, possibly in cooperation with NGOs, farmers' associations, governmental departments, agricultural universities, agri clinics and opinion

leaders.

Our experience with involving women during the Cheminova Brand Creation Campaign convinced us that this route would lead to faster adoption of safe practices among farmers and spray operators and to Cheminova becoming a household name in the hinterlands.

Product stewardship



Kaushik Patel

Sales manager Mr. Kaushik Patel from region Gujarat states: - An important thing is to be able to launch new products but the back bone of our product stewardship programme is a dialogue with farmers on

safety matters. But also the basics such as labels with pictogrammes, education, safety instructions, and agronomic advice in several local languages as an integrated part of all marketing activities are well received. Here we distinguish ourselves from many other Indian companies and we reach more than 180.000 farmers a year on an all-India basis.

CSR work in Brazil

Agriculture in Brazil is of key importance to the world's food security.

By Cesar Rojas, President, Region Latin America



Cesar Rojas

I was born in Peru but have enjoyed living in Sao Paulo in Brazil for several years because this country is exciting because of its cultural diversity and internal economic potential with almost 200 million citizens and a clear leadership as well as competitiveness in commodities production. For the last ten years, the Brazilian economy developed steadily and, consequently, unemployment and poverty have been reduced, thus improving the quality of life.

The Brazilian diversity

Brazil is a multicultural society where there is a diversity of way of life, from the Amazonas jungle in the north, through the Cerrado plains in Mato Grosso state, to the metropolis Sao Paulo and Rio de Janeiro on the east coast. In the field of agriculture you find everything from small family farms to large scales farms of several thousand hectares.

The agricultural sector is growing and becoming increasingly professional. Less than 20% of the population lives in the countryside. The Brazilian agribusiness has become the world's second largest exporter of agricultural products, only surpassed by the USA. Exports are primarily to countries with the highest standards for safety and quality (Europe,

Japan and the USA). In the plant protection market, Brazil is also the second largest player with the prospect of becoming number one within the next three years.

Professional farmers are Cheminova's key customers

The approval of plant protection products is regulated by three ministries (Agriculture, Health and Environment) that decide which products are approved for use on which crops. The registration permits at the federal and state level are given based on scientific criteria, following similar rules as in the EU and USA. Further products are only sold upon agronomic recommendation.

Cheminova has chosen to focus on the professional farmers with knowledge and skills in handling plant protection products. Professional growers are mainly working in row crops like soybeans, corn, sugar cane, beans and cotton, generally with a very good application technology with modern equipment and well-trained workers.

During the phase-out period of class I products we have restricted our sales to large packaging sizes and only in states where large professionally managed farms are predominant. Focusing on professional farmers is a way of reducing

the risk of accidents and intoxications. Additionally, well-labelled products, safety precautions and good agricultural practice advice have become an integrated part of our marketing actions in all segments, ensuring that our customers are well informed about safe use of Cheminova's products. We get positive feed-back from the field regarding our stewardship programme.

Phase out of WHO class I products

The decision to phase out class I products like metamidophos and methyl parathion is a challenge because these compounds are highly effective and recognized as such by the growers. However, Cheminova has taken up this challenge and have put extra efforts into replacing these products with less toxic alternatives while ensuring our continued presence in the market.

Methamidophos was phased out in August 2009. It was replaced by two other insecticides in our portfolio, chlorpyrifos which is produced in our facilities in Denmark and acephate produced in India.

Methyl parathion will be discontinued in 2010 and our proposal is to replace it with malathion, mainly for the control of cotton boll weevil. Malathion was adopted as a reference product in the national



Environmentally friendly precision use of fungicides in banana plants.

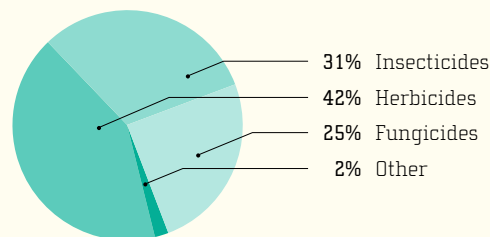
Facts about Brazil

Area: 8,547,404 km² (No. 5 in the World).
 Inhabitants: 198,739,269 (No. 5 in the World).
 Average annual income per inhabitant (purchasing power): 9,270 USD.



The Brazilian flag

Sales of plant protection products in Brazil have a value of about 6 billion USD a year, corresponding to about 15% of the world market. The plant protection products are distributed in this way:



Most important markets for plant protection products (crops): Soybeans, maize, fruit and vegetables, cotton and sugar cane

boll weevil eradication programme in the USA where it has been able to successfully control this pest in all the cotton regions. Malathion is recognized as one of the less toxic organophosphate insecticides.

Even though there in Brazil is no mandatory spraying programme like in the USA which could support the eradication of this pest, we have seen an increasing interest in applying malathion for the control of this devastating pest.

Safe use amongst customers

Cheminova also has products for many other crops, large, medium and small ones. Someone might ask what we do to reduce risk to smaller and less educated growers.

In general, small growers often use products without observing the safety rules. First of all, we do not sell methyl parathion to this segment. Secondly, the information on safe and correct use is an integrated part of our promotion tools which accompanies our marketing effort.

We are part of the stewardship programme undertaken in collaboration with other companies in the trade or-

ganisations and associations on general safety programmes. Additionally, our responsibility includes efforts to promote knowledge of the safe and correct use of agrochemicals through well-labelled products with precautionary guidance and by training sessions as well.

Further, we are a member of the Planitox Line, a planning, consulting and toxicology information company that supports in case of accidents or misuse and which is available through a hot-line 24 hours a day. In addition, the SOS COTEC call centre gives support in case of transport or environmental accidents. I am very confident that our set-up with stewardship and our restrictions on where we sell class I products really means a reduction of the occupational risk using our products. This is well illustrated by very few incident reports from the Planitox system and with no fatalities been reported the last several years.

Safe use project amongst small banana growers

As a new activity focusing on small growers we are planning to start a programme in selected villages with

cultivation of bananas. Alongside the introduction of a new environmentally friendly precision application of our fungicide product, we are planning a broader range of support and educational efforts.

Recycling of used containers

We are also a member of a national programme for collecting and recycling used pesticide packaging. This organisation, called inpEV, is in charge of collecting and recycling all agrochemical packaging used in Brazil.

On this point I think many other countries can actually learn from Brazil. Please see the article on this topic 'Disposal of used packaging in Brazil' on the next page.

