



Our  
**Formula** for  
**PROGRESS**

2015 Sustainability Report

# Q+A WITH OUR CHIEF EXECUTIVE OFFICER

## **Q: How has FMC made progress integrating sustainability into its businesses?**

**A:** Sustainability is a critical part of the strategic plans in each of our businesses. But it doesn't end there. It is also a key element of our R&D planning and technology platforms to ensure new products create shareholder value and support a more sustainable world. Capital spending projects are carefully reviewed to determine their effect on FMC's sustainability goals and stakeholders. We have made significant progress by constantly challenging ourselves. Additionally, I'm proud to announce we've set five and 10-year goals for innovation, operations and business practices that reflect our deep commitment to sustainability.

## **Q: What does the Sustainability Report theme, "Our Formula for Progress," mean to you?**

**A:** For well over a century, FMC has thrived by adapting, changing, and advancing its business practices. "Our Formula for Progress" underscores a company that is on the move. In 2015, we sold our Alkali Chemicals business and acquired Cheminova, a global supplier of crop protection products. We have strengthened our technology and innovation roots while positioning FMC for future success. The 2015 Sustainability Report is our fifth report and symbolizes a significant milestone in the history of sustainability at FMC.

## **Q: How has the integration of Cheminova influenced FMC's sustainability programs?**

**A:** We've learned a great deal from Cheminova, which shares our values and commitment to sustainability. It began reporting on its successes and challenges in sustainability in 2006, five years before FMC's initial reporting.



Cheminova reported to CDP (formerly the Carbon Disclosure Project) and was a United Nations Global Compact signatory several years ago. FMC is reporting to both organizations in 2016. Cheminova's commitment to diversity and supporting women is evident in its diversity policy and programs that help women thrive within local communities. FMC formalized our approach in 2015 by appointing a Diversity Officer and supporting employee affinity groups such as the Women's Initiative Network. We are reinforcing our commitment to a workplace where employees' unique perspectives are valued.

## **Q: How are your employees engaged in sustainability?**

**A:** Our progress in sustainability is a direct result of FMC employees' engagement. The new five and 10-year goals are a major step forward, made possible through the commitment of our people around the world. In R&D, our scientists are developing innovative, sustainable products and technologies that create value for customers and consumers. FMC engineers in manufacturing are safely increasing efficiencies in our operations to reduce energy consumption, greenhouse gas emissions, waste generation and water use. Our employees around the world are engaged in safety, health and education initiatives to strengthen the communities where they work and live.

## **Q: How does sustainability shape FMC's business strategy moving forward?**

**A:** FMC formalized its commitment to sustainability in 2011. Since then, it has become an integral part of our business and operations strategy as we strive to impact five major global challenges: climate change, environmental consciousness, food and health expectations, land competition and scarce resources. Our Formula for Progress, and our new long-term sustainability goals, hold us accountable to address these challenges. They ensure that by 2025, FMC will have decreased its environmental footprint while continuing to innovate and develop valuable products that benefit society. We will achieve this vision safely and ethically while maintaining valuable relationships with our communities.

**Pierre Brondeau**

President, CEO and Chairman of the Board

# ABOUT THIS REPORT

The 2015 FMC Corporation Sustainability Report is “In Accordance” with the GRI G4 Guidelines – Core option.

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## OUR SUSTAINABILITY REPORT

The report complements more detailed information on the sustainability website at [www.fmcsustainability.com](http://www.fmcsustainability.com), which includes the Global Reporting Initiative (GRI) Index. Together, this report and the web-based content fulfill the requirements of GRI’s G4 Guidelines.

## WEBSITE FEATURES

You can find more data and stories about our sustainability history and how we are advancing Our Formula for Progress on our website. The Online Data Center allows you to interact with our data to better understand FMC’s impacts, and you can Explore Our Resources to read previous reports, view videos and search corporate materials.

## WEB LINK ICONS



Links to additional information can be found throughout this report. When you see one of these “web link” icons with a number inside, simply visit [www.fmcsustainability.com](http://www.fmcsustainability.com) and enter the number or click on the link from the PDF version of our report.

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# WELCOME GUIDE

## OUR SUSTAINABILITY APPROACH + STRATEGY

FMC's strategy over the next 10 years is to grow by providing products with sustained value that motivate customers, employees and other stakeholders to work with FMC. Our strategic position depends on sustainable investments that ensure our company runs more efficiently and more resiliently by 2025. In doing so, we will proactively address market, climate and regulatory-based changes and risks.

The theme of this year's report, "Our Formula for Progress," reflects the science-based history and tradition of FMC and emphasizes that we are a company positioned for the future. In 2015, we sold our Alkali chemicals business and acquired Cheminova, a global supplier of quality crop protection products. With these and other portfolio changes, we now have a greater focus on agricultural, health, nutrition and lithium technologies. Cheminova shares our values and our commitment to sustainability. Today's FMC

has the right formula to drive sustainability well into the future. The 2015 Sustainability Report is a significant milestone in the history of FMC. This is our fifth report but represents many "firsts" including:

- Announcement of FMC's first Operations efficiency goals, set for 2025
- Announcement of new Innovation and Business Practices goals, set for 2020
- First Communication on Progress with respect to the United Nations Global Compact
- First report with assurance of key environmental data
- First report responding to Global Reporting Initiative's new G4 framework
- First sustainability report including former Cheminova\*

\*Consistent with FMC's policy on acquisitions, data associated with Cheminova will be included in the first full year after acquisition.

## OUR REPORT STRUCTURE

This year's report is comprised of three key pillars:



### Our People (Page 10):

First and foremost, we have safe, ethical and engaged employees who build trusting relationships with customers, suppliers, investors and communities. Our people are the key element in making our sustainability formula work throughout the value chain.



### Our Products (Page 18):

Our people create products that meet the needs of our customers and the changing world. We work toward a resilient supply chain that ensures sustainably sourced products.



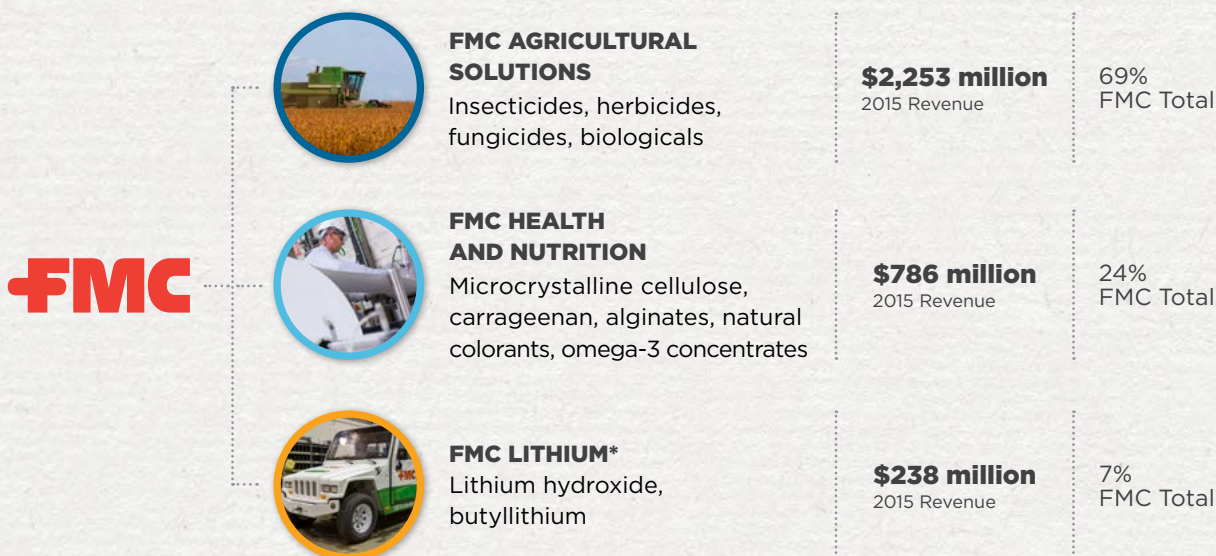
### Our Responsibility (Page 26):

Our people manufacture products in ways that reduce our environmental footprint and reduce cost. We are responsible neighbors and community members.

**Together, these three pillars create *Our Formula for Progress* at FMC.**

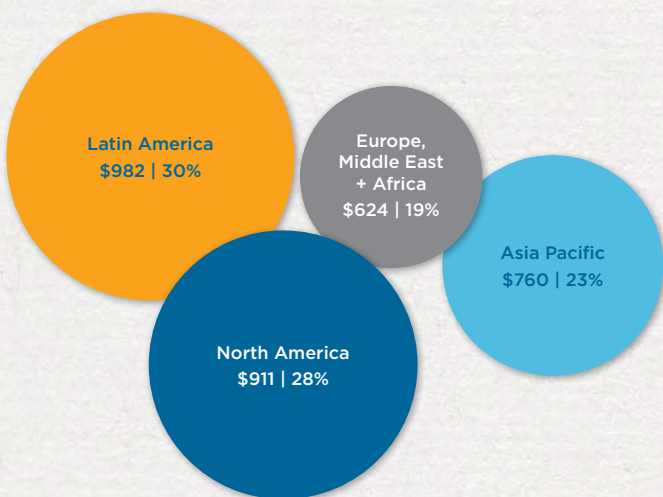
# ORGANIZATIONAL PROFILE

FMC Corporation is a specialty company serving agricultural, industrial and consumer markets globally for more than a century with innovative solutions, applications and quality products.



\*FMC Minerals during first quarter of 2015 was comprised of two businesses: Alkali Chemicals and Lithium. The sale of the Alkali Chemicals business was completed on April 1, 2015 and subsequently, FMC Minerals became FMC Lithium.

## REVENUE BY CUSTOMER LOCATION (IN MILLIONS) = \$3,277



## 2015 ECONOMIC HIGHLIGHTS (IN MILLIONS)

Income Statement Data	
Revenues	\$ 3,277
Cost of Sales + Services	\$ 2,201
Research + Development	\$ 144
Adjusted After-Tax Earnings	\$ 333
Payments to Providers of Capital	
Interest	\$ 75
Dividends	\$ 86
	\$ 161
CAPITAL ADDITIONS	\$ 119

## SUSTAINABILITY + YOU PART OF OUR FORMULA FOR PROGRESS

In order for FMC to continue to create positive global change, we need you to play an essential part in Our Formula for Progress. Together, we can shape a sustainable future by employing our workforce's steadfast focus and utmost dedication, and by engaging our families, friends, and communities on matters of sustainability. Stories about how our employees and stakeholders

are working to create a more sustainable future are featured on our **Sustainability + You** blog at [www.fmc sustainability.com](http://www.fmc sustainability.com). We also welcome you to share your story about how sustainability has become a part of your work and daily life. Please be in touch with us at: [sustainability.info@fmc.com](mailto:sustainability.info@fmc.com).

# VISION 2015 RESULTS

In 2012, we established our first set of long-term sustainability goals in safety, R&D and community engagement. As we reflect on those goals, we have achieved significant progress while learning how FMC can directly contribute to a more sustainable future. Our people are safer, our research pipeline is generating products that address the global challenges, and we are engaged with our communities.

## GOAL: Reduce our Total Recordable Incident Rate (TRIR)\* to < 0.37

When compared to 2011. In 2015, our injury rate remained flat compared to 2014 despite major changes of acquiring Cheminova. Organizational changes can distract employees which can lead to more injuries.

### 2015 RESULT:

TRIR of 0.51

## GOAL: 50% of R&D spend focused on new solutions

that positively impact the global challenges. Success on this goal indicates that FMC is developing products that ensure more sustainable options for our customers.

### 2015 RESULT:

67% of R&D spend

## GOAL: Increase our Global Community Engagement Index to ≥ 90

In 2014, our Community Engagement Index reached 96 due to the hard work of our employees. In 2015, some activities were reduced to control costs.

### 2015 RESULT:

Index of 87

\*TRIR is a common metric for reporting safety performance in manufacturing.

