

BUILT FOR PROGRESS

2016 Sustainability Report

Q+A WITH OUR CHIEF EXECUTIVE OFFICER

Q: What do you think are FMC's most important sustainability achievements of the last 2-3 years?

A: We have made meaningful progress on our sustainability goals over the past few years and continue to deepen our commitment to sustainability. In 2016, FMC was awarded an A- by the CDP Climate Change Program as a first-time participant. The ranking recognizes FMC as a leader in addressing climate change. In addition, we published 2020 and 2025 sustainability goals. I am proud to say that in our second "Communication on Progress" for the United Nations Global Compact, we demonstrated progress on several targets, including significant reduction in our safety total recordable incident rate, increased R&D spending to develop more sustainably advantaged products, and reductions in our environmental metrics.

Q: What's next on FMC's sustainability journey?

A: With our past experience and accomplishments, we are truly built for progress. Now is the time to accelerate that progress toward our 2020 and 2025 sustainability goals. For example, we will grow our plant health platform, which includes biologicals, micronutrients and seed treatment applications that provide growers with more sustainable options. We will continue to address the environmental impact of our products as well as offer robust stewardship programs to ensure the proper and safe use of FMC products.

Q: How have you incorporated stakeholder concerns into your sustainability journey?

A: We actively engage with our stakeholders to understand their issues and concerns, and we work closely with them to balance business interests with those of society. Each year, we conduct a materiality assessment that includes input from employees and external stakeholders such as investors, customers, suppliers and NGOs. This assessment identifies sustainability issues that have the greatest impact on our business and our stakeholders.

Q: What is FMC's approach to ensuring a responsible supply chain from sourcing materials through product end use?

A: Collaboration and strong partnerships with suppliers and customers are very important to ensure we meet our sustainability commitments, from sourcing,

to manufacturing, to transportation and product stewardship. We choose to work only with suppliers and vendors who share our commitment to ethical and sustainable business practices. But it doesn't end there. We have begun the process of measuring and monitoring our logistics and transportation footprints. From optimizing logistics to reduce greenhouse gas emissions and increasing the sustainability of our packaging, we are committed to a responsible supply chain that reflects our sustainability priorities.



Q: What advantages does the acquisition of DuPont's Crop Protection products provide to FMC's sustainability program?

A: We have a long history of meeting some of the world's major global challenges. For more than 10 decades, we have helped farmers feed a growing world population by protecting their crops from destructive pests and invasive weeds. The acquisition of a significant part of DuPont's Crop Protection business will ensure we can help meet the nutritional needs of people around the world. We are excited to welcome the talented DuPont employees to the FMC family. Combining DuPont's exceptional products and R&D capabilities with our product portfolio, pipeline and formulation expertise will bring innovative solutions to growers while reducing our impact on the planet.

It is important to note that the Health and Nutrition team has made great strides in sustainability, including energy and waste reduction, and I know they will bring strong expertise to DuPont's program.



President, CEO and Chairman of the Board

ABOUT THIS REPORT

OUR 2016 SUSTAINABILITY REPORT

The report complements more detailed information on the sustainability website at www.FMCsustainability.com, which includes the Global Reporting Initiative (GRI) Content Index. Together, this report and the web-based content fulfill the requirements of GRI Standards.

EXPLORE WWW.FMCSUSTAINABILITY.COM

We invite you to explore our website for more stories and data that highlight how we are built for progress through our commitment to sustainability. The Online Data Center allows you to visualize and interact with our data to better understand FMC's impacts. You may also explore our resources to access a wealth of image and video content that will enhance your understanding of our sustainability work. We invite you to read our key statements and policies regarding our positions across several topics, including:

- Climate Change Statement
- Human Rights Policy
- Animal Welfare Policy
- Conflict Minerals Policy
- Code of Ethics and Business Conduct
- Board of Directors Sustainability Committee

The 2016 FMC Corporation Sustainability Report is "In Accordance" with the GRI Standards - Core option.

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For more information about FMC sustainability, please contact Linda Froelich, Global Sustainability Director, at sustainability.info@fmc.com.

WELCOME GUIDE OUR SUSTAINABILITY APPROACH AND FMC VISION

The theme for this year's Sustainability Report, Built for Progress, continues our momentum from last year's milestone report, Our Formula for Progress. Sustainability is an enduring, fundamental part of FMC's structure, built into who we are as a company. We develop products for our modern, solution-oriented, global customers and an increasingly aware public. With a business-focused approach to sustainability, FMC is built to succeed, advance and grow.

We make constant incremental progress to become a more sustainable enterprise that delivers enduring value to our customers. Developing innovative solutions, maintaining a dynamic workforce and addressing some of the world's most pressing challenges are the keys to making real progress. Built for Progress is comprised of three key pillars which were introduced in last year's report:



Our People, including safety, diversity and employee programs



Our Products. including innovation, new product introductions and sustainable supply chain practices



Our Responsibility, including environmental footprint and community engagement

MAJOR GLOBAL CHALLENGES

Throughout this report and on our sustainability website (www.FMCsustainability.com) you will learn how FMC is helping to alleviate five of the world's major challenges. These Global Challenges have framed our work since we formalized sustainability at FMC in 2011. We understand the role we must play to help balance the resources of our world with the fast-growing population.