Disposal of used packaging in Brazil



inpEV's mascot.

In collaboration with other producers, Cheminova participates in the disposal of used packaging from Brazilian farmers. Cheminova is member of the organisation inpEV (Instituto Nacional de Processamento de Embalagens Vazias – National Institute for Processing Empty Containers), which was founded in 2001 for the purpose of promoting the proper disposal of empty containers.

Success story

Collecting and recycling used packaging from farmers in Brazil's enormous agricultural areas seems an impossible task. But this has succeeded beyond all expectations in recent years and has placed Brazil at the forefront of developments within this area. In 2009, 80% of the packaging sold was returned, and more than 26,000 tonnes of plastic materials were returned.

Participation of farmers, distributors and producers

With legislative support, national collaboration on the collection and recycling of used packaging from crop protection products has been established in Brazil. Farmers are under an obligation to clean the packaging and return containers and other packaging materials to one of the more than 400 receiving stations. The distributors which sell the products to the farmers are under an obligation to establish and operate receiving stations. The producers have environmental ownership of the packaging and must

therefore receive it after use and handle the disposal. The public authorities support the efforts by promoting awareness of the system, e.g. by financing TV commercials.

Cheminova is co-owner of the recycling business Campo Limpo

The stakeholders in inpEV have established the business Campo Limpo, which, in practice, receives the collected and cleaned packaging materials with a view to recycling as well as destruction of non-recyclable materials. Campo Limpo handles the sorting and further treatment of cardboard and plastic materials as well as quality control, which ensures a very low content of pesticide residue so that the material can be recycled for various purposes. Only approx. 10% of the materials cannot be recycled and are therefore destroyed through incineration.

Recycled for what?

The raw material is delivered to various companies which have been granted

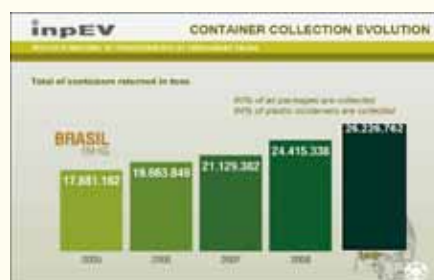
licences to manufacture suitable products based on the recycled material. This concerns, among other things, items ranging from sewage pipes, sacks for hospital waste and incinerable waste containers. The latest initiative is the manufacture of UN-approved quality containers for chemicals and crop protection products. Campo Limpo determines the purposes for which the material may be used.

Benefit for the environment

It is obvious that there is an immediate environmental benefit by having the farmers clean and return packaging materials rather than just burning the used containers, bags and boxes. A study has shown that the entire programme, including transport, processing and incineration of non-recyclable materials, has resulted in a net reduction in CO₂ emissions of 160,000 tonnes in the period 2002-2008.



Visit at the recycling centre in Brazil. Pallets with cleaned plastic containers ready for production of new containers.



80% of all packaging is collected.



The recycling system is supported by the president.

Follow-up on targets

The 2009 targets on product stewardship, development and innovation, human resources, production, REACH and supplier management have during 2009 largely been met.

Sales and product stewardship for plant protection products.

Cheminova's sales in 2009

Cheminova's sales of plant protection products include supplies of both active ingredients and ready-to-use formulations to more than 100 countries. In 2009, Cheminova's subsidiaries handled approx. 90% of sales.

The distribution between product types and geography is pretty much the same as last year. For further comments on sales, 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 2004), fall into class Ia 'extremely hazardous' and class Ib 'highly hazardous'.

The active ingredients which fall into this category are methyl parathion, monocrotophos, DDVP and triazophos, which are produced by Cheminova, as well as methamidophos, methomyl, phorate, fenamiphos and omethoate which are third-party products 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 is included in both class I and class II formulations, while the ready-to-use

triazophos-based products all are class II formulations. Cheminova's phase-out plan covers class I ready-to-use products in countries outside the USA, Canada, Australia, Japan and the EU. In 2009, total sales of class I products to all countries accounted for less than 6% of revenues and was thus at the same level as in 2008. 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 2009 and where (including new subsidiaries)

Country	Product
Australia	Methyl parathion EC
	Methomyl EC
	Omethoate EC
USA	Methyl parathion EC
	Methyl parathion EC*
Mexico	Methamidophos EC*
	Methyl parathion EC*
Colombia	Methamidophos EC*
	Methyl parathion EC
Brazil	Methamidophos SL*
	Methyl parathion EC
Argentina	Methamidophos EC*
Spain	Fenamiphos EC
India	Monocrotophos SL*
	DDVP EC

* Phased out in 2009

EC = Emulsion Concentrate; SP = Soluble Powder; SL = Soluble Liquid; SC = Suspension 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 the WHO classes Ia and Ib outside the USA, Canada, EU, Australia and Japan.

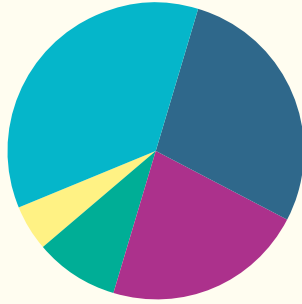
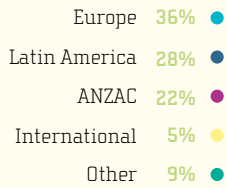
Phase-out of the most toxic substances

Cheminova's phase-out plan relates to ready-to-use products which fall under the WHO classes Ia and Ib, i.e. products which are classified as 'extremely hazardous' and 'highly hazardous' respectively. During the phase-out year, Cheminova discontinues sales to distributors and farmers. These customers can continue to use the purchased product for as long as their own stock may last.