## 2015 PROGRESS REPORT ON 2014-2015 ONE-YEAR COMMITMENTS

2015 COMMITMENTS	RESULTS
<input checked="" type="checkbox"/> Integrate FMC and Cheminova sustainability programs	FMC and Cheminova sustainability programs have been fully integrated*
<input checked="" type="checkbox"/> Train representatives from each Cheminova manufacturing site on FMC sustainability reporting processes	Webinars were held so all Cheminova representatives could participate and ask questions
<input checked="" type="checkbox"/> Establish 2020 sustainability metrics and goals for innovation, business practices and operations	2020 metrics and goals for Innovation and Business Practices and 2025 metrics and goals for Operations are announced in this report
<input type="checkbox"/> Conduct Life Cycle Assessments (LCAs) on five additional products; update the previously conducted LCAs	LCAs were conducted on two Agricultural Solutions products and on one Lithium product; previously conducted LCAs were updated
<input checked="" type="checkbox"/> Continue to integrate sustainability into FMC by joining Field to Market, a partnership for increasing sustainable agriculture	FMC joined Field to Market in the spring of 2015; participating in several subgroups
<input checked="" type="checkbox"/> Benchmark leading sustainability practices within and outside the chemical industry	Workshop held with six companies to identify best practices
<input checked="" type="checkbox"/> Conduct an assurance readiness assessment of our 2014 Sustainability Report to prepare for external assurance of the 2015 Report	The pre-assurance assessment was completed on time and all gaps were fully addressed, positioning us well for external assurance of this report
<input type="checkbox"/> Complete the Manufacturing Excellence (ME) program at Uberaba, Brazil, (FMC Agricultural Solutions facility)	Due to other initiatives related to integration of legacy Cheminova and business conditions in the region, this program was not a suitable time for ME at Uberaba. We did complete ME at our Ålesund, Norway, Health and Nutrition site
<input checked="" type="checkbox"/> Update the Water Risk Assessment conducted in 2013 and include Cheminova sites	Updated the Water Risk Assessment including legacy Cheminova sites. This defined FMC's water reduction goal
<input checked="" type="checkbox"/> Conduct an energy assessment at Cork, Ireland, (FMC Health and Nutrition facility)	Conducted energy assessments at two manufacturing facilities - Cork, Ireland, and Mda, Argentina. Action items being implemented to reduce energy intensity

\*Consistent with FMC's policy on acquisitions, data associated with Cheminova will be included in the first full year after acquisition.



Completed



Partial



Not Complete

# 2016 COMMITMENTS

Report to the Carbon Disclosure Project

Have key environmental data in our 2015 Sustainability Report assured

Publish the sustainability metrics + goals for 2020 (Innovation + Business Practices) + 2025 (Operations)

Publish the Communication on Progress for the UN Global Compact

Develop and implement a Human Rights Policy

Implement a social responsibility audit process for FMC suppliers

Adhere to the GRI G4 guidelines in 2015 Sustainability Report

Publish a climate change statement

Improve sustainability in our operations through energy audits (2), waste assessments (2) and social responsibility assessments (5)

Implement best sustainability office practices with employees at FMC headquarters in Philadelphia

Complete Sustainability training for Agricultural Solutions and Lithium commercial teams; train all new commercial Health and Nutrition team members as part of their onboarding process

Reinvigorate the regional sustainability implementation teams

Investigate sustainability data systems and make recommendations for 2017

# MAJOR GLOBAL CHALLENGES



The foundation of FMC's sustainability strategy is our role in alleviating some of the world's major global challenges. These challenges serve as a framework for a strategic and comprehensive approach to meet the needs of a rapidly changing world.

Because FMC and our products can make a positive contribution to mitigating these issues, they frame our direction and give greater meaning to our work.



## FOOD + HEALTH EXPECTATIONS

*Food and crop production must increase to meet the basic needs of a rapidly growing population and the desires of a socio-economically diverse population seeking a wider array of nutritional options.*

The need for food will continue to grow over the next 35 years as the population increases by more than 25 percent, to nearly 9 billion people. FMC's products protect crops from infestation, which helps increase yields of food and other farmed goods while ensuring efficient use of land.

FMC technology improves the availability of nutrition and protein and satisfies consumer preferences for natural ingredients with Health and Nutrition products.



## ENVIRONMENTAL CONSCIOUSNESS

*Growing interest in natural and benign materials is fueling the need for new, improved, bio-based products that reduce impact on the environment.*

Over the last five years we increased the proportion of R&D spend focused on the development of products with a sustainability advantage to 67 percent of total spending. [See page 18 for more information.](#)



## CLIMATE CHANGE

*Reduction in greenhouse gas emissions is considered a necessary step in mitigating climate-warming trends.*

In this report, we announce 10-year corporate goals for decreasing our greenhouse gas emissions through investment in manufacturing, logistics and other operational efficiencies.

As a leader in lithium technology, we help customers create batteries for electrically powered vehicles, more efficient tires, lighter weight aluminum for aircraft, and other low-carbon technologies.

[Read our full statement on climate change on the web.](#)

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## SCARCE RESOURCES

*To cope with limited availability of fresh water, energy, forests and other essential resources, we must carefully manage them and more widely use alternatives to non-renewables.*

Our businesses have committed to 2025 goals for decreasing water and energy consumption. We have conducted water risk assessments to determine which facilities and local communities might be affected by reduced water availability so that we can take appropriate actions to sustain this resource for all users.

We hold our suppliers to high standards and expect them to adhere to sound resource management practices as part of our Supplier Code of Conduct. We require suppliers of some raw materials to obtain globally recognized certifications.



## LAND COMPETITION

*Urbanization to accommodate the growing population and poor land management techniques are limiting the amount of arable areas available for agriculture, which intensifies the need to increase farmland productivity and crop yields.*

Our crop protection technologies help farmers increase the productivity of their land by gaining more value from every seed they plant. FMC's products protect and fortify plants against weed, fungus and insect attacks, thereby maximizing their potential to grow and thrive through harvesting.



# UNITED NATIONS GLOBAL COMPACT

## COMMUNICATION ON PROGRESS

FMC became a signatory of the UN Global Compact in 2015. We support efforts to make globalization more socially and ecologically compatible and to raise standards in the areas of human rights, labor rights, environmental protection and anti-corruption. The following table shows the activities and management systems at FMC that support the 10 principles of the Global Compact.



WE SUPPORT



UNGC TOPIC	UNGC PRINCIPLE	FMC APPROACH	INFO LOCATION (PAGE # OR WEB)
HUMAN RIGHTS	Support	Code of Ethics and Business Conduct, human rights in the supply chain training, Supplier Code of Conduct, supplier screening process	Page 23 FMC.com > Corporate Governance FMC.com > FMC Suppliers
	Not complicit in human rights abuses	Code of Ethics and Business Conduct	FMC.com > Corporate Governance
LABOR	Collective bargaining	Code of Ethics and Business Conduct	FMC.com > Corporate Governance
	Forced and compulsory labor	Social responsibility audits, Code of Ethics and Business Conduct, Supplier Code of Conduct, supplier screening, Human Dignity training	Page 23 FMC.com > Corporate Governance FMC.com > FMC Suppliers
	Child Labor	Social responsibility audits, Code of Ethics and Business Conduct, Supplier Code of Conduct, supplier screening, Human Dignity training	FMC.com > Corporate Governance FMC.com > FMC Suppliers
	Discrimination	Code of Ethics and Business Conduct	FMC.com > Corporate Governance
ENVIRONMENT	Precautionary approach	Climate change statement, Risk assessments for agricultural products; review and consolidation of formulation toller network	Pages 26-33 FMCsustainability.com/ climatechangestatement
	Initiatives for environmental responsibility	Responsible Care, 2025 environmental goals; grower training and stewardship	Pages 9, 22-23, 26 FMC.com > Responsible Care
	Environmentally friendly technologies	3RIVE 3D™, biologicals, naturally derived Health and Nutrition products, seed treatment products, sustainability scoring in new product development process; waste goals in H&N, Lithium battery technology, Manufacturing Excellence; support for industry efforts on pesticide container recycling	Pages 18-26
ANTI CORRUPTION	Working against corruption and bribery	FCPA Compliance Standard Process; Training of FMC organization and our key third parties; FCPA audits; Code of Ethics and Business Conduct, Ethics refresher	Page 23 FMC.com > Corporate Governance FMC.com > FMC Suppliers

# STAKEHOLDER ENGAGEMENT

## WHO DO WE WORK WITH?

At FMC, we engage with stakeholders to accelerate our progress on social and environmental initiatives. We do this through open dialogue, collaboration and transparent disclosure. This engagement strengthens our ability to balance business interests with those of society; build robust, global relationships across sectors; and ultimately identify innovative solutions that create shared, sustainable value.

The major issues we are addressing are complex – sustainable sourcing, climate change, and water stewardship – therefore collaboration is essential to achieve meaningful progress. When engaging stakeholders, we consider their expertise and insights as well as their capacity, level of influence and willingness to collaborate. This table illustrates the range of our engagement activities.

STAKEHOLDER GROUP	CHANNELS OF ENGAGEMENT	FREQUENCY
Employees	Social media	Weekly
	Meetings, Reports, Email blasts, Videos, Posters	Quarterly
	Surveys, Training	Annually
Prospective Employees	Social media	Weekly
	Sustainability Report	Annually
Customers	Meetings, Innovation collaboration, Industry partnerships	Quarterly
Investors	Conference calls	Quarterly
	Ratings/Rankings + Indices	Annually
Local Communities	Employee Volunteers	Monthly
	Donations to local organizations, community advisory panels	Quarterly
Regulators + Public Policy Makers	Meetings	Monthly
	Risk Assessments + Studies	Regularly
Non-Government Organizations (NGO's)	In-Person Meetings/Conference Calls	Quarterly
	Project Collaborations	Bi-annually
	Survey Responses	Annually
Industry Associations	Participating on Committees + Working Groups	Bi-monthly
	Developing Best Practices on Key Issues	As Needed

# MATERIALITY ASSESSMENT

## WHAT IS IMPORTANT FOR FMC?

The materiality assessment is a process for identifying sustainability issues that have the greatest impact on our business and our stakeholders. This year, FMC improved our assessment by including external stakeholders' input.

We quantitatively and qualitatively analyzed the list of potential material issues through the following process:

- Conducted a series of interviews and meetings with FMC employees who have a deep understanding of our business and its impacts. The employees represented the following groups: Sustainability, Government Affairs, Internal Audit, Investor Relations, Communications, Finance, Legal and Environmental/Remediation.
- Conducted a formal survey asking internal and external FMC stakeholders to rank sustainability issues based on each issue's importance to them and the impact on FMC's business. There were 42 survey respondents representing NGOs, customers, suppliers, foundations, trade associations and employees.

The interviews, meetings and surveys helped shape our sustainability and responsibility priorities, strategies and reporting for maximum positive impact. In this year's report we include an overview of our most material issues, explain why these particular issues matter to us and summarize how we are responding to them. The issues deemed most material to FMC are:

ISSUE
Health and Safety
Product Stewardship
Product Safety and Effects on Human Health
Recruitment and Retention
Product Environmental Impacts
Resource Efficiency
Global Standards and Codes of Conduct (REACH, etc.)
Community Relations and Good Neighbor Policies
Stakeholder Engagement
Climate Change (including GHG emissions)
Global Food Supply

# OUR FORMULA FOR PROGRESS

In last year's report, we framed an urgent call to action to continually innovate in ways that advance food production, improve human health and nutrition and respect the environment. To advance this call, we have established 2020 metrics and goals for innovation and business practices, as well as 2025 metrics and goals for operations. Together these form Our Formula for Progress.

**OUR PEOPLE**



**OUR PRODUCTS**



**OUR RESPONSIBILITY**



**CONTINUED PROGRESS**

**GOAL BY 2020...**

Reduce our Total Recordable Incident Rate (TRIR) to  $\leq 0.30$



**.30**  
TRIR



**GOAL BY 2020...**

Building on our momentum from our 2015 goal, we will dedicate 80 percent of our R&D budget to develop sustainably advantaged products by 2020. A sustainably advantaged product is one that positively impacts one of the Major Global Challenges. This will ensure a pipeline of improved products far into the future.



**80%**

R+D  
toward  
sustainably  
advantaged  
products



**GOAL BY 2020...**

We will achieve 100 on our Community Engagement Index.



**Community  
Engagement  
Index**

**GOALS BY 2025...**

Reduce our environmental impact by reducing energy, GHG and waste intensities by 15 percent and reducing water intensity in high-risk areas by 20 percent\*.