As a highly focused specialty chemical company, our products, technologies and services are key to mitigating these challenges.



FOOD + HEALTH EXPECTATIONS

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



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.



CLIMATE CHANGE

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



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 renewable alternatives.



LAND COMPETITION

Urbanization to accommodate a 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.



A NEW VISION FOR FMC

FMC's vision for the next two to three years is to be a leading, innovative provider of technologies that help feed and power a growing population. Our employees continue to adhere to the guiding principles outlined below to achieve our vision:

- Be Safe. Ethical, and Sustainable Stewards
- Drive Innovation in Technology

- Recruit and Develop an Exceptional and Diverse Workforce
- Be More Agile and Efficient
- Maintain a Global Reach with a Local Focus

FMC employees, working according to these principles, deliver solutions that help mitigate some of the world's most pressing global challenges.

ORGANIZATIONAL PROFILE

FMC REPORTING AND CONSOLIDATION PRINCIPLES

The 2016 data in this report include all sites under FMC's operational control, as well as sites acquired from Cheminova in 2015 and environmental data supplied by active ingredient contract manufacturing companies (except where noted). The prior year data have all been restated to provide consistency.



FMC AGRICULTURAL SOLUTIONS

Insecticides, herbicides, fungicides, plant health



FMC LITHIUM

Lithium hydroxide, butyllithium, lithium carbonate



FMC HEALTH AND NUTRITION

Microcrystalline cellulose, carrageenan, alginates, natural colorants



69% **FMC Total** 2016 Revenue

\$264.1 MILLION

8% **FMC Total** 2016 Revenue

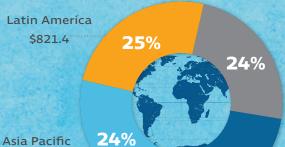


23% **FMC Total** \$798.5

FMC

REVENUE BY CUSTOMER LOCATION (IN MILLIONS) = \$3,282.4

27%



Europe, Middle East + Africa \$783.4

North

America \$879.1

HISTORIC MILESTONES

WE LOOK BACK
AS OUR SUSTAINABILITY
JOURNEY CONTINUES

2010

 FMC leadership establishes the "Chairman's Council for Sustainability," comprised of key leaders, to determine the strategic direction of the first formal sustainability program



A "call to action"
 published in the 2014
 Report, research and
 development dedicated
 to sustainable products
 or projects hits 74 percent

2014

- Waste assessment conducted for all manufacturing sites to understand FMC's waste footprint
- Women's Initiative Network, an employee affinity group, launched to connect, develop and advance women at FMC
- Social Responsibility Audit program continually assesses manufacturing sites on labor and human rights compliance



- Water Risk Assessment conducted, using World Resources Institute Aqueduct tool, to establish areas of focus for water reduction
- Animal Welfare Policy developed
- Supply chain sustainability efforts take hold. All significant raw materials suppliers are screened against the Supplier Code of Conduct

2013

2015



OUR FORMULA FOR PROGRESS GOALS FOR 2020 AND 2025 PUBLISHED, INCLUDING:

- Reduce our Total Recordable Incident Rate (TRIR) to < 0.30 by 2020
- Dedicate 80 percent of our R&D budget to develop sustainably advantaged products by 2020
- Achieve 100 on our Community Engagement Index by 2020
- Reduce our environmental impact by reducing energy, GHG and waste intensities by 15 percent by 2025
- Reduce water intensity in high risk areas by 20 percent by 2025





- The first Sustainability Report, "We've Made a Choice," is published
- To focus efforts on mega trends that affect the global population, the five "market-shaping shifts" are identified these still guide FMC today, and are now known as the **Major Global Challenges**
- The **Sustainability Committee of the Board of Directors** is established, ensuring accountability for sustainability at the highest level of the organization
- **Product Stewardship and Sustainability Assessments** developed to measure and accelerate sustainability in research and development
- Established annual materiality assessment process to determine issues of highest importance



- As part of **Vision 2015**, three targets are established:
- 1. < 0.37 Total Recordable Incident Rate
- 2. > 50% of total R&D spending dedicated to impact major global challenges
- 3. > 90 (out of 100) Community Engagement Index
- Energy Management Center of Excellence formed to implement best energy practices, including conducting regular energy assessments at manufacturing sites
- Supplier Code of Conduct implemented, including human rights, labor, environmental, health and safety requirements
- Sustainable packaging products launched, including a Green Family of containers in Brazil derived from sugarcane



- FMC divests the Alkali Chemicals division and finalizes the purchase of Cheminova AG, a Danish agrochemical manufacturer
- FMC signs the United Nations Global Compact and reports its first Communication on Progress
- Select environmental data are assured
- Diversity and Inclusion program formalized;
 Diversity Officer appointed





- FMC reports to CDP Climate Change disclosure for the first time, receives an A-
- Climate Change Statement published
- Human Rights Policy published
- Best safety record in FMC history achieved, a 0.22 total recordable incident rate
- Select environmental and safety data are assured, see page 34

UPDATE ON OUR FORMULA FOR PROGRESS

In 2015 FMC established goals that will ensure we are a more sustainable enterprise by 2025. These goals encompass safety, environmental and product development aspects and are important

drivers to becoming tomorrow's FMC. We will deliver safe products that benefit our employees, our society and our impact on the Earth.