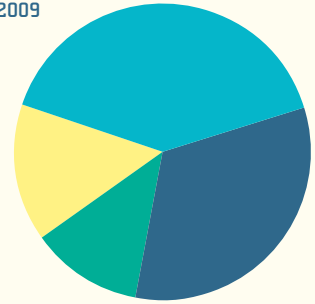
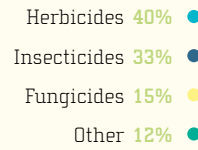
Meeting targets

In 2009 we continued to focus on reducing the risks associated with handling the most toxic of our products. Training and guidance on the correct and safe use of Cheminova's products are part of the daily marketing activities of all subsidiaries. Labelling and instructions for use, personal contact with distributors and users and participation in campaigns are some of the tools employed to promote safety. In countries where class I products are being phased out, the initiatives described in previous CSR reports have continued. Quarterly reporting to the CSR steering committee on product stewardship including follow-up on targets from regions and countries has been established in 2009. These reports form part of the back-

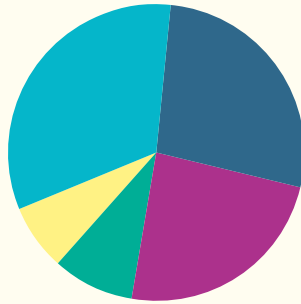
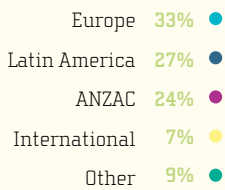
Sales of plant protection products by region 2009



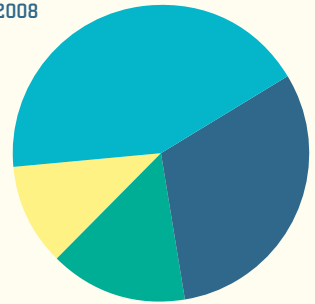
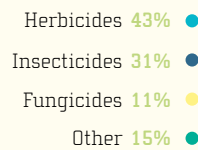
Total sales by product type 2009



Sales of plant protection products by region 2008



Total sales by product type 2008



ground for the biannual discussion in the GEC (Global Executive Committee) on CSR-activities.

Dialogue with the authorities in Brazil

Towards the end of 2009 a dialogue was initiated with the Ministry of Health (ANVISA), the Ministry of the Environment (IBAMA) and the Ministry of Agriculture (MAPA) concerning the phase-out of methyl parathion. In general Cheminova's phase-out plan was well received by the authorities, also in regard to the introduction of safer alternatives meaning that the farmers after phase out of methyl parathion still have access to effective products. Similarly the authorities find Cheminova's restrictions of sales during the phase-out period appropriate and risk limiting. Cheminova made clear that all the company's supply channels of methyl parathion WHO class I products to the Brazilian market will be actively stopped by the end of the phase out period in 2010.

Cheminova lives up to the phase-out plan

In the CSR report for 2006 we published a detailed country based plan for phasing out WHO class I products. The plan including current status is reproduced in the table on page 26.

Since the start, Cheminova's phase-out plan has been carefully carried out within the original time line. Deviations have all been quicker phase-outs than originally promised.

In 2009 the phase out has been according to schedule and the sales of the majority of the products had already ceased by the end of Q3 2009.

Status of phase-out programme in individual countries

Mexico

Sales of class I methyl parathion and methamidophos remained restricted to distributors in the northern part of the country where the agricultural sector is dominated by professional farmers and further the products were not sold in small packagings. All class I end-use products have been phased out by end 2009

Industrial sales of technical methyl parathion are restricted to companies that manufacture class II products such as low-concentrate powder formulations.

Cuba

Cheminova is no longer selling class I products in Cuba.

Colombia

With the phase-out of monocrotophos in 2008 and the last class I products methyl parathion and methamidophos in 2009, there are no class I products in Cheminova's portfolio in Colombia.

Brazil

Sales of class I products which are being phased out are restricted to states where the agricultural sector is

dominated by professional farmers. The product approvals for class I products have been withdrawn in states where the working conditions in farming are less developed. The use of methyl parathion is restricted to few crops and no sales in small packagings are taking place. In 2010 this product will only be sold for use in cotton and soybeans.

Education in safe and correct use of products and use of personal protection is an integrated part of the marketing.

Methamidophos was phased out in 2009 and methyl parathion (WHO class I) will, as promised in the plan, be phased out in 2010.

Argentina

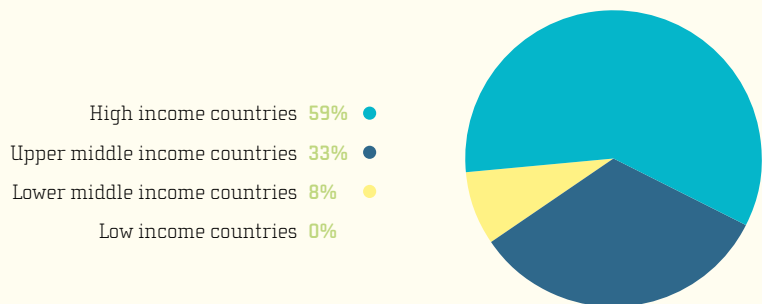
Cheminova's only class I product, methamidophos, was phased out in February 2009. The product was sold only in 20-litre containers which is the professional farmers' preferred container size. Information on the safe use of the product was an integrated part of the marketing efforts. There are no longer WHO class I products in Cheminova's portfolio in Argentina.

India

Cheminova's largest class I product based on monocrotophos has been phased out in 2009.

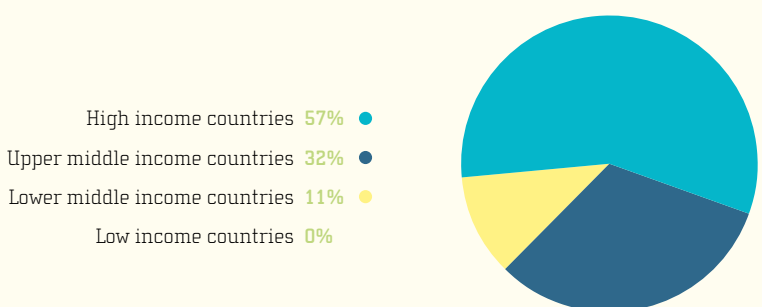
The less toxic (WHO class II) formulation of monocrotophos is expected to be introduced in 2010 when the sales permit will be issued.

Further, the production of the active



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 October 7, 2009



Sales of plant protection products broken down by rich and poor countries 2008

Sales broken down by rich and poor countries according to the World Bank's categories of gross national income per capita: Low income USD 935 or less p.a.; lower middle income USD 936 - 3,705 p.a., higher middle income USD 3,706 - 11,455 p.a., higher income USD 11,456 or more p.a.

ingredient monocrotophos has been stopped and the production plant is being reconstructed for production of amongst other products a low toxic fungicide.

In connection with the marketing of the products, training in safety and the correct use of Cheminova's products has been provided. In the course of the year contact has been established with more than 180,000 people, e.g. at farmers' meetings.

Taiwan

Cheminova is no longer selling class I products. Methyl parathion is sold only as a microcapsule formulation.