**INTENSITY**

- Energy
- GHG
- Waste



**WATER USE  
in high-risk  
areas\*\***

\*Compared to a 2013 baseline

\*\*As determined by our Water Risk Assessment; see pages 31 + 32.

**WHAT DOES A FUTURE WORLD WITH FMC LOOK LIKE?**

Since FMC formalized sustainability in 2011, we have focused on impacting five global challenges: climate change, environmental consciousness, food & health expectations, land competition and scarce resources. Our Formula for Progress holds us accountable for our role in those global challenges. It ensures that by 2025, FMC will have a decreased environmental footprint while delivering valuable products that benefit society. We will achieve this vision safely and ethically while creating shared value with our communities.



# Our PEOPLE



Our people are the foundation of FMC and their safety comes first. FMC's longstanding commitment to safety provides the basis for a work environment that encourages development, motivation and teamwork. Through their commitment, ideas and hard work, we will be able to deliver on the goals of Our Formula for Progress and drive sustainability in all aspects of our company.

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## 2020 GOAL

- Achieve a Total Recordable Incident Rate (TRIR) of .30 or lower

## SAFE + MEANINGFUL ENGAGEMENT

**We are steadfast in our efforts to create an injury-free, motivating workplace.**



ANDREA UTECHT

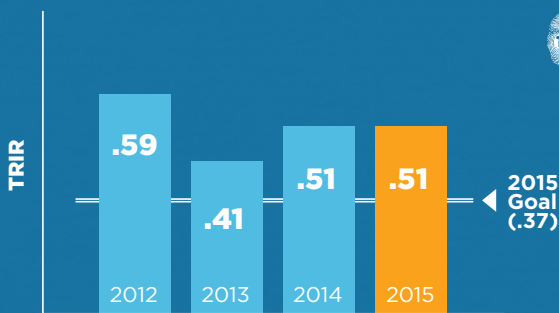
BARRY CRAWFORD

MARK DOUGLAS

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### INTENSE FOCUS ON SAFETY

To be a world class organization, our employees' safety is a top priority. We foster safety in the workplace and instill a mindset that enables people to make sound decisions that protect themselves and others on the job, on the road and at home with family and friends.



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In 2015, our injury rate remained flat compared to 2014 despite major changes in acquiring Cheminova. Organizational changes typically distract employees which can lead to more injuries.\*

#### THINK SAFE ... Always

During FMC's 2015 changes, we focused on helping people stay safe while transforming the company. We pinpointed key pressures that needed more attention, including "unsafe mindsets" of feeling distracted, stressed, rushed, fatigued and frustrated.

To launch the emphasis on "unsafe mindsets," three senior leaders, Andrea Utecht, executive vice president, general counsel and secretary; Barry Crawford, vice president,

operations; and Mark Douglas, president, Agricultural Solutions, joined in a poster and video campaign that featured them as cartoon characters. These creative messages helped re-focus our safety consciousness and reinforced our concern for the mental and physical well-being of all employees.

For the global THINK.SAFE. campaign, FMC received the American Chemistry Council (ACC) Responsible Care® 2015 Initiative of the Year award. The Initiative of the Year is chosen by attendees at the ACC Responsible Care Conference, an annual forum where more than 300 industry leaders learn from their peers about environmental, health, safety and security performance improvement programs.

**THINK. SAFE.**



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Several members of the FMC team present FMC's safety platform at the American Chemistry Council (ACC) Responsible Care 2015 Initiative of the Year Awards, including (L to R) Luanne McGovern, Nicole Miller, Alex Dagliesh (Braithwaite Communications), Rob Haire and Linda Froelich

\*2015 safety data include Cheminova

## SAFETY AS OUR BUSINESS VALUE

The integration of the legacy Cheminova sites into FMC was a significant achievement and progressed successfully through 2015. Employees at all of the sites have embraced safety as a core business value and an integral part of their culture. Working as partners, employees at every level of the organization were involved in adopting safety standards and improving plant conditions.



Panoli employees attend a training session on the THINK. SAFE. Manifesto.

The Panoli, India, manufacturing facility conducted an employee survey five months after the close of the acquisition. This survey showed a high level of engagement with FMC's safety mission. Nearly every employee believed there were significant safety improvements and that the introduction of new standards was beneficial.

Individuals attributed the successful implementation of the new safety standards to:

- Frequent meetings and training.
- Involvement of shop floor employees.
- Greater use of Personal Protective Equipment.
- Displays of safety signage.
- Emergency preparedness drills.
- Contractor safety training.
- The "Being in the Moment" program which emphasizes focusing on the task at hand.

Since the implementation of near-miss reporting – the process through which employees submit a report on circumstances where an incident could have occurred, but did not – employees have submitted nearly 1,000 near-miss reports per month. This high level of responsiveness shows a clear commitment to safety.

Survey respondents appreciated the freedom to openly express their observations. They found opportunities to address hazards and identified improvement opportunities including storage area layouts, road lighting, signage relating to safety hazards and emergency response preparedness.

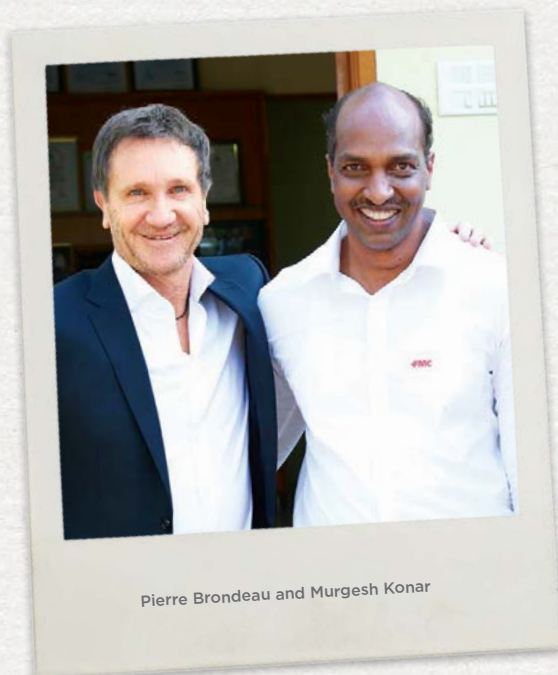
To embed safety deeper into employees' daily lives, they recommended additional fire safety training, frequent safety awareness events and an emphasis on safety outside the workplace.

### **Consistently High Standards**

We ensure uniformly high safety standards across our operations. To maintain these standards, we took immediate action to integrate FMC's safety procedures at all legacy Cheminova locations. We assessed risks by engaging in dialogue with personnel at all levels, from floor operators to plant managers. We implemented our Glove Use and Open Blade Standards and upgraded Personal Protective Equipment as needed. Life Critical Standards and additional safety policies are being put into action during 2016. Compliance with and application of all standards, including Life Critical Standards, is regularly audited using our internal Environmental Health and Safety (EHS) audit process.

A New Site Leader Review Standard, established in 2015, ensures that our manufacturing facility managers demonstrate excellence in EHS management. Within 90 days of assuming a site leader position, the individual must demonstrate understanding of EHS hazards and risks at the facility and the safeguards needed to mitigate them.

This process reinforces excellence and safety while providing an opportunity for new site leaders to develop key skill sets. The review involves extensive preparation by the site leader and questioning by a review panel. The site leader must exhibit knowledge of permit and legal requirements and show ability to lead the site's Management of Change processes, among other topics.



Pierre Brondeau and Murgesh Konar



Murgesh Konar, plant manager at the FMC Lithium site in Patancheru, India, experienced the Site Leader Review. He gained extensive knowledge from the program which could be applied quickly. Murgesh noted that “the honest feedback gave me an opportunity to think in new ways, and the challenging questions about my site helped me understand more about the diverse considerations that go into each decision.” Murgesh said he would recommend this process for his FMC colleagues because the new knowledge helped him in all aspects of EHS, including building EHS relationships.

FMC is dedicated to the safety of our employees and our communities in the event of an emergency. Site leaders joining FMC in 2015, as well as essential support people in their facilities, participated in emergency management drills. These simulations, which built on the drills conducted throughout FMC worldwide in 2014, helped site teams prepare and practice for emergency situations.

**Training and Support Tools**

When an incident occurs in one of our manufacturing facilities, it is vital that we identify why it occurred so that we can prevent a similar incident in the future. This process is known as Root Cause Analysis (RCA), which trains employees to identify the primary causes of an incident and determine the best corrective actions to prevent them in the future.

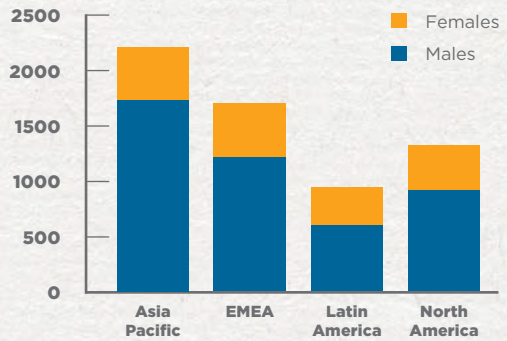
In addition to safety, RCA improves performance in many other areas in the workplace. To enhance execution of the RCA, 58 employees attended training sessions for approximately 900 hours in total in 2015. Attendees came from a variety of functions, including supply chain, engineering, production, technical, finance and customer support. In 2016, approximately 70 more employees will attend this two-day training course.

For the last few years, we have improved our safety incident tracking and analysis by standardizing and centralizing the incident reporting process throughout our organization. To share best practices in safety, we publish a company-wide “lessons learned” summary for every recordable injury.

All FMC sites created EHS Annual Compliance Calendars in 2015, in accordance with the EHS Annual Plan and Compliance Calendar Standard. The purpose of this standard is to

ensure that EHS regulatory requirements are systematically identified in the annual plan for each site. Global compliance with this standard is a major step toward ensuring that safety and environmental requirements are met worldwide.

**TOTAL WORKFORCE BY REGION + GENDER**



FMC supports a global and diverse workforce. Our total workforce data includes legacy Cheminova.

**Process Safety and Responsible Care®**

The safety and security of our manufacturing facilities is paramount to our employees and our communities. To promote these conditions, FMC’s Process Safety Management (PSM) Standard is aligned with the ACC Responsible Care Process Safety Code at all of our global sites.

We performed gap assessments at legacy FMC manufacturing facilities against the PSM standard in 2015. We moved from a risk-based approach to a four-tiered hazard-based system that considers the severity of an issue regardless of its likelihood. We set priorities on hazard mitigation and are creating gap closure plans for our sites. We will begin PSM gap assessments after we have implemented Life Critical Standards at our legacy Cheminova sites.

FMC conducted intensive process safety training through the Center for Chemical Process Safety boot camp. Sessions were held in Rockland, Maine; Newark, Delaware; and Frankfurt, Germany. Themes included achieving a process safety culture, managing a variety of hazards and risks, emergency planning and incident investigation.



The successful integration of Cheminova operations with FMC has increased the company’s capacity to meet customer needs through acquired technologies and a talented global workforce. The Rønland manufacturing site in Denmark enhances FMC’s ability to engage with markets across the EMEA region.

## SAFETY IN OUR SUPPLY CHAIN

Our concern for safety extends beyond our FMC employees to our suppliers, contractors and customers. Requirements for health and safety protection throughout our supply chain are outlined in FMC's Supplier Code of Conduct. We are improving contractor safety and we drive safety excellence with our suppliers of key raw materials.

### **Contractor Safety**

In 2015, FMC continued implementation of a third party system to pre-qualify and re-qualify our

significant contractors in North America. FMC identifies significant contractors as those that will be exposed to the hazards of a manufacturing site or whose work may expose employees, the community or the environment to hazards. The qualification process emphasizes a safety analysis that ensures that our contractors maintain the same safety standards as FMC-owned sites. The qualification also requires adherence to sustainability and responsible sourcing standards, as well as our Supplier Code of Conduct. Other regions of the world outside of North America qualify their significant contractors using a manual process. In 2016, we will assess the expansion of the third party system into Latin America, Europe and Asia.