OUR PEOPLE



OUR PRODUCTS



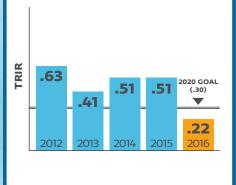
OUR RESPONSIBILITY



CONTINUED PROGRESS

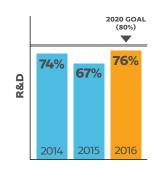
GOAL BY 2020...

Achieve a Total
Recordable Incident
Rate (TRIR) of 0.30 or
lower by 2020. We are
proud to report our injury
rate in 2016 was 0.22, the
lowest full-year injury rate
since the company began
tracking TRIR.



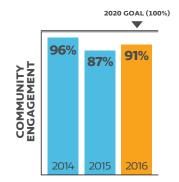
GOAL BY 2020...

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.



GOAL BY 2020...

Achieve 100 on the Community Engagement Index, which measures interaction with our communities.



GOALS BY 2025...

L 15%

• Energy • GHG

• GHG • Waste WATER USE

20%

in high risk areas

WHAT DOES A FUTURE WORLD WITH FMC LOOK LIKE?

We will impact five global challenges: climate change, environmental consciousness, food and health expectations, land competition and scarce resources, and ensure that by 2025, FMC will have a decreased environmental footprint and an exciting pipeline of more sustainably advantaged products.

FMC reports detailed data on the environmental footprint of each business. For information on energy, GHG, waste and water, see pages 32-33.

2016 PROGRESS REPORT ON OUR 2016 COMMITMENTS



- Publish a climate change statement
- Have key environmental data in our 2015 Sustainability Report (SR) assured
- Adhere to the GRI G4 guidelines in the 2015 SR
- Publish sustainability metrics and goals for 2020 and 2025
- Publish Communication on Progress for the UN Global Compact
- Report to the Carbon Disclosure Project
- Investigate sustainability data systems; make recommendations for 2017
- Reinvigorate the Sustainability Implementation Teams
- Implement a social responsibility audit process for FMC suppliers
- Expand human rights elements of Code of Conduct into a stand-alone Human Rights Policy
- Improve sustainability in operations through energy audits (2), waste assessments (2) and social responsibility audits (5)
- Implement best sustainability practices at Philadelphia headquarters
- Complete sustainability training for Lithium and Agricultural Solutions commercial teams





Partial



Not Complete

2017 COMMITMENTS



Improve sustainability in operations through waste assessments (2), social responsibility audits (3) and Department of Energy energy audits (2)

Make measurable progress on our Innovation, Business Practices and Environmental goals

Implement an External Sustainability Council

Expand our employee engagement program

Continue measuring our global logistics footprint

Report to CDP Climate Change module, assess potential to report to CDP Supply Chain and Water modules

Develop and roll out the sustainability communications plan

Implement best sustainability practices at Philadephia headquarters

Complete sustainability training for Lithium and Agricultural Solutions commercial teams

Have key environmental and safety data in our 2016 Sustainability Report assured

Adhere to the GRI Standards in the 2016 Sustainability Report

MATERIALITY ASSESSMENT

WHAT ISSUES ARE **MOST IMPORTANT?**

FMC conducts an annual materiality assessment to identify issues that have the greatest impacts to our business from economic, environmental and social standpoints. It is a rigorous process that includes both internal and external stakeholder input. Each year we seek to improve our assessment. For example, in 2016 we included investors in the process. Through a series of interviews and meetings, as well as a formal survey, we qualitatively and quantitatively analyzed a list of 62 potential material issues. The detailed process is outlined on our website.

The issues determined to be the most material to FMC are in the table to the right.

CATEGORY	MATERIAL ISSUE
Marketplace	Product environmental impacts Product safety and effects on humanity
Operations	Health and safety Resource efficiency
Workplace	Human rights Recruitment and retention
Environment	Product stewardship Climate change, energy use, water use and waste
Community	Global food supply Community relations

ALIGNMENT FOR GLOBAL CHANGE

UNDERSTANDING THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Adopted in 2015, the United Nations Sustainable Development Goals (SDGs) include 17 goals and 169 targets which seek to promote sustainable development in the areas of People, Planet, Prosperity, Peace and Partnership. The SDGs incorporate aspects of the UN Global Compact, to which FMC is a signatory. The goals are a roadmap intended to establish a common purpose for governments, private enterprises, non-governmental organizations and academia.

In order to ensure FMC's sustainability efforts are aligned with this international consensus on sustainable development, we conducted an assessment in 2016 to map our material issues to the SDGs. The results of this assessment showed that all of the material issues we have identified are also part of the UN SDGs. We are proud of this alignment and it demonstrates that FMC's areas of focus are not only in the best interest of the company but are also supported by a global framework for positive change.