Less toxic alternatives

The development of a WHO class II monocrotophos product by our subsidiary in India has now 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 insects. Approval of the product by the Indian authorities is expected during the first half of 2010 after which the marketing can begin.

Implementation of stewardship guidelines in Cheminova's new regional structure

The managements of Cheminova's four regions have approved a set of stewardship guidelines which, among

other things, require compliance with FAO's Code of Conduct and the phase-out of the most toxic products – WHO class I products – in specified countries according to the schedule published in the 2006 report. These are the same guidelines which have previously been adopted by all the subsidiaries, and it is now up to the regional managements to ensure that the guidelines are complied with. The CSR steering committee receives reports quarterly.

Labels

A global labelling policy for products marketed under Cheminova brands was prepared and adopted at the end of 2008. The policy is part of Cheminova's quality control and CSR management system, and implementation has thus commenced in 2009.

FAO's Code of Conduct in Contracts

The contract with those of Cheminova's direct customers that hold registrations on behalf of the company will be changed. These customers are imposed to work in accordance with FAO's Code of Conduct. In 2009 this work was initiated in region International including Asia, Middle East and Africa, where Cheminova does not have subsidiaries. Subsequently the other regions have joined the work. In 2009 we have received 34 signed contract amendments and the effort continues as planned in 2010.

Accessibility for subsidiaries of material on safe use of products

The process has been initiated and material from several subsidiaries is made available to subsidiaries in all regions through the marketing portal. New material will be uploaded continuously.

Production of a modular DVD with safety instructions

The work has been initiated, inspired by existing material from the subsidiaries in India and Brazil as well as from an EU-supported project TOPPS (Training Operators to prevent Pollution from Point Sources).

Packaging

For most of the plastic packaging of end-use products leaving the factory in Denmark there has gradually during 2009 been implemented an embossment in the plastic of a warning message against unauthorised re-use of the packaging. A few markets have obtained an exemption from this rule due to local conditions. Third party products being packed at the factory in Denmark are exempted from the rule as the customer defines the packaging.

In addition, Cheminova participates actively together with authorities and trade organisations in, among other countries, Brazil in disposal of and industrial re-use of used packaging.

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 granulat (class I)	2009	Phased out in 2008
	DDVP EC	2010	Being phased out in 2010
Brazil	Methamidophos EC (class I)	2009	Phased out in 2009
	Methyl parathion EC (class I)	2010	Being phased out in 2010. Micro capsules maintained*
Mexico	Methomyl SP	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
Cuba	Methyl parathion EC (class I)	2009	Phased out in 2008
Argentina	Methamidophos EC (class I)	2009	Phased out in 2009
Taiwan	Methyl parathion EC (class I)	2007	Phased out in 2007. Micro capsules maintained*

* WHO class II products

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



Embossed warning against unauthorized re-use of packaging.

Targets

- Phase-out of methyl parathion EC in Brazil in 2010.
- Phase-out of DDVP EC in India in 2010.
- The implementation of the company's global labelling policy will be concluded in 2010.
- In 2010, the remaining material relating to the safe use of the company's products will be made accessible to

the global organisation.

- The work to produce a modular DVD with safety instructions for end-users will be completed in 2010.
- The remaining contracts with those of Cheminova's direct customers who hold registrations on behalf of the company are being amended so that the customers contractually undertake to operate in compliance with FAO's Code of Conduct. The work will be completed in 2010.
- 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.
- 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.



Goodbye to the production of monocrotophos in India. A new era has started.

Development and innovation at Cheminova A/S

The primary aim of the development activities is to provide the company with new active ingredients and sales products as well as improved chemical production processes.

Status on the implementation of a code of conduct for business partners
In 2008, a code of conduct was prepared, setting out requirements to be met by external business partners in connection with development projects. The requirements to be complied with have been incorporated in the procedure for 'CSR management of suppliers and toll producers' which forms part of Cheminova's 'Global QC and CSR Manual'.

In 2009, the external activity level in the department for new development projects has been low compared to previous years. No new agreements on development projects were concluded in 2009 but a couple of potential new projects are being considered.

A CSR screening has been conducted in respect of two business partners located in China and Europe respectively. Both the assessed business partners had high CSR standards which meet Cheminova's requirements. The business partners have collaborated with other western companies for many years. The screenings caused no further comments.

Formulations

In 2009 the parent company's Danish development department developed 27 recipes for new sales products (formulations) which are based on new active ingredients as well as mixtures containing both new and existing active ingredients. One of these products is a solid formulation while the others are liquids. Thirteen of the products are water-based and the other thirteen are solvent-based. Six of the latter products contain traditional organic solvents while seven have been produced on the basis of plant oils.

The target was that no more than 10% of the formulations would be based on traditional organic solvents but this target was not met in 2009 as 22% of the formulations belong to this category. This specific target is discontinued as the work continues as illustrated below.

Plant oils can improve crop protection products

Plant oils from coconut and oil palms are used to an increasing extent as adjuvants in Cheminova's products. Refined



Plant oils from coconut and oil palms are used in cosmetics and as biodiesel. In a modified version, however, refined oil from coconut and oil palms can also be used as environmentally friendly and occupational health and safety-friendly formulation ingredients in crop protection products.

plant oils can to some extent replace fossil solvents based on crude oil and, at the same time, add improved properties to the products in terms of environmental impact, effectiveness and gentleness on crops.

Crop protection products consist of an active ingredient and a number of adjuvants. The active ingredient performs the desired effect and is thus the core of the product. The adjuvants act as solvents and, in addition, support the function of the active ingredient in various ways.

Liquid products

Most of Cheminova's products by far are liquids. The active ingredient is diluted in water or other solvents and the product contains approx. 10% adjuvants, which makes it possible for the farmer to mix the crop protection product with water in the spray tank so that even very small dosages of active ingredients can be distributed evenly over the entire crop. From a historical point of view, crop protection products based on organic solvents have been popular.

However, organic petrol-like solvents are generally undesirable due to environmental and occupational health and safety considerations. The development and use of solid or water-based crop protection products is the ultimate method for eliminating organic solvents in crop protection products. The development of solid and water-based crop protection products with optimum effect and good environmental properties is therefore a key activity at Cheminova.

Certain active ingredients in insecticides, herbicides or fungicides, however, do not have the sufficient effect or are not sufficiently stable if used in solid

form or in water-based products. This means that the use of organic solvents is necessary in some cases in order to produce effective products.