### **Responding to Emergency in the Philippines**

In 2013, a typhoon devastated the seaweed-growing island of Bantayan, Cebu - one of the communities that supply this essential raw material to our Health and Nutrition business. After the typhoon's severe impact, the people of the Lipayran Island began to intensify their emergency preparedness. In 2015, a group of female farmers requested first aid training because the island has no government health clinic or permanent health workers. FMC Health and Nutrition, with the FMC Global Procurement Group, sponsored a two-day seminar with the Cebu City paramedic organization, an award-



In 2013, Typhoon Haiyan devastated the island of Bantayan, Cebu, washing away all of the seaweed farms and destroying many homes. Following the typhoon, FMC was among the initial providers of support services to the island. The company distributed tarps for homes and implemented a program to help farmers recover. Due to this support, farmers on the island were able to recover 80 percent of their livelihood within a year. One of those hit by the typhoon was Dolores, a local seaweed farmer. Dolores and her family are now completely recovered.

Sadly, six years ago Dolores lost her husband to a heart attack. A lack of health workers and a long travel time to the main island meant Dolores' husband could not receive the emergency help he needed. This lack of medical services on the island became acute after the typhoon. Dolores was among the group of local women who approached FMC and initiated an emergency first aid seminar.

**“...FMC was among the initial providers of support services to the island.”**

Dolores views the purchasing relationship with FMC as sustaining and reliable. The families will continue to support each other, while maintaining a local business that is sustainable.





winning Emergency Rescue Unit Foundation. We distributed first aid kits and donated medical equipment and supplies to enhance local capacity.

## A TALENTED FOUNDATION FOR GROWTH

FMC's future depends on our employees, our most valuable resource. We seek to provide the training, tools and supportive atmosphere that allow people to maximize their contribution to our progress while accomplishing their individual goals.

### Global Professional Development

We initiated a common global performance management process in 2015, a major step forward in providing salaried employees with consistent evaluation and development at FMC. Launched in December 2015, the process features a uniform structure for goal-setting, progress updates and annual assessments - each on a globally consistent timetable. The process is enabled by Global Performance System, our new technology platform.

By establishing individual goals and assessing each employee according to the same competency criteria, FMC is creating a more open and forward-looking culture. As our



### ACCELERATING LITHIUM INTO THE FUTURE

In 2015, Lithium defined four strategic priorities to help the business achieve its vision. With these priorities in mind, the Lithium leadership created Business Acceleration Teams (BATs) of cross-functional leaders from around the globe whose goal was to accelerate specific projects. In addition to accelerating business results, the BATs were designed to develop leadership skills by giving team members responsibility for a detailed investigation of a significant business opportunity. BAT members learned about different areas of the business and developed a network of leaders who support one another.

The four project topics were:

- Technology Roadmap
- Customer Centricity
- Talent Development
- Battery Quality

The BATs worked on these projects for seven months with "sponsors" that provided mentoring and guidance. At the end of the project, teams presented recommendations to the Lithium leadership team and their work became part of Lithium's future strategic plan.

company evolves, we will be better able to identify those within our organization who make a real difference and have the appropriate skills to progress to a new challenge in their own teams, within a different business or functional area, or at another geographic location.

Under the new process, employees collaborate with their supervisors to establish performance goals. They relate to four core competencies integral to everyone's skill set:

- **Self-leadership:** Being proactive, managing challenges well and adding value to our safety culture.
- **Teamwork:** Communicating effectively, resolving conflicts and behaving with integrity and respect for others.
- **Business and customer focus:** Initiating new ideas, problem-solving and taking a global perspective.
- **Functional or technical knowledge and skills:** Demonstrating and expanding on one's capabilities.

Leadership of people and the business are proficiencies expected of employees with managerial responsibilities. These competencies include promoting a safe and ethical workplace, developing and delegating to staff, building teams and cross-functional alliances and maintaining a strategic focus.



DOLORES, SEAWEED FARMER





In 2015, Diane Allemang, FMC Agricultural Solutions Global Director of Portfolio Strategy and North America Director of Business Development, was elected by the CropLife America Board of Directors as 46th chair of the board. She is the first female to hold this position.

diverse workplace where each employee is able to share his or her unique voice, perspective and personality. These multi-faceted viewpoints serve as the basis for FMC's innovation, evolution and growth.

The D&I team launched a global awareness campaign to announce its mission, objectives and philosophy. Initial communications focused on the value of D&I at FMC. The primary messages emphasized that:

- D&I is integral to FMC's DNA.
- D&I must remain top-of-mind.
- We are committed to achieving measurable D&I results.

We are designing a structured program to advance these principles in 2016.



To complement the global performance management process, we are reactivating the director-level Strategic Leadership professional development program and launching the Talent Review process globally. Talent Reviews focus on building leaders from within our global network and ensuring that we foster a strong, internal talent pipeline.

	2013	2014	2015
Percentage of women employed at FMC	23.7%	25%	<b>26%</b>
Women in professional roles*	25.8%	26.3%	<b>26.6%</b>
Women in senior management*	21.3%	21.3%	<b>22.5%</b>

\*Exempt Workforce

Professional roles are defined by certain types of responsibilities or requirements, such as independent judgment and decision making that impact the business.

Senior management roles are those that have significant responsibility to oversee and direct a functional discipline or business area within FMC.

### Diversity and Inclusion

A workforce that represents the diverse, global nature of our company is essential to FMC's long-term success. To ensure that our employee base reflects this necessity, diversity and inclusion (D&I) are key components of our human resources and business strategies.

In 2015, we formalized our D&I focus by creating the new position of Diversity Officer. The Diversity Officer organized D&I support teams that include an Executive Committee subcommittee in which the CEO participates. D&I is a corporate priority at the highest level, and we are reinforcing our commitment to a

### Emphasis on Ethics

Throughout the process of integrating Cheminova with FMC, we conducted employee surveys to gauge interests and concerns. Employees from both organizations consistently stressed the





importance of ethical business values, behavior and corporate social responsibility.

Consistent with these values, FMC fortified our role as a leading global corporate citizen when we joined the United Nations Global Compact (UNGC) in 2015. Our participation established a continuous commitment for our combined entity, as Cheminova had been a member of the UNGC since 2009.

Through membership in the UNGC, FMC formally pledged to align our strategies and operations with universal principles on human rights, labor, the environment and anti-corruption. We address several of these issues in our Human Rights training program, in which all employees were taught to recognize and address potential human rights violations in the supply chain.



Leading FMC women, (L to R) Linda Froelich, Andrea Utecht, Karen Totland, Luanne McGovern and Amy O'Shea, shared career insights.

## FMC WOMEN - REACHING OUT TO WIN

2015 marked the first full calendar year of FMC's Women's Initiative Network (WIN). WIN is an executive-sponsored employee affinity group underway at our Philadelphia, Pennsylvania, headquarters with participation from the Ewing, New Jersey, and Newark, Delaware, sites. It helps women develop leadership skills that drive their success and FMC's success.

More than 160 women attended events throughout the year, including:

- A "How to Network" breakfast with an outside speaker who shared tips on goal-oriented networking.
- A seminar on "Leading Through Organizational Change," a timely subject given FMC's acquisition of Cheminova.
- An interactive, poker-themed session on the impact of confidence on career decision-making entitled "Are you 'All in' on Your Career?"
- A panel discussion featuring senior FMC female leaders who shared valuable insights about their career paths.
- "WIN Day" with a seminar on stress and the launch of a web-based toolkit.
- A pilot mentoring program that paired female employees with mentors.

In 2016, we will build on the momentum of 2015 events by catalyzing more opportunities for women to develop leadership skills, work with senior executives and realize their career ambitions. We are also exploring options to pilot the WIN model at other global FMC locations.



At our location in Manila, Philippines, sustainability is part of everyday life. FMC Manila is a unique location because it includes diverse representatives from functions such as Information Technology and Accounts Payable, as well as business operations from Health and Nutrition and Agricultural Solutions. Because of this composition of employees, the Manila site is governed by three employee-owned committees: Safety, Social and Sustainability. The sustainability committee is comprised of team members at all levels of the organization, and the committee provides an opportunity for these employees to develop leadership skills by proposing ideas for site sustainability activities.

In 2015, the Manila team organized a Medical Mission that provided free healthcare to Agricultural Solutions customers and growers. Services included physical examinations and general check-ups and provided much needed preventative healthcare in the nearby provinces. This program was very successful and will continue annually.

Other impactful activities by the sustainability committee included:

- Long-term partnership with a local school that has 5,700 children. FMC Manila has provided water tanks for sanitation, held a book drive to fill the school's library and trained teachers to use spreadsheets and word processing software.
- Energy Awareness Project to bring attention to the impacts of inefficient energy use in the office.
- Parenting seminar that included establishing "Mom's Rooms" for new mothers in the office.
- Financial Wellness seminar.
- Communications efforts such as a Sustainability Wall to share recent sustainability activities.

# Our PRODUCTS



Our people enable FMC to deliver innovations that help meet the world's nutrition needs and reduce global dependence on petroleum-based energy. With safety embedded in everything we do, FMC focuses on each product's impact—from its source, through the supply chain to its use by customers and consumers.

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## 2020 GOAL

- Dedicate 80% of R&D spend to develop sustainably advantaged products and technologies

# INNOVATION, STEWARDSHIP, SUPPLY CHAIN RESPONSIBILITY

**We deliver responsibly sourced, innovative solutions that address pressing global food, health and energy concerns.**

## INNOVATION TO MEET GLOBAL CHALLENGES

*With the global population growing by approximately 75 million annually, there is a pressing need to continually increase crop yields for food and feed. Growers strive to maximize harvests while coping with the detrimental effects of invasive weeds, pests and plant disease, the urbanization of arable land and the impacts of climate change such as temperature and rainfall shifts.*

➔ **FMC addresses these challenges by developing products that improve agricultural productivity, specifically by helping farmers increase their crop yields.**

*Beyond basic food security, an increased population also has higher nutrition and health expectations. As economies develop and incomes rise, consumers expect greater food variety that is healthier and contains ingredients they recognize. Additionally, access to affordable and effective medicines is still a concern, especially in emerging nations.*

➔ **FMC addresses these challenges by creating high value, differentiated food and health ingredients that enable our customers to help feed the world, deliver more effective medicines and fuel healthier lifestyles.**

*Environmental responsibility is one of the leading global concerns. In 2015, governments worldwide signed an international climate change agreement at the United Nations conference in Paris. They agreed that fossil fuel consumption and harmful greenhouse gas emissions must be reduced.*



The new biological fungicide Ethos™ XB can help growers yield an average of 9.5 more bushels per acre of corn than untreated fields.

➔ **FMC addresses these challenges by supplying lithium products used in diverse energy-efficient solutions that can reduce society's impact on our climate.**

## AGRICULTURAL SOLUTIONS

Innovation in FMC's agricultural portfolio helps farmers combat the destructive potential of insect, weed and disease infestations. Our approach focuses on protecting, defending and nurturing crops - what we call The Zone of Production™. We develop products that foster growth of healthier, stress-resistant plants with root systems capable of optimizing water and nutrient uptake.

### **Breakthroughs in Biologicals**

FMC is investing in a Plant Health Platform that includes biologicals, seed treatments and micronutrients. We introduced three new biologicals - materials originating from renewable plant or natural microbial sources - to our comprehensive line of crop protection products. These biologicals exemplify how our innovations are integrating chemistry with a lower environmental impact.



### **Technology to Mitigate Environmental Risk**

FMC started commercializing the 3RIVE 3D™ in-furrow delivery system in 2015 with on-farm beta test units. 3RIVE 3D delivers crop protection products by combining patent-pending formulation technology with specifically designed application technology. Growers equipped with a 3RIVE 3D applicator on their corn planters can plant as much as 500 acres using 90 percent less water while maintaining necessary crop protection. Honored by *Farm Industry News*® as a leading new technology in 2015, 3RIVE 3D has the potential to

significantly reduce labor, time, water and fuel use in planting operations.

We exhibited this technology at the 2015 Crop Protection Stewardship and Innovation Fair hosted by the United States House of Representatives' Committee on Agriculture. The purpose of the Innovation Fair was to allow leaders in crop protection to demonstrate new technologies so Members of Congress and their staff can understand what the industry is doing to mitigate environmental risk.