13 CLIMATE ACTION











15 LIFE ON LAND









6 CLEAN WATER AND SANITATION

STAKEHOLDER **ENGAGEMENT**

WHO DO WE **WORK WITH?**

Stakeholder engagement is a key element in determining issues that are most material to FMC. Engagement helps us identify important trends we need to address in sustainability reporting. We engage a myriad of stakeholders through open and transparent dialogue on a regular basis. Taking their feedback into account is vital as we grow into a leading and innovative provider of technologies that help feed a growing population and power a cleaner, mobile world. The major issues facing our industry are complex and collaboration is therefore essential. The table to the right indicates the main stakeholder groups we engage and how we engage with them.

UNITED NATIONS GLOBAL COMPACT

COMMUNICATION ON PROGRESS

FMC became a signatory of the UN Global Compact in 2015 and this report is our second Communication on Progress. Support of the UNGC demonstrates FMC's commitment to make globalization more socially and ecologically compatible and to raise standards in human rights, labor rights, environmental protection and anti-corruption. A complete table of FMC's activities and management systems that support the 10 principles of the Global Compact can be found at FMCsustainability.com.



WE SUPPORT

STAKEHOLDER GROUP	CHANNELS OF ENGAGEMENT	FREQUENCY
Employees	Town Hall meetings Reports, email blasts, videos Surveys Training Social media	Quarterly Monthly Annually Annually Weekly
Prospective Employees	Sustainability report Annual report Social media	Annually Annually Weekly
Customers	Meetings Innovation collaboration Industry partnerships	Ongoing Quarterly Quarterly
Suppliers	Supplier audits Supplier surveys Code of Conduct	Biannually Quarterly Monthly
Investors	Ratings/rankings and indices Conference calls Surveys Investor Day	Annually Quarterly Annually Biannually
Local Communities	Donations to local organizations Employee volunteers Community Advisory Panels	Quarterly Monthly Quarterly
Regulators and public policy makers	Meetings Risk assessments and studies	Monthly Regularly
Non-government organizations	In-person meetings/conference calls Project collaborations Survey responses Developing policies and best practices	Quarterly Bi-annually Annually As needed
Industry associations	Leading/participating on committees and working groups Advocacy	Bi-monthly As needed





Our people are FMC's most valuable resource and are essential to the company's long-term success. We empower them to put safety first and to build an inclusive workplace. The combination of their innovative mindset and dedication is instrumental in achieving our sustainability goals.

DEDICATION TO SAFETY BY ALL

Safety of our employees is a core belief at FMC. From executive leadership to plant floor operators, employees are empowered to make decisions that always put safety first. Our safety culture permeates all areas of business and all employees are responsible for keeping themselves and others safe. In 2015 we set a goal to achieve a Total Recordable Incident Rate (TRIR) of 0.30 or lower by 2020, which we believe would put FMC in the top quartile of chemical companies. We are proud to report our injury rate in 2016 was 0.22, less than half of the previous two years and the lowest full-year injury rate since the company began tracking TRIR. At the end of 2016, FMC achieved an injury-free fourth quarter, a perfect capstone to a year of safety milestones.



This achievement is a testament to employees' unyielding commitment to look out for one another each and every day. However, we will not be satisfied until we reach our ultimate target of zero injuries.

SAFETY....

IN MANUFACTURING

Accomplishing a 0.22 TRIR required employee diligence as well as effective systems and processes. For the second year in a row, FMC was recognized with the American Chemistry Council (ACC) Responsible Care® "Initiative of the Year" award. In 2015, we received the award for FMC's TH!NK.SAFE.™ awareness program, and in 2016 we were honored to receive the award for our Process Hazard Level (PHL) Screening Tool.

This tool is the starting point for implementing the internal Process Safety Management Standard. It provides a method for sorting operational processes based on the hazards of materials, chemistry and operating conditions.



Responsible Care®

We believe the four areas that drove improvement are:

- **Leadership** | Strong leadership at the plants and in management sets the example of safety before all else. They quickly enacted effective changes for a safer environment when areas of improvement were identified.
- **Accountability** | Employees at all levels were accountable and responsible for safety and had the ability to stop work at any time for a safety concern.

"We're honored by ACC's recognition of our new PHL screening tool. This unique way of managing process safety risks aligns with ACC's recent updates to the Responsible Care Process Safety Code of Management Practices and is already having a positive impact at FMC. The PHL tool is scalable, making it easy to share and have an impact on the larger chemical manufacturing community."

BARRY CRAWFORD. VICE PRESIDENT. OPERATIONS

- **Focus** | Each business focused on what could be effectively improved to eliminate incidents, such as hand safety, manual handling, hazard recognition and housekeeping.
- **Learning** | Employees improved their safety mindset every day through training, sharing experiences across business units and consistently improving systems.