Only special plant oils are suitable
Through intense development activities, we have succeeded in replacing the petrol-like solvents in some products with solvents based on plant oil from coconut or oil palms. A fraction of the oil from palms, specifically the short-chained fatty acids, has turned out to have surprisingly good properties as a solvent in crop protection products. The properties of the short-chained fatty acids are further improved if modified chemically through conversion to so-called methyl esters. Cheminova uses these methyl esters as solvents in some crop protection products.

Better environmental properties

In addition to originating from a biological source, these plant oils also have highly attractive environmental and occupational health and safety properties. During the development activities, it has been shown that products containing plant oil pose a considerably lower risk of causing damage to crops than traditional products with petrol-like organic solvents may pose. In unfavourable circumstances, traditional solvents can scorch the crops.

Patents

The plant oil development activities have led to new knowledge and resulted in inventions, which has meant that Cheminova has filed several patent applications in the area.



Roll-out of mission, vision and values in India.



Roll-out of mission, vision and values in Denmark.

Human Resources

The target for 2009 was that all employees should be invited to a one-day workshop on the company's newly formulated values. As one of these values is 'we are good corporate citizens', we expected that this could contribute to a broader and deeper understanding of the Code of Business Principles. Subsequently it will be evaluated how this code could be expanded and formulated more explicitly.

During 2009 several workshops throughout the organisation have been arranged and all employees have received an invitation. Only in three countries, Colombia, Hungary and Germany, has this activity been postponed to 2010. In Germany, Cheminova's ownership of the company Stähler was increased to more than 50% in 2009. Therefore, Germany was not included in the roll-out plan in 2009.

Reflecting differences in culture and tradition, the format of the workshops has varied from country to country, but the content of the workshops has generally been the following:

- Presentation of the revised mission, vision and values.
- Presentation of the business plan 'Five-in-fifteen'.
- Presentation of the actual challenges and targets.
- Group sessions for discussion of the meaning of the five values in relation to job satisfaction, behaviour and development for the individual employee as well as the company.

Values:

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

The individual employee has had the opportunity to reflect on all of the values and the discussions have focused on the individuals' opinion of what we should strengthen, what we should continue, what we should avoid, and what the advantages would be.

In relation to being a good corporate citizen, the following aspects were discussed and underlined as something to be continued or even increased: Activities to protect the environment, safety measures, and social responsibility in local areas (various support, education, light jobs etc).

The discussions also reflected the need for further information on our Code of Business Principles including the whistle blower function. This will be taken as a target for the CSR-work in 2010.

The workshops have led to several proposals for new activities which can help us further in relation to the formulated vision, help reach our targets and develop the behaviour we want.

Continued work on these proposals will take place in the relevant departments and areas of the company.

Further, these proposals will be used as input to the preparation of a global

booklet with more details on our mission, vision and values. This booklet will be produced and distributed in 2010.

The inputs will also be taken into consideration for a future revision and clarification of the Code of Business Principles.

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.
- 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.
- Update the Code of Business Principles based on the experience gained from the roll-out of mission, vision and values in 2009/10.
- Make the policy on anti-corruption more specific.

Production

Environmental, health and safety data can be seen from the fact box below. All production companies, i.e. Cheminova's companies in Denmark, India, United Kingdom, Germany, Italy and Australia, are included in the statement for 2009. The previous years only included the companies in Denmark and India.

More detailed data for the production in Denmark can be found in the green accounts, including historical data for the last five years. The green accounts can be downloaded at <http://www.cheminova.com/download/groentregnskab2009eng.pdf>.

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

The applied accounting principles can be found on pages 39-40.

Comments on the development from 2008 to 2009:

Generally, consumption and emissions are influenced by the fact that production in 2009 was lower than in 2008. Among others the production of glyphosate in Denmark was stopped for seven weeks. In India, the production of monocrotophos was stopped as a result of the phase-out.

Note 1: The consumption of fuel oil in India rose because of substantially changed product mix. Because of shortage of natural gas, there was no possibility for using more natural gas than previously.

Note 2: The COD measurement is very uncertain when measuring on waste water with a high content of chlorine. Therefore, the big drop from 2008 to 2009 hardly expresses a real drop in the emission of organic compounds.

Note 3: The emission of phosphorus with the waste water has been reduced essentially in India. This is due partly to a better treatment of the waste water at both production sites, partly to the phase-out of the production of monocrotophos.

Note 4: The increase in the SO₂ emission comes from the central air incineration plant in Denmark. Generally, the level of cleaning during the year has been all right but the results of the two SO₂ measurements, which form the basis of the calculation of the annual emission, were high.

Note 5: Recycling of hazardous waste takes place in companies included from 2009. Hazardous waste is recycled by StählerTec in Germany.

Note 6: The increase is due partly to a new production in Denmark where the waste water has been treated as hazardous waste, partly to change in the product mix in India.

Note 7: The increase is due to the fact that the factory in India itself incinerates hazardous waste which was previously treated externally. The incineration produces ashes which are deposited.

Note 8: Only calculated for 2009 as there are no figures available for the previous years.

In the CSR report for 2008, various targets were set up relating to the production plants in India and Denmark which needed to be realised in 2009. The status of these targets is listed on the next page.

In addition to the two above-mentioned facilities which produce plant protection products via a series of chemical reactions (chemical synthesis), Cheminova today also owns three smaller production plants where the primary production is the formulation and packing of ready-to-use plant protection products for farmers. Formulation is a mixing process that does not produce waste products which then need to be disposed of. One of these plants, Headland Agrochemicals, is situated in Deeside in north Wales in the UK. It was acquired by Cheminova in 2001. The second plant is situated in Wyong north of Sydney in Australia. This was acquired from Bayer CropScience at the end of 2008. In the third plant, Stähler in Stade west of Hamburg, Cheminova acquired a controlling interest at the beginning of 2009. Relevant data from these three plants are included for the first time in the fact box below.