Ten members of Congress, numerous congressional staffers and several representatives of non-governmental agencies viewed demonstrations of 3RIVE 3D. Participants were impressed with the equipment's small size and its 500-acre coverage capability. They cited the reductions in water consumption, dust dissemination and drift as valuable contributions to sustainable agriculture and worker safety. 3RIVE 3D technology is adaptable to a range of crop protection products, including insecticides, fungicides and biological ingredients.

### **HEALTH AND NUTRITION**

From addressing growing consumer interest in natural foods to the significant need for longer product shelf life in areas without reliable refrigeration, FMC continues to innovate and apply its naturally derived portfolio to meet global trends and needs.

#### **Increasing Access to Nutrients and Medicine**

FMC's Avicel-plus®, a food stabilizer that provides nutrient suspension functionality in cold, hot or ambient conditions, enhances dairy products' ability to maintain texture, appearance and shelf life. In developing economies, extending the shelf life of milk and other dairy products is essential because availability of refrigeration and transportation is limited. When Avicel-plus is used in conjunction with ultra high temperature processing technology, milk

- FMC's first biofungicide, **Fracture**®, is a novel, patented product derived from germinating sweet lupine plants. Trials have shown it to be active enough to replace a synthetic fungicide within a growers' application rotation. It provides a new mode of action to manage fungal resistance which helps protect grape, strawberry, tomato and almond plants from devastating diseases.
- **VGR™ Soil Amendment** is a strain of the beneficial bacterium *Bacillus licheniformis* that colonizes actively growing roots. It creates an improved living seedbed that supports larger root systems, improves nutrient uptake and increases water efficiency in plants. Crops treated with VGR require 17 percent less water and absorb essential nutrients more effectively than untreated plants. When combined with Capture® LFR® insecticide, VGR helps increase crop vitality and contributes to significant yield increases for corn growers.
- **Ethos™ XB** insecticide/fungicide combines the activity of Capture LFR with a strain of the biofungicide *Bacillus amyloliquefaciens* to protect corn from a broad spectrum of seedling diseases. Formulated in FMC's patented Liquid Fertilizer Ready technology, Ethos XB is our first in-furrow (applied with the seed as it is planted) product that integrates a biological fungicide with existing synthetic chemistries. With Ethos XB, growers can plant earlier and under more adverse conditions, seedlings can emerge faster and more uniformly, and disease protection periods can extend well beyond the norm. Results of trials showed that corn fields treated with this product yielded an average 9.5 bushels per acre more than untreated fields.

We have also extended use of an existing biofungicide, **Regalia Maxx**®, into Brazil for preventive control of fungal attacks on tomato and potato plants. On average, field trials with this product significantly reduced disease severity and increased crop yield.



shelf life can be extended up to six months – a breakthrough in maximizing nutritional opportunity and minimizing food waste.

To provide more consumer-friendly options for multi-vitamin delivery, FMC has developed gummy offerings that are specialized blends of seaweed-based carrageenan and alginates. These offerings can also be formulated with our natural color product line for additional appeal to adults and kids. Our gummies enable over-the-counter (OTC) drug and nutritional supplement manufacturers to provide alternatives to animal-based gelatins. They also have heat stability characteristics that prevent melting during transport.



Currently we are partnering with several manufacturers to develop drug dosages in gummy form. While still in early stages, the experimentation suggests that everyday OTC medications like ibuprofen and acetaminophen may become available in consumer-preferred gummy formats. These gummy dosages would be carefully packaged for convenience and safety.

A new generation of higher concentration omega-3 Epax products allows nutraceutical manufacturers to design smaller capsules with higher doses of active ingredient. By reducing the size of the capsule, manufacturers can use fewer resources during processing, packaging and shipping. Additionally, consumers benefit from smaller capsules that are easier to consume and contain more powerful omega-3 health benefits.



Equally important to helping deliver a product with consumer appeal is fulfilling consumer desire to understand what is in their products. Our FoodScienceMatters.com platform allows us to directly educate consumers about the source, safety and crucial benefits of ingredients found on food labels.

**From Everyday Products to New Frontiers**

FMC technology is helping enable advancements – from everyday products to groundbreaking new technologies.

FMC's innovation in microcrystalline cellulose (MCC) allows toothpaste manufacturers to reduce the abrasiveness of their products, allowing consumers better tooth enamel protection and cleaning properties. In the traditional manufacturing process, toothpaste goes through intensive heating to successfully create a uniform gel. In 2016 we are launching gel-based technologies that reduce or eliminate the need for heating toothpaste during manufacturing, thereby reducing energy and water use.

We teamed up with a major pharmaceutical customer to identify a new use for Avicel® PH-105, an excipient or pharmacologically inert substance used as a binder for pills and tablets. Working with our partner's unique three-dimensional printing technology (3D printing), we were able to help formulate more precisely dosed medicines. The first application of our product using 3D printing will be a high-dose epilepsy therapy drug that launches in 2016. It is a highly porous tablet that disintegrates rapidly and therefore helps patients avoid the difficulties of swallowing large conventional tablets. This disintegration, along with the better taste of the tablet due to the new formulation, will improve the patient experience and can lead to greater compliance with medication schedules.

**LITHIUM**

We are leveraging our skills in developing advanced lithium applications and partnering with customers to design cutting-edge, sustainably advantaged products that address climate change concerns.

**Sustainable Solutions for Multiple Markets**

Lithium hydroxide is best known as a key raw material for the highest energy-density lithium ion batteries for energy storage applications, especially for electric vehicle (EV) batteries. According to analysts, the EV market has tremendous growth potential, with forecasts exceeding more than 25 percent growth per year. FMC, a long-time leader in lithium research

and innovation, is working on the challenge of extending the driving range of rechargeable batteries as well as the number of charge cycles each battery achieves as the demand for high performance EV battery technology has accelerated.



FMC Lithium supports programs in Argentina in Antofagasta de la Sierra (Catamarca province) and Salar de Pocitos (Salta province) to teach local children about proper nutrition and health.

We are the world leader in producing butyllithium (BuLi), a material used in the synthetic rubber tire industry. The synthetic rubber tire market is growing at a faster rate than the natural rubber tire market. These tires have sustainability value because they deliver exceptional fuel efficiency, increase grip on wet roads and reduce noise pollution. Specifically, the tires are made from solution styrene butadiene rubber (SSBR), which has a lower rolling resistance. SSBR can reduce resistance from 25 to 30 percent compared to natural rubber, leading to improved fuel efficiency of 1 to 2 miles per gallon. Synthetic tires also avoid

the environmental impacts of natural rubber, including deforestation and the added energy use and emissions resulting from shipping products from Asia to Europe and the United States.

FMC is providing new lithium applications in a range of industries. We provide lithium to the aluminum industry for lithium aluminum alloys in lighter weight aircraft and aerospace applications. FMC's battery grade lithium is used in residential energy storage power packs, which can be used to support renewable energy sources.

## PRODUCT STEWARDSHIP

Product stewardship is FMC's commitment to mitigating the environmental, health and safety impacts of a product throughout its life cycle. It is one of the most significant aspects of FMC's worldwide approach to building trust, dialogue and confidence in our company and our products with customers and consumers.

### *Training and Safety Upgrades*

In 2015, FMC trained approximately 400,000 growers in Asia and the Americas to promote the importance of the safe handling, transport, storage, use and disposal of agricultural products. Farmers, distributors and FMC employees participated in educational sessions on safety, including management of emergency situations. Safety audits were conducted at several warehouses and contract manufacturing sites. In Brazil, all warehouses implemented new procedures to ensure prevention of product cross-contamination.

We delivered SmartCalda in Brazil, an advanced agricultural technology that improves on our TechnoCalda offering. The new service

## ADVANCING INNOVATION IN EUROPE

FMC's innovation success depends on close collaboration with customers. To align with our expanded footprint in Europe, we began construction of a European Innovation Center (EIC) at the Scion DTU Science and Technology Park in Hørsholm, Denmark, near Copenhagen. As a research and development hub for our Agricultural Solutions and Health and Nutrition businesses, the site is expected to attain a silver LEED (Leadership in Energy and Environmental Design), a third party building standard rating. The EIC is a welcome addition to our existing portfolio of Innovation Centers in Brazil, China, India and the United States.







enables preparation and mixing of water and agrochemicals in a contained system that avoids direct interaction with an operator. The system minimizes the chance of errors and lowers the risk of human and environmental exposure. This technology was implemented in partnership with six sugar cane mills in 2015.



FMC seeks to replace older chemistries with newer products and technologies. Over the past several years, we have reduced by 75 percent the number of countries where one of our oldest insecticides, Furadan®, is sold. We continue to investigate and mitigate all reported incidents and intentional misuse. In 2015, there were no confirmed reports. Our goal is to only sell in countries where the application of the product is under strictly controlled systems.

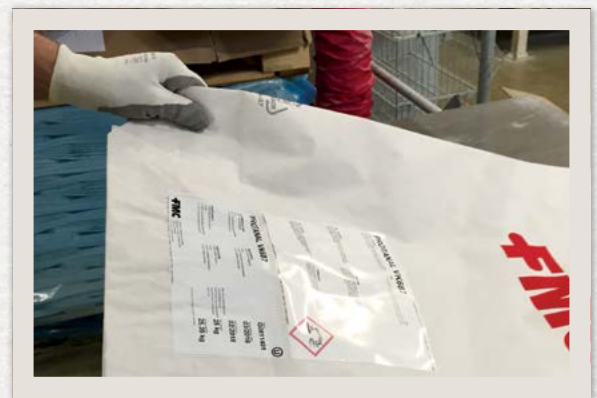
In our natural colors business in Health and Nutrition, we improved shipping and handling safety in 2015. We verified that all containers met approved standards, updated transportation labels and provided hazardous material training.

In Lithium, stewardship assessments and training are integral to our product management and new product development. FMC continued to educate customers and equipment suppliers about hygiene and safe handling guidelines for Stabilized Lithium Metal Powder. We completed hazardous material training for all lithium metal customers, transitioned to a globally unified emergency response system and received ISO-14001 recertification at our Bessemer City plant in North Carolina.

**Implementing Company-wide Requirements**

We made substantial progress in 2015 on implementing the Global Harmonization System of Classification and Labeling of Chemicals (GHS). We converted all FMC product labels and Safety Data Sheets (SDS) to the GHS format in countries where required, and are modifying Cheminova product labels while successfully incorporating its global SDS into our centralized system.

Each of our businesses advanced toward full adherence to the European Union's Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) program. FMC added questions to our supplier qualification forms to ensure compliance with REACH standards throughout our supply chain.



An FMC product featuring a GHS label.

**RIGOROUS SUPPLY CHAIN MANAGEMENT**

**Progress on Supplier Screening**

FMC's supplier partners are the key to ensuring a safe and responsible supply chain. Through FMC's Supplier Selection and Approval Process, all new significant contractors and raw material suppliers are screened for adherence to quality, safety and human rights standards. Significant contractors are those that are exposed to hazards while working at an FMC site. This screening is vital to manage and mitigate supplier risk. FMC integrated Cheminova suppliers into this process in 2015, resulting in 91 percent of all significant FMC suppliers (including legacy Cheminova) being screened. Our target for 2016 is 98 percent compliance.

The Cheminova integration process included assessment of suppliers for export compliance (including prohibited parties, embargoes and trade sanctions) under the Office of Foreign Assets Control. In accordance with our Conflict Mineral Sourcing Policy, we screened all of Cheminova's raw materials to determine if they contained any tin, tungsten, tantalum or gold (3TGs) and determined that we are in compliance with our policy.













FMC Pakistan developed an illustrated brochure to educate farmers on best practices in safe handling and preventing exposure of children to pesticides. These brochures were prominently displayed in villages.

# HEALTH + NUTRITION

## GLOBAL SUPPLY CHAIN

All procurement across FMC aligns with the voluntary operational guidelines of United Nations Global Compact and the FMC Supplier Code of Conduct.

FMC Health and Nutrition's products vary greatly in their applications but are all primarily sourced from natural raw materials. Three of our key food and pharmaceutical products begin as sustainably sourced natural resources and we ensure the highest level of sustainability throughout their value chain.