CONSTANT AND VISIBLE SAFETY MESSAGING

Awareness is a key to maintaining consistently strong safety results at FMC. Consistent, transparent communications help ensure every employee goes home at the end of the day as healthy as he or she arrived at work. Some examples include:

- · Daily email safety message to all Health and Nutrition employees from the Director of Operations
- · Weekly email safety message to all Agricultural Solutions employees from the Manufacturing Excellence Manager
- Daily safety lessons communicated on highly visible lobby screens at FMC Tower in Philadelphia
- Weekly EHS newsletter from the Vice President, Operations detailing safety results and lessons learned from global operations
- Consistent safety messages to all Lithium employees, including daily safety messages at the Bessemer City, North Carolina, manufacturing site

The goal of these communications is to remind employees that every day is a new day to TH!NK.SAFE., and everyone, regardless of position or experience, is able to make a difference in safety.



SAFETY ACROSS THE VALUE CHAIN

Each business took specific actions to improve safety in 2016:

AGRICULTURAL SOLUTIONS

- Implemented Life Critical Standards at all newly acquired sites
- · Launched a new eye safety initiative requiring employees to wear goggles for eye protection instead of glasses based on hazards at the sites

LITHIUM

- Implemented ergonomic best practices for drum and cylinder handling at butyllithium sites
- Introduced "knowledge checks" to ensure good housekeeping, risk awareness, personal protection equipment use and other daily safety skills at the production site in Argentina

HEALTH AND NUTRITION

- Shared best practices and incident lessons across manufacturing sites
- · Advanced engineering standards to improve process safety

Under the theme of "The Year of the Supervisor," Health and Nutrition and Lithium team members focused intently on training leaders in new safety skills and providing tools for promoting safety culture.

Our commitment to protecting employees extends beyond manufacturing to the company's offices, R&D sites and all areas at home, at work and on the road.

IN THE OFFICE

As part of this commitment, Health and Nutrition established a Remote and Administrative Site Safety Program in 2015 to understand and encourage safety among the non-manufacturing workforce. In 2016, focused safety topics for the program varied from driving and transportation to customer visits and laboratory safety.

ON THE ROAD

All employees in the U.S. who drive a company vehicle are required to take online training. In 2016, we launched a dynamic driving training course for those who drive a fleet vehicle more than 1,200 miles per year. These employees were required to participate in Driver Safety Training which included



REMAINS COMMITTED TO PROPER, EFFECTIVE AND CONSISTENT USE OF REQUIRED PERSONAL PROTECTION EQUIPMENT AT ALL OF OUR GLOBAL MANUFACTURING AND RESEARCH SITES.

classroom sessions and opportunities to practice new skills behind the wheel. The training was not simply a "rules of the road" review. It taught drivers techniques to enhance their safety, including the use of a "slide car" that simulates hazardous scenarios such as loss of traction, hydroplaning and sliding. This training helps develop new competencies for drivers to manage real world conditions as safely as possible.

IN OUR SUPPLY CHAIN

FMC Agricultural Solutions partners with contract manufacturers to produce key active ingredients. To extend the safety culture beyond our own doors, we work closely with the contract manufacturers to implement FMC standards of environmental health and safety.

Our safety journey is never complete, and FMC employees are accountable in all areas of our work. We are committed to constantly learning, challenging and promoting safe work practices while we strive for the ultimate goal of zero injuries.

WHO WE ARE ! WOMEN IN MANAGEMENT

2016 results on women in management: 4.6 percent increase in Women in Management (grades 25+) over 2015.





% of Women in Management

TALENTED EMPLOYEES BUILDING **FMC'S FUTURE EVERY DAY**

When FMC employees are safe, they can excel. It is FMC's responsibility to provide a platform for all employees to learn, grow and contribute their best to the company's success.

DIVERSITY: THE KEY TO FMC'S FUTURE

Creating and celebrating a diverse workforce is key to FMC's future growth and success. This is the mission of Diversity and Inclusion (D&I) at FMC. FMC will continue to grow and succeed if our employees provide insights and knowledge from diverse points of view. Our D&I vision is to deliver exceptional results through a vibrant, diverse workforce and an inclusive workplace.

To encourage progress on diversity, members of FMC's Leadership Committee have annual goals related to D&I. With strong support from leadership, D&I efforts in 2016 focused on building employees' understanding and awareness of diversity and inclusion through special events, activities and communications.

2016 Highlights

- Implemented a governance structure, led by an executive sub-committee and D&I **Advisory Team**
- Increased global awareness of the D&I program through employee communications and special events
- Enhanced diverse talent recruiting efforts and provided additional development opportunities

NATIONAL ASSOCIATION OF MANUFACTURERS (NAM) HONORS ROLE OF **WOMEN IN LEADERSHIP AT FMC**

Barbara Fochtman, Director of Global Operations for FMC Lithium, was named a 2017 Science, Technology, Engineering and Production (STEP) Ahead Honoree by NAM. The STEP Ahead Awards honor women who have demonstrated excellence and leadership in their careers and represent all levels of the manufacturing industry. "I was honored to be chosen as a STEP Ahead Honoree, and want to thank FMC for nominating me and my colleagues," said Barbara. "It's important that we continue to inspire and develop the next generation of

female leaders in the industry. and the STEP Ahead Awards provide a great forum for peer dialogue and mentorship."