Fact box: Environment, health and safety

	Unit	Note	2009	2008	2007
Water consumption:					
Cooling	Million m ³		46	50	49
Processes and ordinary consumption	Thousand m ³		885	971	944
Energy consumption:					
Natural gas	GWh		447	490	480
Electricity	GWh		79.9	86.7	83.6
Fuel oil	GWh	1	16.3	13.7	2.47
Materials:					
Raw material consumption	Thousand tonnes		137	157	132
Discharge of waste water:					
COD	Tonnes	2	154	248	201
Nitrogen	Tonnes		19	23	31
Phosphorus	Tonnes	3	11	25	28
Air emissions:					
SO ₂	Tonnes	4	22	15	37
Particles	Tonnes		5.5	6.7	16
CO ₂	Thousand tonnes		106	123	110
Ordinary waste:					
Recycling	Thousand tonnes		3.3	3.8	3.3
Incineration	Thousand tonnes		1.11	0.99	0.86
Depositing	Thousand tonnes		34.2	34.5	31.3
Hazardous waste:					
Recycling	Tonnes	5	486	0	0
Incineration	Thousand tonnes	6	14.4	11.6	8.9
Depositing	Thousand tonnes	7	2.44	1.26	0.96
Spillage and waste	Number		35	37	69
Accidents	Number		15	24	31
Accident frequency		8	3.6	-	-
Absence from work due to accidents		8	3.2	-	-



Klaus N. Jørgensen and Yolanda Ke in the new laboratory in China.



The formulation plant at Stähler in Germany.

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 Nissum Bredning are designated as Ramsar area and EU bird protection area. Further, part of the area is protected and laid out as game reserve.

Follow-up on targets for 2009

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

India

Energy consumption per produced volume will be reduced in 2009 by 5% relative to 2008: The energy consumption was reduced from 3.05 to 3.01 kWh/kg. So the reduction was only 1.4% and therefore the target was not fulfilled. The reason for this lies in the actual production compared to the expected production.

For the production of technical goods and intermediates, COD emissions per produced volume will be reduced by 10% in 2009 relative to 2008: The target was fully reached as the emission of COD was reduced by 37% from 1.88 kg per ton to 1.17 kg per ton.

For the production of technical goods and intermediates, water consumption per produced volume will be reduced by 8% in 2009 relative to 2008: We did not succeed in reducing the water consumption which from 2008 to 2009 was unchanged 23.58 m³ per produced ton. This is due to the product mix differing from our plans.

Absenteeism due to accidents at work will be reduced in 2009 relative to 2008: Absenteeism due to accidents at work was reduced quite substantially from 31.9 to 4.6 hours per 1000 man-hours.

Denmark

Energy consumption per produced volume of glyphosate will be reduced by the end of 2010 by 5% relative to 2008: Projecting has been accomplished, main components have been ordered, and application to the authorities has been forwarded. Changes are expected to be in operation in August 2010.

Recertifying the company's environmental management system in relation to ISO 14001 and OHSAS 18001 will commence in 2009 and will be concluded in the first six months of 2010: A recertification audit was accomplished in September 2009 and new certificates were issued in February 2010.

Implementation of campaigns to improve the safety culture with the primary aim of further reducing the number of accidents at work. The campaigns will be implemented in 2009 and 2010: In 2009 three campaigns were conducted. At the beginning of the year, it was brought into focus how the company's new intranet can be used to find information about working environment and safety. In the middle of the year, workplace assessments were carried out, and at the end of the year a large-scale campaign concerning correct use of personal protective equipment was conducted.

Targets

India

- Completion of ISO 14001 & OHSAS 18001 certification for Technical

Division in 2011.

- Reduction of the energy consumption by 3% at Technical Division compared to 2009.
- Reduction of water consumption by 5% at Technical Division compared to 2009.
- COD emission with the waste water to be reduced by 10% compared to 2009.
- Reduction of absenteeism due to accidents at work compared to 2009.

Denmark

- Maintain the ISO 14001 and OHSAS 18001 certification.
- Energy consumption per produced volume glyphosate to be reduced at the end of 2010 by 5% compared to 2008.
- Implementation of campaigns to improve the safety culture with the primary aim of further reducing the number of accidents at work. The campaigns will be accomplished in 2009 and 2010.
- 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.

Germany

- Absenteeism due to accidents at work to be reduced in 2010 to less than 4%.

United Kingdom

- The ergonomic strain on employees and the exposure to dust to be reduced in 2010.



Audit visit in India.



Audit visit in Brazil.



Audit visit in China.

New EU chemicals regulation

An extensive IT system constitutes an important element in REACH, the new chemicals regulation which came into effect on June 1, 2007. The IT system will manage the large volumes of information about the chemicals that the ECHA agency in Finland receives from producers and importers. There have been a number of start-up problems with the system which have delayed the registration work.

With a regulatory framework as extensive as REACH, there is an ongoing need for clarification of specific questions which cannot be answered immediately by reading the regulation or the related guidelines. The communication with the agency on such specific questions takes a long time as the contact is not personal but takes place via email to the ECHA institution. This also contributes to delaying the registration work.

Follow-up on targets for 2009

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

Registering the pre-registered substances which must be registered before the end of 2010: Pre-registered substances which are manufactured within or imported to the EU by individual companies in volumes exceeding 1,000 tonnes per year must be registered by the end of 2010. The registration requirement in the initial phase also applies to substances deemed to be particularly harmful to the environment, with a maximum volume of 100 tonnes per year, as well as to substances deemed particularly harmful to human health, with a maximum volume of 1 tonne per year.

In addition, new substances which have not been pre-registered must be registered if they are to be manufactured or imported in volumes exceeding 1 tonne.

Cheminova had registered four sub-

stances by the end of 2009. We expect to register an additional seventeen substances by the end of 2010 in order to meet the requirements mentioned above.

Target

- Implement registration of the pre-registered substances which must be registered before the end of 2010.

Supplier management

In 2008, a 'Global QC and CSR Manual' was prepared which sets out, among other things, the set of rules concerning supplier management which our global organisation must observe. Moreover, the manual contains a number of other global CSR rules concerning quality control relating to the products we sell. The main task in 2009 concerning supplier management has been the introduction of this manual in our organisation around the world.

Follow-up on targets for 2009

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

Conducting six official CSR audit visits at suppliers in 2009: 20 audit visits were conducted and were made to companies in the following countries: Spain, India, China and Brazil. There have been 14 audit visits to companies producing active ingredients and 6 to formulation and filling companies. The information obtained in connection with the audit visits is of considerable value to the company, and the audits are therefore carried out by the company's own employees. Standards are generally satisfactory. Requests for improvements were made in respect of some of the companies visited. In one case, the collaboration with the company was terminated because the standards were not in compliance with our code of conduct.

Introducing Cheminova's 'Global QC and CSR Manual' throughout the company's global organisation before the end of 2009: The work on introducing the manual in a satisfactory manner has turned out to be more extensive than originally expected. The work has therefore been prioritised and the main emphasis is on the introduction in China and India which constitute the main areas for sourcing and contract production of chemicals. Moreover, introduction of the manual has been commenced in Region Latin America and Region Europe.