	MICROCRYSTALLINE CELLULOSE	OMEGA-3 FISH OIL	CARRAGEENAN
<b>FMC PRODUCT</b>	 <p>FMC's Avicel® microcrystalline cellulose (MCC) is a unique ingredient that offers optimum functionality as well as structural stability and consistency at varying temperatures in applications across the food, specialty and pharmaceutical industries.</p>	 <p>FMC's Epax® concentrated omega-3 fatty acids are used in customer-specific omega-3 formulas that are scientifically proven in numerous clinical studies to support the health of our hearts, brains, eyes, joints, blood vessels and more.</p>	 <p>FMC carrageenan is a naturally occurring family of carbohydrates extracted from red seaweed and is employed for its specific gelling, thickening and stabilizing properties across many applications in food and pharmaceutical products.</p>
<b>SOURCE</b>	 <p>Brazil Canada South Africa</p> <p>The cellulose used to produce FMC's Avicel® microcrystalline cellulose is derived from various species of trees. FMC sources this cellulose from producers around the world. Our producers employ sustainable harvesting practices that are certified by third party organizations including the Forest Stewardship Council, Program for the Endorsement of Forest Certification, Brazilian Forest Certification Program and Sustainable Forestry Initiative.</p>	 <p>Peru</p> <p>FMC Epax® omega-3 Concentrate is derived from responsibly sourced omega-3 crude oil, with full traceability from the fishing grounds to the final storage tank. We ensure sustainable practices by our suppliers through nonprofit third-party certifications, including Friends of the Sea, International Fishmeal and Fish Oil Organization, Global Standard for Responsible Supply and the Marine Stewardship Council.</p>	 <p>Madagascar Indonesia Philippines Chile</p> <p>FMC Carrageenan is derived from several species of seaweed and is cultivated by family farmers in Madagascar, Indonesia, the Philippines, and Chile. In conjunction with the New England Aquarium, we are currently developing Best Management Practices for sustainable seaweed production.</p>
<b>MANUFACTURING PROCESS</b>	<p>We receive wood pulp from our suppliers at our manufacturing sites in Newark, Delaware, and Cork, Ireland. We then dice the pulp and process it, resulting in microcrystalline cellulose. This process is energy intensive. Our site in Cork, Ireland, has a combined heat and power plant to provide highly efficient energy.</p>	<p>FMC concentrates omega-3 oils to improve potency and performance. Our by-product streams are used or sold as a biofuel. The processing plant in Ålesund, Norway, is ISO-14001 certified and implements systems to reduce environmental impact in processing.</p>	<p>FMC processes seaweed at our manufacturing facilities in Rockland, Maine, and Cebu, Philippines. The seaweed is cooked to extract the valuable fiber, and then the fiber material is processed and dried into a fine powder. This powder can then be added to many different foods and personal care products by our customers.</p>
<b>TRANSPORT + STORAGE</b>	 <p>Transported by truck, rail, ocean freighter</p>		
<b>FMC CUSTOMER</b>	<p>FOOD, PHARMACEUTICAL AND NUTRACEUTICAL PRODUCERS</p> <p>FMC works closely with our customers to design custom blends of MCC, carrageenan or omega-3. Some products allow our customers to use less material or resources in manufacturing – see page 21 for stories on how our customers are able to save energy in toothpaste manufacturing and use less material in pharmaceutical tablets.</p>		
<b>END CONSUMER</b>	 <p>Popular applications of MCC include pharmaceutical binders and personal care products.</p>	 <p>Omega-3 supplements have health benefits for brain, heart and eye function.</p>	 <p>Carrageenan is a critical ingredient in a range of everyday products such as infant formula, plant-derived milks, yogurt, toothpaste and many more.</p>



**Certifications  
Reinforce Sustainability Standards**

Sustainability certifications are frameworks for verifying compliance with rigorous sourcing criteria on specific raw materials. FMC assesses suppliers' certifications during our procurement screening process because they validate that our raw materials are supplied responsibly.

For example, we require our anchovy suppliers - the source of 80 percent of the fish oil in our omega-3 ingredients - to be certified by Friends of the Sea. We also require that suppliers of the wood pulp used in our stabilizing food ingredient, microcrystalline cellulose, obtain third-party certification of their forestry practices.

We are addressing gaps where certifications of our raw materials do not exist.

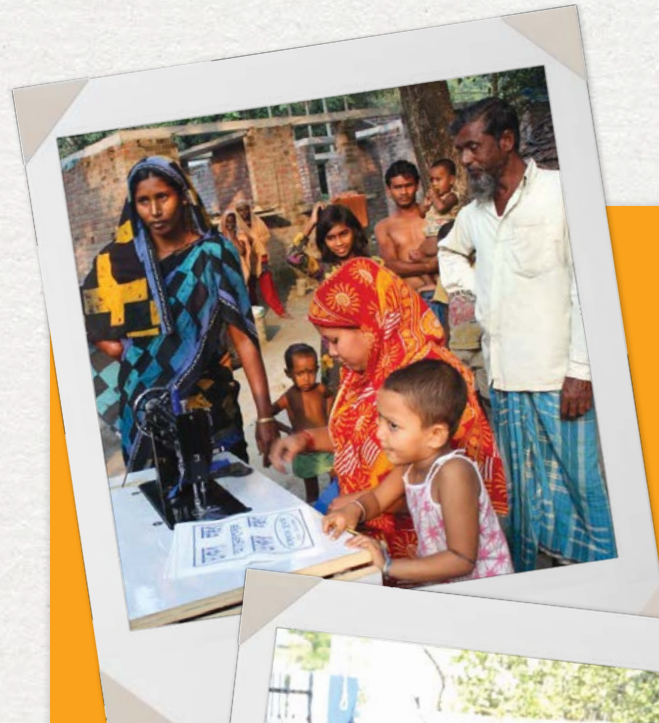
- FMC Health and Nutrition depends on a sustainable supply of seaweed for our alginate and carrageenan products, so we are partnering with the New England Aquarium to develop best management practices (BMPs). These BMPs will ensure our seaweed growing and harvesting processes meet appropriate social and environmental parameters.
- We are designing a certification for providers of our natural color raw materials. This framework is designed to assess growers' responsibility in integrated pest management and soil health strategies, social and labor practices, and compliance with environmental regulations. By sourcing only from vendors using this process, we will be able to add a label attesting to each product's sustainability - a benefit that will further differentiate FMC products in the marketplace. The natural color certification program will be piloted in 2016 and fully implemented by 2020.

**Adopting Ethical and Security Standards**

To ensure ethical standards are applied to our products' life cycles, FMC updated the Supplier Code of Conduct to reflect our corporate social responsibility commitment. As part of our commitment to the United Nations Global Compact, the Supplier Code now requires that suppliers "promote human rights within the communities in which they operate through the improvement of economic, environmental and social conditions."

Because we care about the security of our products as they cross international borders, we are aligned with the voluntary Customs Trade Partnership Against Terrorism (C-TPAT), a government-sponsored program to facilitate trade while ensuring United States security. We added specific C-TPAT questions to the Supplier Selection Process to ensure FMC logistics personnel are aware of all our new direct material suppliers who are shipping chemicals

into the United States from other countries. All new raw material suppliers who ship across borders are identified and screened by FMC and our logistics partners.



**OPPORTUNITIES FOR  
WOMEN IN INDIAN VILLAGES**

FMC, through legacy Cheminova, has a long history of supporting women in India. Women living in poverty in India often do not have access to education and therefore cannot make independent contributions to the financial well-being of their families. Through the Safety, Health and Livelihood (SAHELI) project, we offer education for women in rural villages, including providing sewing machines and training in sewing and sales skills. Women in the SAHELI project have developed the ability to provide for their families outside the home and report significantly improved self-esteem.

# Our RESPONSIBILITY



Our responsibility to reduce the environmental impact of our products and to strengthen the communities where we work and live are commitments that FMC's people take very seriously. Advancing the health and sustainability of our planet is essential to Our Formula for Progress, as is our dedication to helping our communities flourish.

## 2020 GOAL

- Achieve 100 on the Community Engagement Index

## 2025 GOALS

- 15% reduction in energy intensity
- 15% reduction in GHG intensity
- 15% reduction in waste intensity
- 20% reduction in water use intensity in high-risk areas

## MANAGING, MEASURING + REDUCING FMC'S IMPACT

**We advance the health and sustainability of the world around us by reducing our environmental impact and strengthening our communities.**

### TAKING ACTION FOR GLOBAL + LOCAL BENEFIT

FMC's responsibility is to promote environmental well-being globally as well as to encourage the vitality of our communities locally. With this combined global and local perspective, we work "in ethical ways that increasingly benefit society, the economy and the environment," as stated in the American Chemistry Council's Responsible Care® principles.

To put this concept into action, we implement changes that focus on reducing our dependence on scarce resources and minimizing our environmental footprint. We ensure that our communities consider us valuable neighbors. Our comprehensive focus on environmental, social and economic impacts is the foundation of our business decision-making and success.



FMC team members in Mexico participated in the first Carrera del Campo Mexicano 5K run. As the principal organizer of the charity run, FMC promotes physical health and activity for our employees and their families. All the sponsors of the race donated \$3,500 to Helen Keller School in Guadalajara, Mexico, to support blind children.



In 2015, FMC Agricultural Solutions inaugurated a new herbicide research and manufacturing facility in Suzhou, China.

### Environmental Sustainability Goals

FMC set 10-year goals for our key environmental impact areas: energy, greenhouse gases, water and waste. Our Formula for Progress demonstrates our dedication to responsible operations and is integrated into our manufacturing initiatives and action plans.

To ensure the quality of our performance data, we obtained external assurance of our energy, GHG, water and waste data for the first time in 2015. By working with a third-party independent auditor we achieve:

- Greater visibility into our internal systems, controls and opportunities for improvement.
- Increased credibility through the validation of the quality and reliability of our data.
- Increased uniformity and consistency of reporting procedures.
- Enhanced transparency to deepen our dialogue with stakeholders.

See the assurance statement on page 34.

### Community Engagement Goals

FMC continues to measure the extent and quality of our interaction with local communities using our Community Engagement Index. When we created the Index in 2011, we set a target to achieve a score of 90, indicating that most of our manufacturing sites are engaging with the communities in each of four categories.

## GLOBAL BUSINESS CONDITIONS UPDATE\*

- FMC's three businesses have very different operational profiles and therefore different environmental impacts associated with each business. A large change in a metric for one business may or may not have an impact on FMC's overall operational profile. For example, if Agricultural Solutions has a significant reduction in water intensity, it may have a minimal impact on FMC's overall water intensity because the water use in this business is small compared to Health and Nutrition and Lithium.
- Manufacturing of FMC Lithium products requires higher consumption of energy and results in higher generation of waste compared to other FMC products. However, the volume of lithium production is less than the other two businesses, so reductions in resource intensity at our Lithium manufacturing sites may not greatly affect FMC's overall intensity. For example, a reduction in energy at Lithium sites will greatly affect FMC absolute energy, but will marginally affect FMC energy intensity. Of all the metrics, Lithium has the most impact on FMC's absolute energy, GHG and waste metrics.
- Health and Nutrition makes several different categories of products, and therefore the portfolio is mixed between resource-intensive manufacturing and resource-light blending operations. Similar to Lithium, Health and Nutrition can have a major impact on absolute resource use but its lower production volume means that changes do not always affect overall FMC resource intensity. Health and Nutrition has an impact on FMC's absolute energy, GHG and water use.
- The volume of products manufactured in Agricultural Solutions is the highest of our three businesses. However, in 2015 overall production decreased due to market conditions. At FMC-owned Agricultural Solutions facilities, we primarily blend and package products so the resource use of these sites is low, despite very high production volumes. 2015's production decrease offsets the resource reductions by the other businesses. See page 30 for more details.

\*The energy, GHG, water and waste data (FMC Total and Intensity) in this section have been externally assured. The assured data excludes legacy Cheminova manufacturing and Active Ingredient Contract Manufacturing total and combined intensity.

The four categories are:

- **Safety:** We put safety first and share our safety knowledge with our neighbors.
- **Operational transparency:** We strive for transparency so that our business activities are well understood in the community.
- **Community leadership:** We take active participatory roles in our communities.
- **Community partnership:** We share our personal and professional skills, talents and interests to further our mutual welfare.