The STEP **Ahead Awards** are part of the larger

STEP Ahead initiative launched to promote the role of women in manufacturing through recognition and research. FMC employees Luanne McGovern, Director of Corporate Engineering and EHS, and Jennifer Hirsch, Production Services Manager for Agricultural Solutions, Wyoming site, also received STEP Ahead nominations.



BETHWYN TODD Vice President and



AMY O'SHEA President, FMC Asia, Vice President and Business Director, FMC Portfolio Strategy Business Director, FMC Agricultural Solutions Agricultural Solutions, U.S. and Canada Crop



DIANE ALLEMANG Global Director, Global



MARIA DELOURDES TRACY WU **FUSTAINO** Regulatory and **Product Development** Director, Latin America



President, FMC China, Business Director Agricultural **Solutions** North Asia



JILL HOLIHAN Director, Product Development and Regulatory Affairs, **FMC Global Specialty** Solutions



URSULA **LUETTMER-OUAZANE** Commercial Director, Northwest Europe, FMC Agricultural

WOMEN IN AGRICULTURAL SOLUTIONS LEADERSHIP

Women comprise about 40 percent of the agriculture labor force. In developing countries, most smallholder farms are run by women who help feed a growing population. Women must be represented in agriculture leadership to provide their perspectives. FMC Agricultural Solutions has made remarkable strides toward an inclusive leadership model with 15 percent women in leadership in 2016, an increase of 4 percent from 2015. Mark Douglas, FMC Agricultural Solutions president, is proud to say, "The women on my extended leadership team bring amazing talent and diversity of thought and are instrumental in the continued growth of our business."

Diversity in Leadership

A focus on D&I is present in the highest levels of the organization. In February 2016, Margareth Øvrum, Vice President of Technology, Projects and Drilling for Statoil Group, an international energy company based in



Stavanger, Norway, was elected to FMC's Board of Directors. Margareth's significant experience in safety, sustainability and environmental management in the petrochemical industry provides valuable insight to the Board and to FMC. With Margareth's election, there are now two women on the Board, bringing the percentage of female Board members to 18 percent. This is an



important step toward a balanced approach to governance, but we acknowledge there is still progress to be made.

AFFINITY GROUPS AROUND THE WORLD

D&I efforts expanded significantly across the globe in 2016. In Cork, Ireland, employees launched a "New Generation" young professionals network to connect with FMC employees worldwide. Two

new Women's Initiative Networks (WIN) began in Campinas, Brazil, and Manila, Philippines, building on the momentum of WIN North America, WIN North America, founded in 2014, hosted a series of events designed to educate, advance and inspire employees, including a personal finance seminar, a panel discussion on multigenerational differences, a career visioning group and several networking events to facilitate new relationships across the company. In 2017, WIN North America will focus on four new themes:

- Education and development teaching employees about gender paradigms in the workplace
- Outreach and wellbeing encouraging self-improvement, personal balance and community engagement
- Networking providing opportunities and tools to build new connections
- Global WIN connectivity connecting, learning and sharing ideas with WIN chapters around the world

INVESTING IN TOOLS FOR EMPLOYEE DEVELOPMENT

Throughout 2016, we invested a significant amount of time and resources into building a world-class Human Resources organization that accelerates business success and further develops employees. A key component of this transformation was the implementation of GPS, a global performance management system that creates consistency in talent reviews, including goal setting and achievement, competency assessments and development planning.

BUILDING SKILLS FOR SUCCESS: EMPLOYEE DEVELOPMENT AND TRAINING

FMC recognizes that our highly talented employees benefit from training and development programs tailored to their needs. These programs range from early career introductions to the company, such as university cooperatives and internship, to advanced leadership development programs. Initiatives across the regions highlight the commitment to developing our employees.

In the U.S., we began a Front Line Leadership (FLL) training initiative for employees in manufacturing. A "front line leader" is a supervisor for the operators of a particular manufacturing unit or area. The initiative was designed to provide



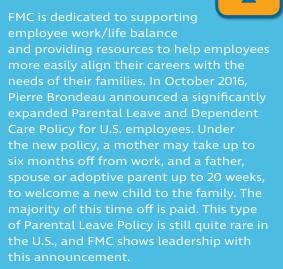
foundational skills and competencies for current and future front line leaders in manufacturing. For these employees, technical skills are required, but excellence in leadership is what will differentiate FMC now and in the future. Training topics included employee development, performance management, employee engagement, team building and communication. FLL training also aimed to create a learning culture that encourages employees to practice and share leadership skills.

In 2016 we launched a similar leadership skills training program in Brazil through the Leadership Development Program (LDP). This program concentrated on four main areas:

- 1. Developing a vision for success, including organizational strategy, performance management tools and market trends
- 2. Managing high performing teams, including organizing and mobilizing strategic groups
- 3. Implementing and executing projects, including organizing actions, processes and metrics
- 4. Improving decision making and analytical skills, including identifying and prioritizing issues while balancing team needs

In addition to the LDP, FMC in Brazil launched a new Commercial Development Program. FMC customers, including farmers and crop protection distributors, require the highest standard of technical knowledge from our sales, marketing and R&D teams. To ensure we support customers with best in class services, this program offered commercial teams 16 hours of classroom training and four weeks of online training activities focused on communication, relationship building, deep product knowledge and applicability.