In 2009 we will strengthen the CSR organisation in China: In 2010 our organisation in China will be changed from a representative office to an actual subsidiary. In 2009 we have established our own QC laboratory (Quality Control) and hired a chemist who is responsible for safety, health, environment and quality in relation to the products we source in China. The new QC laboratory was put into operation in January 2010. Following these changes in China, the administration of our CSR work will be anchored organisationally in the same way as in Denmark. The compliance with our 'Supplier Code of Conduct' can be seen as a quality check of the organisation from which we are sourcing.

In 2009 the 'Supplier Code of Conduct' will be extended to apply to all subsidiaries with a view to implementation in 2010/11: The 'Supplier Code of Conduct' and its implementation forms part of the content of the 'Global QC and CSR Manual' and the distribution follows the introduction of the manual as described above. The implementation is expected to be completed in 2010 as planned.

Targets

- We will conduct 10 official CSR audit visits at suppliers in 2010.
- In 2010 we will complete the introduction of Cheminova's 'Global QC and CSR Manual' in all subsidiaries.

Global Reporting Initiative (GRI)



AR refers to Auriga's Annual Report for 2009.

Profile indicators

No.	Information about the company	Reference or information	Page
1.	Strategy and analysis		
1.1	Statement from the president, CEO and the Global Executive Committee	http://www.auriga.dk/en/finance/annual_reports/	3 and 7 AR 18
2.	Organisational profile		
2.1	Name of the organization	-	1
2.2	Primary brands, products, and/or services	http://www.cheminova.com/en/insecticides/nexide/ http://www.cheminova.com/en/herbicides/glyfos/ http://www.cheminova.com/en/fungicides/impact/	-
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures	http://www.auriga.dk/dk/auriga_industries/koncernoversigt/	13
2.4	Location of organization's headquarters	-	1
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/	13
2.6	Nature of ownership and legal form	http://www.auriga.dk/en/investor_relations/share_information/share_capital.htm	-
2.7	Markets served	http://www.auriga.dk/en/finance/annual_reports/	12 AR 7
2.8	Scale of the reporting organization	http://www.auriga.dk/en/finance/annual_reports/	AR 7
2.9	Significant changes during the reporting period regarding size, structure, or ownership	http://www.auriga.dk/en/finance/annual_reports/	4 and 39 AR 5
2.10	Awards received in the reporting period	-	12
3.	Report parameters		
	<i>Report profile</i>		
3.1	Reporting period for information provided	-	39
3.2	Date of most recent previous report	March 20, 2009	-
3.3	Reporting cycle		39
3.4	Contact point for questions regarding the report or its contents	-	2
	<i>Report scope and boundary</i>		
3.5	Process for defining report content	-	4
3.6	Boundary of the report	-	4
3.7	Limitations on the scope or boundary of the report.	-	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	-	4
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement	-	39
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	-	4 and 39
	<i>GRI content index</i>		
3.12	Table identifying the location of the Standard Disclosures in the report	-	32

Global Reporting Initiative (GRI), continued

No.	Information about the company	Reference or information	Page
4.	Governance, commitments and engagement		
	<i>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	-	7
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	12
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	-
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body		4
	<i>Stakeholder engagement</i>		
4.14	List of stakeholder groups engaged by the organizations	-	4
4.15	Basis for identification and selection of stakeholders with whom to engage	-	4

Performance indicators

No.	Indicators of company's CSR	Reference or information	Page
	<i>Economics</i>		
	<i>Economic performance</i>		
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/	AR 31
EC3	Coverage of the organization's defined benefit plan obligations	http://www.auriga.dk/en/finance/annual_reports/	AR 31
	<i>Market presence</i>		
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/	-
	<i>Environment</i>		
	<i>Materials</i>		
EN1	Materials used by weight or volume	-	29
	<i>Energy</i>		
EN3	Direct energy consumption by primary energy source	-	29
	<i>Water</i>		
EN8	Total water withdrawal by source	-	29
	<i>Biodiversity</i>		
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Partly fulfilled	29
	<i>Emissions, effluents and waste</i>		
EN16	Total direct and indirect greenhouse gas emissions by weight	Partly fulfilled	29
EN20	NO, SO, and other significant air emissions by type and weight	Partly fulfilled	29
EN21	Total water discharge by quality and destination	-	29
EN22	Total weight of waste by type and disposal method	-	29
EN23	Total number and volume of significant spills	Partly fulfilled	29

Global Reporting Initiative (GRI), continued

No.	Indicators of company's CSR	Reference or information	Page
	<i>Products and services</i>		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	http://www.cheminova.com/en/cheminova/regulatory_assessments/	27 and 31
	Human Rights		
	<i>Freedom of association and collective bargaining</i>		
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/	-
	<i>Child labour</i>		
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/	-
	<i>Forced and compulsory labour</i>		
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/	-
	Labour practices and decent work		
	<i>Occupational health and safety</i>		
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region	Partly fulfilled	29
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/ Partly fulfilled	-
	Product responsibility		
	<i>Customer health and safety</i>		
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/	-
	<i>Product and service labelling</i>		
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/	-

GRI application level C

Reviewed by GRI: March 16, 2010.

Action plan for 2010

Product Stewardship

Focus area	Target/activity	Timetable	Success criteria
Phase-out	Phase-out of methyl parathion EC in Brazil	2010	Review the subsidiaries' product programmes every six months with a view to documenting that the plan is being followed. Every sale from a Cheminova company has been discontinued
	Phase-out of DDVP EC in India	2010	Do.
Labels	Implementing the company's global labelling policy concerning products which are marketed under Cheminova trade marks	2010	Fully implemented in all the affected companies
Marketing portal	The remaining of the company's material relating to the safe use of its products will be made accessible to all regions and subsidiaries during 2010	2010	Material accessible
	Production of a modular DVD with safety instructions for end-users commences	2010	The DVD is ready for use
FAO's Code of Conduct	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 FAO's Code of Conduct	2010	Contract changes concluded
Activities in villages	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	1st half 2010	Project description
		2nd half 2010	Villages chosen and programme started
	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	October 2010 2011	Project description Project implemented