In 2015, we reached 87 out of 100 on the Community Engagement index, indicating that the majority of our 26 manufacturing locations have engaged in the four categories. To continue our progress, we have now set a goal to achieve 100 on the index, indicating engagement in all categories at our global manufacturing sites by 2020.

### OPERATIONAL EXCELLENCE FOR EFFICIENCY + SUSTAINABILITY

We recognize that our operations require valuable resources, and we are committed to reducing our environmental impact. Our operations experts have a responsibility to minimize energy use, GHG emissions, water use and waste generation. By minimizing these impacts, we increase the sustainability of our operations and maximize economic benefit.



FMC donated school supplies and classroom furniture at a primary school in Kilavalam Village, India.

### Enhanced Production, Yield and Quality

To accelerate our focus on efficient manufacturing, we established Technical Centers in our Health and Nutrition and Lithium operations. The Technical Centers are comprised of engineering teams that identify, implement and manage manufacturing projects that drive process, yield and quality innovation in the short- and long-term. This approach parallels a structure already in place in Agricultural Solutions. Through our innovation in manufacturing processes, we are extracting more products from our raw materials, requiring fewer resources and generating less waste.



## GLOBAL WASTE DISPOSED\*



**ANALYSIS:** We reduced our absolute waste disposed by 19 percent, which reduced our intensity 12 percent from the 2013 baseline\*\*. This reduction has been accomplished by a shift in the mix of products manufactured by Lithium.

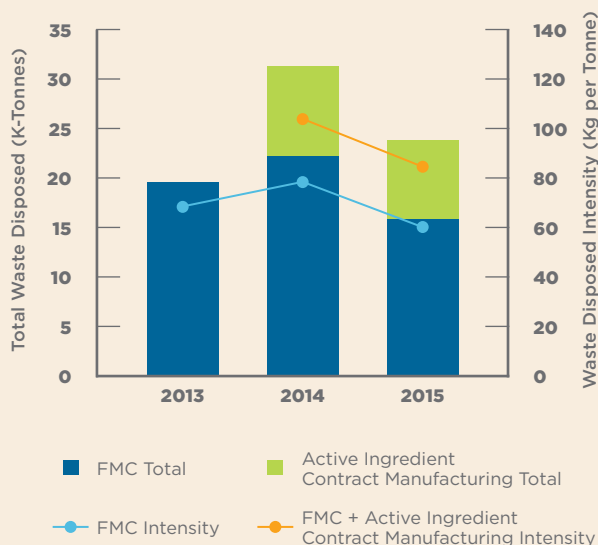


**ACTIONS:** We have set a goal to reduce our total waste disposal intensity by 15 percent\*\*\*. Additionally, we are planning certification of all our Health and Nutrition manufacturing sites for sending zero waste to landfill. Health and Nutrition will begin this program by completing third party waste audits at our Haugesund, Norway, and Cork, Ireland, facilities.

\* Data excludes Cheminova

\*\* Prior to 2014, waste disposal details were not tracked from our active ingredient contract manufacturers, therefore this graph shows the progress of our data collection system which now includes this expanded data.

\*\*\*FMC 2025 Operations Metrics goals are based on a 2013 baseline year.



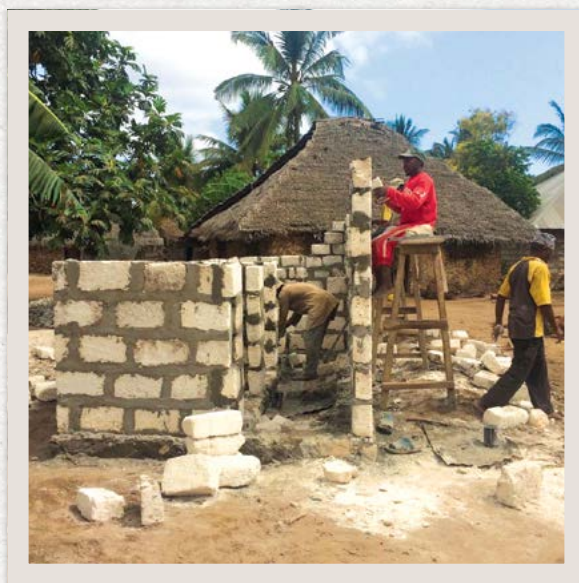
- At our facility in Haugesund, Norway, we have implemented process changes that increased the amount of alginate we are able to extract from seaweed. These changes reduce our raw material usage as well as the amount of seaweed required to be harvested.
- Process upgrades at our Bessemer City, North Carolina, facility have resulted in improved lithium quality and asset utilization. These advances have led to an overall reduction of waste and energy intensity of nearly 20 percent. Bessemer City's proximity to North American and European customers reduces transportation distances, costs and emissions compared to Asian suppliers. The combination of location, quality and reliability enables us to better meet customer product needs.
- Agricultural Solutions continued to implement process technology improvements in active ingredient manufacturing that is outsourced to contract manufacturers. As a result, we improved material yields of 13 active ingredients. These improvements reduce waste and the use of solvents, two key challenges in active ingredient manufacturing.

FMC continues to enhance production capabilities to serve customers worldwide. To support our expansion in Asia, we added capacity to the Suzhou, China, Agricultural Solutions facility and constructed a Health and Nutrition plant in Rayong, Thailand. The Rayong site is expected to begin manufacturing MCC in 2017 and will repurpose wastewater treatment sludge from that process to be aligned with our zero waste to landfill target. With our acquisition of Cheminova, six new manufacturing sites were

added to our portfolio and will be reported in our 2016 Sustainability Report.

### Energy and Greenhouse Gas Reduction

Energy consumption and fuel combustion, especially fossil fuels, are the primary sources of GHG emissions. GHGs are comprised primarily of carbon dioxide, nitrous oxide, and methane and trap heat in Earth's atmosphere. The excess heat in the atmosphere causes global temperatures to increase. FMC has taken a position to address climate change through strategic energy sourcing, increased energy efficiencies and GHG emissions reductions.



In 2015, the local seaweed farming community on Pemba Island, Zanzibar, Tanzania, was hit hard by a cholera outbreak due to poor sanitation infrastructure. Working with the Pemba Foundation, FMC financed the construction of public toilets to support healthier living conditions for the community. **Photo Credit: Pemba Foundation**

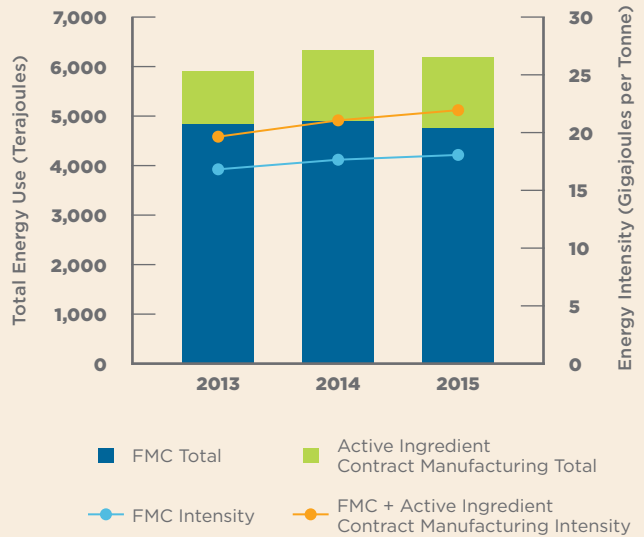
## GLOBAL ENERGY USE\*

**ANALYSIS:** In 2015, our absolute energy use remained flat. FMC's overall production decreased, driven by Agricultural Solutions. This decreased production caused energy intensity numbers to rise, because we continued to make Health and Nutrition and Lithium products that require significant energy. Despite this overall increase in energy intensity, Health and Nutrition and Lithium individually accomplished energy intensity improvements of 3 percent and 19 percent respectively.

**ACTIONS:** Due to these improvements in Health and Nutrition and Lithium, we are confident that as we return to normal production rates in Agricultural Solutions our energy intensity will be reduced. We are focused on accomplishing our targeted energy intensity reduction of 15 percent\*\*. Accomplishing this goal is driven by the reduction opportunities identified in audits at three of our top five highest energy use sites. We are expanding the program in 2016 to audit our Bessemer City, North Carolina, Lithium site. Additionally we will use the ideas generated at our Cork, Ireland, audit to drive reduction at our Newark, Delaware, plant.

\* Data excludes Cheminova

\*\* FMC 2025 Operations Metrics goals are based on a 2013 baseline year.

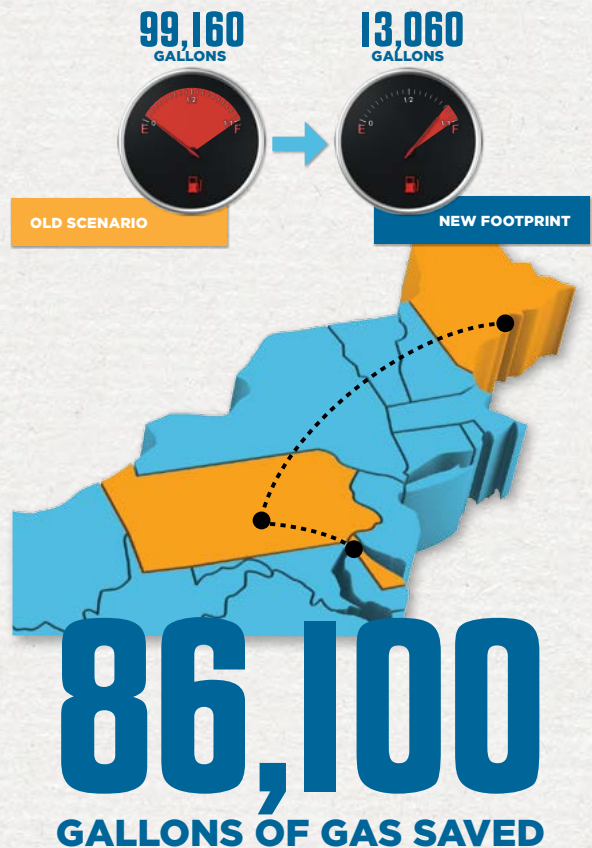


FMC's commitment extends beyond our manufacturing processes to our product portfolio, where we are improving existing products and developing new platforms and technologies that help slow climate change.

To reduce our energy intensity and identify improvement opportunities, we have conducted energy audits at our manufacturing sites since 2013. In 2015, FMC audited energy use in Cork, Ireland, and Minera del Altiplano, Argentina.

- In Cork, we identified seven projects for immediate analysis and planning. These projects include improvements in insulation, chiller system optimization, and improved heating, ventilation and air conditioning systems efficiencies.
- The Minera del Altiplano audit focused on ensuring the efficient use and delivery of natural gas arriving through a new pipeline, as well as potential efficiencies in the steam system, heat recovery equipment and compressed air system. Implementation plans are being developed to put these opportunities into action.

Our conversion to natural gas in Rockland, Maine, has resulted in a 30 percent reduction in GHG emissions. With this conversion, 68 percent of all energy used by FMC globally for manufacturing is from natural gas, a more GHG-efficient fuel.



We relocated our United States Health and Nutrition warehouses from Pennsylvania to facilities near our plants and minimized consumption of petroleum and associated GHG emissions during shipping. With warehouses now located near Rockland, Maine, and Newark, Delaware, we reduced transit distances from the plant to the warehouse by over 425,000 miles and save 86,100 gallons of fuel per year.





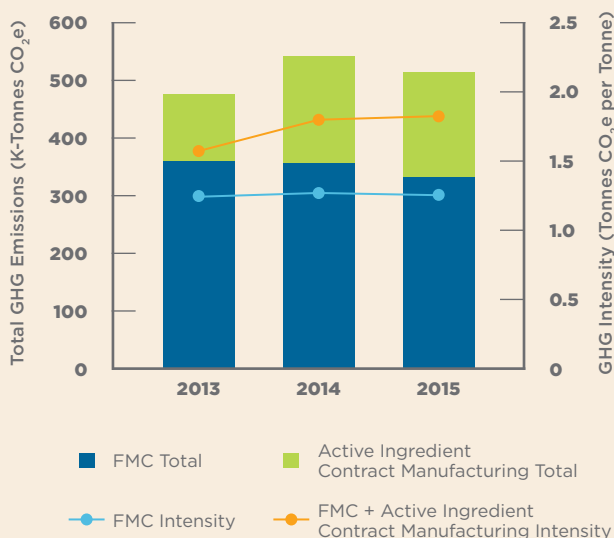
## GLOBAL GHG EMISSIONS\*



**ANALYSIS:** We reduced our absolute GHG emissions by 7 percent. This achievement was driven by the first full year of operation since converting our Rockland, Maine, United States facility to compressed natural gas. Despite this and other improvements, our overall GHG intensity was flat due to lower production in our Agricultural Solutions business.