BUILDING A WORK/LIFE BALANCE: NEW UNITED STATES PARENTAL LEAVE AND **DEPENDENT CARE POLICY**



"It's important that FMC's benefits and HR policies reflect what matters most to our employees and their families," said Kyle Matthews, FMC Vice President, Human Resources. "The ability to balance work while caring for loved ones or welcoming a new child to the family has become increasingly forefront of employers that are introducing progressive parental and dependent care benefits that help employees lead successful careers and raise great families." FMC employees dedicate remarkable time and energy to the company, and this policy is an important and necessary step for inclusion.

TRAINING 53,000 hours of training in 2016

OUR INITIATIVES IN ASIA - Over



PAKISTAN

PRODUCT TRAINING

FMC employees educate and advise growers in Pakistan. The company provides training to ensure growers are equipped with the knowledge and information they need to be effective product stewards. In 2016, FMC Pakistan hosted four training programs for sales teams that included information on fungicide and herbicide use, application techniques, new crop usage and many other topics.



CHINA

 HIGH VALUE MANAGER ACCELERATOR

This two-day training program focused on managerial skills, coaching, motivation, delegation and building efficient teams. Twenty-four managers and team leaders attended.

 CROSS POSITION TRAINING Production teams trained operators across production units to improve skill sets and increase flexibility in plant management.



PHILIPPINES

 SITUATIONAL **LEADERSHIP SEMINAR**

Leaders and managers participated in a 12-hour training program that introduced four different styles of leadership based on Situational Leadership Theory. Different styles can be employed based on the conditions of the project or the style of the person being led. Managers were introduced to basic psychological concepts to determine what leadership style to use and when.

 SKILLS ADVANCEMENT **Employees** attended several external courses in communication skills and software to further their development.



INDIA

• TAKING **OWNERSHIP TRAINING**

Employees were trained on taking initiative to advance new ideas and manage projects, as well as how to encourage teamwork and give constructive feedback.



SINGAPORE

SKILLS ADVANCEMENT

Employees attended several external courses in communication skills and software to further their development.

FMC initiated intensive training on Ethics and Compliance in China and India in 2016. Over 30 leaders per country participated in two-day workshops on compliance and received training on FMC's Code of Ethics, legal compliance and financial standards. These "compliance champions" took the message to their regions and regular follow-up sessions are planned. We will expand this training in 2017.

STRATEGIC LEADERSHIP PROGRAM

This year, we continued the Strategic Leader Program, a year-long development program for FMC's senior leaders from around the world. Participants came together in Philadelphia for two, multi-day sessions, which included lectures, coaching classes, and group and individual exercises. These sessions focused on team leadership and helped leaders expand their skills to ensure that new ideas can be turned into programs that will impact business success. The program concluded with a leadership presentation and networking opportunity with FMC's Executive Committee.

ENGINEERING DEVELOPMENT PROGRAM

FMC formalized Engineering Development Programs (EDP) to attract, develop and retain highly talented engineers, beginning with the Health and Nutrition and Lithium businesses. EDP engineers start with FMC after they graduate and spend 12 to 18 months working with the Technical Center and Corporate Engineering Services teams in Ewing, New Jersey. They have the opportunity to apply key engineering fundamentals in real world applications. These opportunities include safety and data-based decision making, using technical skills such as creating material and energy balances, and developing capital deployment projects. Current EDP engineers work on projects at FMC manufacturing locations around the world, providing them with valuable technical experiences. For 2017, the EDP accepted five students, and will expand to include the Agricultural Solutions business.

IMPROVING EMPLOYEE ENVIRONMENTS

Employees spend the majority of their waking hours at work, therefore workplace environments

can significantly affect health and well-being. In May 2016, FMC officially relocated the Philadelphia headquarters to FMC Tower at Cira Centre South. We were proud to announce that the new building received the Leadership in Energy and Environmental Design (LEED) Gold certification for its commercial interior. LEED is a green building design standard that measures building performance and certifies the sustainable aspects of a building. There are currently more than 82,000 LEED projects located in over 162 countries and territories, but there are only 24 LEED Commercial Interior spaces in Philadelphia that have achieved Gold certification or higher. FMC is proud to join such an elite group of peers. Increased natural light and open spaces in modern design are known to increase quality of life at work. The inviting spaces were designed to encourage collaboration and innovation.







We continually deliver sustainably advantaged products to our customers to meet the world's nutritional needs and deliver lower carbon solutions. Our research and development pipeline is the strongest it has ever been with many new products to be introduced over the next several years.