Production

Focus area	Target/activity	Timetable	Success criteria
India	Certifying the environmental management system of the production at the Technical Division in relation to ISO 14001 and OHSAS 18001	June 30, 2011	Confirmation of certifying received from the certifying company
	Reduction of the energy consumption at the Technical Division by 3%	End 2010	Energy consumption in 2011 reduced by 3% compared to 2009 given an unchanged product mix
	Reduction of the water consumption at the Technical Division by 5%	End 2010	Water consumption in 2011 reduced by 5% compared to 2009 given an unchanged product mix
	Reduction of the COD emission with the waste water from the production plants by 10%	End 2010	Content of COD in the waste water reduced by 10% in 2011 compared to 2009 given an unchanged product mix
	Absenteeism due to accidents at work is being reduced	End 2010	Absenteeism due to accidents at work reduced in 2010 compared to 2009

Action plan for 2010, continued

Focus area	Target/activity	Timetable	Success criteria
Denmark	Certifying of the company's environmental management system in relation to ISO 14001 and OHSAS 18001 is maintained	2010	Activities still certified at the end of the year
	Reduction of the energy consumption when producing glyphosate by 5%	October 1, 2010	The reduction can be shown in Q4 2010 with 2008 as a reference year
	Implementation of campaigns to improve the safety culture with the primary aim of reducing the number of lost working days	2010	At least one campaign is launched per quarter
	Ensure a well functioning emergency preparedness for action on serious accidents through arranging a large scale exercise involving the public preparedness	Q2 2010	Exercise accomplished and evaluated. Necessary changes of plans for emergency preparedness implemented
Germany	Absenteeism due to accidents at work reduced to less than 4%	2010	Reduction demonstrated on calculation of the absenteeism
United Kingdom	Reduction of the ergonomic strain on employees and the exposure to dust	2010	Technical installations in operation

New EU chemicals regulation

Focus area	Target/activity	Timetable	Success criteria
Chemical safety	Registration of the pre-registered substances which must be registered before the end of 2010	2010	Receipts for the registrations received

Supplier management

Focus area	Target/activity	Timetable	Success criteria
Auditing of suppliers	Conducting 10 official CSR audit visits	2010	The audits have been documented.
Global organisation	Introduce Cheminova's 'Global QC and CSR Manual' to all subsidiaries	2010	Activity started in 2009. The introduction can be documented by notices of meetings

Human Resources

Focus area	Target/activity	Timetable	Success criteria
Mission, vision and values	The employees in Hungary, Colombia and Germany will be invited to a one-day workshop on Cheminova's mission, vision and values	2010	All workshops accomplished
	Summary of the conclusions from the rolling-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	2010	Summary distributed
	Implementation of an updating and revision of Code of Business Principles on the basis of the experiences from the rolling-out process of mission, vision and values in 2009-10	2010	Revised version approved by GEC
	Make the policy concerning anticorruption more specific	2010 2011	Policy adopted and plan for implementation available Plan implemented

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.

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



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 compli-

ance 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.

Accounting principles

Data on the environment, health and safety cf. page 29 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, 2009. 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 Harbøre
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

From 2009, the report covers all producing companies. The companies in Germany, Italy, United Kingdom and Australia are thus included from 2009. From 2009, the accounting principles for calculation of absence from work due to accidents have been changed. Before 2009, the absence in Denmark was calculated only based on hourly-paid workers. Now all employees are included.

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, sol-

Accounting policies, continued



Sampling at the factory in Denmark.

vents (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 Chemi-

nova 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 according 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.

ANVISA:

Agência Nacional de Vigilância Sanitária - a branch under the Brazilian Ministry of Health.

Auditing:

Review of accounts.

BOD:

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

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.

CHP plant:

Combined heat and power plant.

Class I product:

A product, which according to WHO, is 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.

Fenamiphos:

Insecticide used against soil-living pests (nematodes).

Formulation:

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

Fossil fuel:

Coal, oil and gas.

GEC:

Global Executive Committee. Cheminova’s top management group.

Glyphosate:

Herbicide, best known under Monsanto’s trademark Roundup.

GNI:

Gross National Income.

GRI:

Global Reporting Initiative with guideline for reporting on CSR.

IBAMA:

Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis - a branch under the Brazilian Ministry of Environment.

ILO:

International Labour Organisation placed under UN.

ISO 14001:

International environmental certification covering the surrounding environment.

MAPA:

Ministério da Agricultura, Pecuária e Abastecimento - The Brazilian Ministry of Agriculture.

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 Co-operation 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.

Third-party products:

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

TOPPS:

Training the Operators to prevent Pollution from Point Sources. EU network project concerning best practice in connection with safe use of pesticides.

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.

10 Reglas Importantes al utilizar un Agroquímico

CAMPAÑA BUMA BIEN USO Y MANEJO DE AGROQUÍMICOS

- 

1 Consiga asesoría técnica para identificar la plaga, seleccionar el producto adecuado a su problema.
- 

2 Compre su producto en el envase original, con el sello de garantía y el Registro Sanitario emitido por la autoridad (RSCO). Lea y comprenda la etiqueta y siga las instrucciones de uso.
- 

3 Transporte y almacene correctamente sus productos. No los deje al alcance de niños y animales.
- 

4 No malgaste su dinero, revise y calibre su equipo de aplicación. Utilice las boquillas y dosis recomendadas.
- 

5 Utilice un equipo de protección personal y no coma, beba ni fume cuando mezcle, aplique y maneje el producto.
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6 Aplique en horas frescas por la mañana o al atardecer de acuerdo a los hábitos de la plaga, con viento moderado y cuando las condiciones del tiempo sean favorables.
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7 Realice el triple lavado de los envases lavables (plástico rígido) al momento de desocuparlos.
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8 No contamine el medio ambiente y fuentes de agua con sobrantes del producto.
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9 No utilice los envases como contenedores de alimentos y bebidas.
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10 Lave su equipo de protección personal en el área de trabajo y báñese después de cada aplicación.

Utilice correctamente sus agroquímicos para no malgastar su dinero, proteger su salud y no contaminar el medio ambiente.

SAGREPA
SECRETARÍA DE AGRICULTURA, GANADERÍA Y DESARROLLO RURAL

AMIFAC
Asociación Mexicana de Industrias de Fitosanitarios

CropLife
LIFE IN AGRICULTURE

Para mayor información comuníquese a los teléfonos del fabricante del producto o a los teléfonos de la AMIFAC y SAGREPA: 01 (55) 52 98 90 95, 55 98 72 45 y 01 800 00 52 800.

Safe use poster from Mexico.