**ACTIONS:** In August 2015, we completed a natural gas pipeline to supply our Minera del Altiplano (MdA), Argentina facility. Before the pipeline, MdA supplemented natural gas with highly GHG-intensive fuel oil when natural gas was not available. The pipeline now allows the site to run consistently and safely on natural gas and eliminates thousands of truck miles per year in transporting gas. This project, in addition to other energy and GHG efforts, is contributing to our goal of reducing FMC's overall GHG intensity by 15 percent\*\*.



\* Data excludes Cheminova

\*\* FMC 2025 Operations Metrics goals are based on a 2013 baseline\*\*.

FMC strategically evaluates our global energy use to understand how we can maximize our reduction. Over 75 percent of FMC global energy use is at five locations. At Rockland, Cork and Minera del Altiplano, we are in the implementation phase of improvements. We are now focusing on the next two: Bessemer City, North Carolina, and Newark, Delaware. We will conduct an energy audit in Bessemer City during 2016, and will apply our energy audit findings from the Cork, Ireland, audit to the Newark site, which uses the same processes as Cork.

### Waste Minimization

Our Health and Nutrition business announced plans to achieve zero waste to landfill by 2025. Our Rockland, Maine, site has already invested in process equipment to repurpose waste streams for beneficial uses. Algifiber, a byproduct of seaweed processing, is used by farmers to spread on their land and improve the quality and organic content of the soil. In 2016, the zero waste to landfill program will continue with waste reviews of our Cork, Ireland, and Haugesund, Norway, facilities. In Ålesund, Norway, we are working on reducing the organic content in our wastewater by 70 percent in two years.

### Water Conservation

FMC has used a data-based approach with World Resources Institute's Aqueduct™ tool to

determine our manufacturing locations where water availability is increasingly challenging. Our water intensity at high-risk sites has decreased by 3 percent since 2013, our baseline year. At those sites, we focus our efforts on reducing water use. Additionally, we have expanded our water risk analysis to include six newly acquired Cheminova sites. By 2025, we are committed to reducing our water intensity at our 12 high-risk locations by 20 percent.

## SOURCING STRATEGIES TO REDUCE IMPACT

Our responsibility to the environment extends well beyond the impacts of our own product manufacturing. FMC purchases millions of tons of materials per year, including packaging raw materials and advanced intermediate chemicals. Our sourcing projects focus on achieving a positive sustainability impact in our supply chain. In 2015, we centered our efforts on packaging and collaboration with raw material suppliers.

### Efficient Use of Packaging

FMC continues to reduce the impact of materials used in packaging. For example, we began refurbishing existing intermediate bulk containers (IBC) used for transporting agricultural products, rather than purchasing

## GLOBAL WATER USE\*



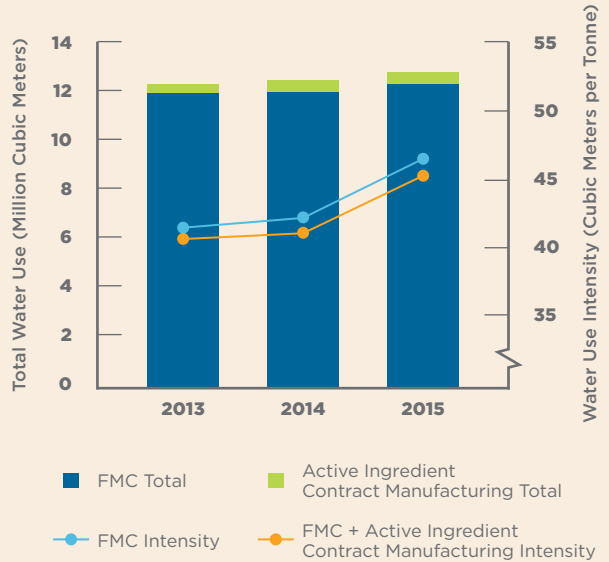
**ANALYSIS:** In 2015, FMC's absolute water use was nearly flat. However, reduced production in our Agricultural Solutions business, coupled with increased production in the water-intensive Health and Nutrition and Lithium businesses, resulted in an increase in overall water intensity despite efficiency gains.



**ACTIONS:** Due to the regional nature of water quality and availability, FMC transitioned to a risk-based water metric and has identified manufacturing sites in locations at a high risk for water scarcity. At those locations, we have already reduced our water intensity by 3 percent, and will continue to focus our efforts to achieve a 20 percent reduction\*\* at these locations combined.

\* Data excludes Cheminova

\*\* FMC 2025 Operations Metrics goals are based on a 2013 baseline year.



Reusable cages on Intermediate Bulk Containers provide significant reduction in greenhouse gas emissions.

new ones. Our container supplier is able to recondition the steel cage exterior of the IBC and use it with a new interior plastic containment bottle without reducing quality or safety. By using refurbished cages instead of purchasing new ones,

we eliminated over 1 million pounds of carbon emissions from steel production.

issues, delays and excessive consumption of diesel fuel, as the trucks consumed nearly a full liter of gasoline to travel one kilometer.

Now that the facility can rely on consistent natural gas through the pipeline, we are decreasing emissions from fuel shipments via truck, while reducing transportation safety concerns. We also have eliminated the use of greenhouse gas intensive fuels, such as fuel oil.

The combination of removing 10 trucks per day from the road and using solely natural gas equates to approximately 9,300 tonnes of CO<sub>2</sub> avoided, which is the equivalent of taking 1,963 cars off the road for one year.

## ARGENTINA'S PIPELINE TO DEPENDABLE ENERGY

In August 2015, the 130 kilometer pipeline supplying natural gas from Pocitos, Salta, Argentina to our lithium production facility in Salar del Hombre Muerto, Catamarca, Argentina began operations. The pipeline is the culmination of a multi-year project and represents a significant achievement of reliable, lower GHG-emitting energy for FMC.

### **Safe and Reliable Supply, Better for the Environment**

Obtaining energy through the pipeline is substantially better for the environment than the previous approach which required more than 10 trucks per day to drive through mountainous terrain, often under difficult weather conditions. These transportation difficulties caused safety



The new pipeline is the culmination of a multi-year project and represents a significant achievement of reliable, lower GHG-emitting energy for FMC.



FMC hosted a water conservation training for farmers in Venkatapura Village, Karnataka, India. The objective of the training was to raise awareness among farmers on water waste and to demonstrate how water could be conserved for dryland agriculture. Government officials from the State Department of Agriculture and academics from a local agricultural university participated.

### Community Infrastructure Enhancements

As part of our commitment to operate in a sustainable manner, we have agreed with the Catamarca, Argentina, local government to create a trust to finance environmental and infrastructure projects focused on the needs of local communities, including projects related to water, health, education, agriculture and mining. The trust is to be funded by our Minera del Altiplano, Argentina, site. A local bank will act as a trustee of the funds that are administered and controlled by a management committee composed of government officials and FMC representatives.



## Field to Market<sup>®</sup>

The Alliance for Sustainable Agriculture

### PARTNERS IN SUSTAINABLE AGRICULTURE

In 2015, FMC became a member of Field to Market<sup>®</sup>: The Alliance for Sustainable Agriculture. Field to Market brings together a diverse group of grower organizations; agribusinesses; food, beverage, restaurant and retail companies; conservation groups; universities; and public sector partners to focus on defining, measuring, and advancing the sustainability of food, fiber and fuel production in the United States.

Grounded in science and committed to continuous improvement in agricultural productivity, environmental quality and human well-being, Field to Market's goals include the efficient use of energy, water and land, the minimization of greenhouse gas emissions from United States cropland per unit of output and the preservation of soil and water quality. As a member, FMC is engaged in solutions for sustainability and continuous improvement in agriculture. FMC participates in working groups on key sustainability issues including greenhouse gas metrics, water quality and land use as well as communications and engagement.



### FARMERS OF TOMORROW

FMC Pakistan sponsored the biggest Science Olympiad in Pakistan, LUMS PSIFI, with a theme of "Farmers of Tomorrow." This unique program promoted innovation and technology among the youth of Pakistan and provided a platform to express their interest in science. The initiative was attended by over 60 young people from local farming families.

PAKISTAN



## Independent Assurance Statement to FMC Corporation

ERM Certification and Verification Services (ERM CVS) was engaged by FMC Corporation ('FMC') to provide limited assurance in relation to specified 2015 environmental data in the FMC Sustainability Report 2015 as set out below.

Engagement summary	
<b>Scope of our assurance engagement</b>	Whether the FMC Total 2015 absolute and intensity data for the following indicators are fairly presented on pages 29 – 32, in all material respects, with the reporting criteria: <ul style="list-style-type: none"> <li>• Total Direct and Indirect 2015 absolute and intensity Energy Use (Terajoules and Gigajoules/tonne of production)</li> <li>• Total (Scope 1 and Scope 2) 2015 absolute and intensity GHG Emissions (Ktonnes CO<sub>2</sub>e and tonnes CO<sub>2</sub>e/tonne of production)</li> <li>• Total 2015 absolute and intensity Water Use (Million Cubic Meters and Cubic Meters/tonne of production)</li> <li>• Total 2015 absolute and intensity Waste Generated (Ktonnes and Kg/tonne of production)</li> </ul>
<b>Reporting criteria</b>	The WBCSD/WRI GHG Protocol (2004) for the Scope 1 and 2 GHG emissions and FMC's internal reporting criteria and definitions for the other indicators.
<b>Assurance standard</b>	ERM CVS' assurance methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised).
<b>Assurance level</b>	Limited assurance.
<b>Respective responsibilities</b>	FMC is responsible for preparing the data and for its correct presentation in reporting to third parties, including disclosure of the reporting criteria and boundary. ERM CVS's responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.

### Our conclusions

Based on our activities, nothing has come to our attention to indicate that the FMC Total 2015 absolute and intensity data for the indicators, as listed above, are not fairly presented, in all material respects, with the reporting criteria.

### Our assurance activities

Our objective was to assess whether the selected data are reported in accordance with the principles of completeness, comparability (across the organisation) and accuracy (including calculations, use of appropriate conversion factors and consolidation). We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusions.

A multi-disciplinary team of EHS and assurance specialists performed the following activities:

- Interviews with relevant staff to understand and evaluate the data management systems and processes (including IT systems and internal review processes) used for collecting and reporting the selected data;
- A review of the internal indicator definitions and conversion factors;
- Visits to two sites (Newark, DE (USA); Salta, Argentina) and one remote site visit (Wyoming, IL (USA)) to review local reporting processes and consistency of reported annual data with selected underlying source data for each indicator. We interviewed relevant staff, reviewed site data capture and reporting methods, checked calculations and assessed the local internal quality and assurance processes.
- An analytical review of the data from all sites and a check on the completeness and accuracy of the corporate data consolidation.
- Year-end assurance activities at corporate level including the results of internal review procedures and the accuracy of the consolidation of the data for the selected indicators from the site data.

### The limitations of our engagement

The reliability of the assured data is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. We did not assure the Active Ingredient Contract Manufacturing Total or the combined FMC and Contract Manufacturing Intensity. It is important to understand our assurance conclusions in this context.



Jennifer Iansen-Rogers  
Head of Corporate Assurance Services  
3<sup>rd</sup> May 2016



ERM Certification and Verification Services, London  
www.ermcvs.com; email: [post@ermcvs.com](mailto:post@ermcvs.com)

*ERM CVS is a member of the ERM Group. The work that ERM CVS conducts for clients is solely related to independent assurance activities and auditor training. Our processes are designed and implemented to ensure that the work we undertake with clients is free from bias and conflict of interest. ERM CVS and the ERM staff that have undertaken this engagement work have provided no consultancy related services to FMC in any respect*

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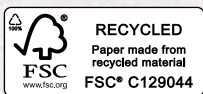
### **Antonio Zem**

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