INNOVATION TO MEET GLOBAL CHALLENGES

Our attention to researching and developing increasingly sustainable product lines is accelerating. We have made progress toward our commitment to the 2020 target for research and development:



As the world population grows to approximately 9 it continues in the development process. R&D billion people by 2050, our resource-constrained planet faces significant challenges, including an increasing need for nutritious food and sustainable modes of transportation. FMC is already addressing some of these challenges through groundbreaking innovation and strong supply chain partnerships. Our products are a vital part of the path to a sustainable food and energy future, and a strong R&D pipeline ensures we will deliver sustainably advantaged products for the long term.

FMC researchers developed the Product Stewardship and Sustainability Assessment (PSSA) tool to ensure each new product introduction is more sustainable than the current benchmark. The PSSA includes questions addressing each of FMC's identified five major global challenges. A product should show progress in at least one of the areas without regressing in another before

scientists and engineers must complete the PSSA at each stage of project development. Scientists develop more complete answers to the PSSA questions as their research moves forward and therefore gain more insights into the product's attributes. Each business has a unique PSSA tool that is appropriate and relevant for their project development. For example, the Agricultural Solutions PSSA considers human health and ecological toxicity, while the Lithium PSSA reviews whether the product promotes more sustainable energy or transportation.

Every quarter, FMC aggregates PSSA scores across business units to determine our total R&D spend toward sustainably advantaged products. As announced in the 2015 Sustainability Report, FMC's goal is to achieve 80 percent of R&D spend toward sustainably advantaged products by 2020.



74%

2014

67%

2015

2020 GOAL (80%)

2016

FMC CONTINUES ITS DEVELOPMENT OF BIOLOGICAL SOLUTIONS FOR OUR CUSTOMERS, FOR EXAMPLE, FRACTURE™, A BROAD SPECTRUM, **BIOLOGICAL FUNGICIDE IS LABELED FOR PREVENTION AND** CONTROL OF FUNGAL INFECTION WITH KEY CROPS LIKE ALMONDS, GRAPES, TOMATOES AND STRAWBERRIES.



DELIVERING PRODUCTS FOR THE FUTURE: SUSTAINABLE **INNOVATION AND** PRODUCT STEWARDSHIP

AGRICULTURAL SOLUTIONS

FMC is committed to introducing products that control only the target organism, thereby avoiding negative impacts on ecosystems and human health. Our products help growers fight damaging pests, weeds and disease with increased efficacy and precise application methods. We focus on classes of chemistries that have a decreased environmental footprint, allow for reduced application rates and can complement biological products in mixtures and integrated pest management programs.

Solutions for Growers' Changing Needs

To feed the growing global population, it is crucial to maintain or reduce natural resource use while maximizing the potential yield of crops. Pest management in agriculture across the world is changing rapidly. Farmers face challenges with growing pest resistance and changing climate conditions. To ensure growers have the options they need now and in the future, FMC is developing an innovative pipeline of approximately nine new synthetic active ingredients and five new biological strains that will be commercialized over the next seven years. FMC's R&D portfolio extends from improving formulations of existing active ingredients to innovating entirely new chemistries.

FMC has significantly expanded our fungicide offerings in recent years, and in 2016 we announced the beginning of the registration process in the U.S. and Canada for Bixafen™, a new fungicide active ingredient. This product is the first novel active ingredient submitted by FMC in approximately 15 years, and marks a new chapter in the history of FMC Agricultural Solutions and its commitment to active ingredient development.

Bixafen is highly effective against a wide range of fungal diseases in row crops, and is an important part of a revitalized pipeline to give growers the tools to manage resistance and fight diseases that compromise yield.

Another key example from our diversified portfolio that helps meet the challenge of feeding a growing population is the new 3RIVE 3D™ applicator, an efficient and sustainable method of applying crop protection products during planting. In 2016, FMC finalized the commercial on-planter application technology that minimizes labor, water use and fuel use. The patent-pending formulation and delivery system uses a small amount of water and expands the product three dimensionally to cover 50 times more area than traditional formulations. This technology allows growers to plant and protect up to 500 acres on a single fill-up of the system, and use 90 percent less water than traditional liquid delivery systems. FMC is formulating and testing several active ingredients using this new technology, including biological and traditional fungicides, insecticides and soil amendments. This sustainably advantaged and efficient technology is an innovative way for FMC to promote sustainable agriculture.

FMC is a technology leader with patented Liquid Fertilizer Ready (LFR®) formulations. This formulation technology allows growers to mix insect control products into liquid fertilizer systems already installed on the planter, eliminating the need for additional water and redundant applicators. By using systems already installed on the planter, LFR® brands simplify and accelerate the planting operation for growers. FMC is consistently expanding the use of this technology through partnerships, and in 2016 we announced

an agreement to bring an efficient and effective fungicide from BASF to the LFR® platform. In 2017, through this partnership, FMC will launch Temitry™ LFR® insecticide/fungicide in the U.S. corn market.

A diversified approach to crop protection is core to FMC's ability to advance sustainable agriculture. In the last few years, we have started to build a strong biological product portfolio through the BioSolutions alliance with Chr. Hansen. This portfolio is one component of the comprehensive Plant Health platform, which is dedicated to advancing plant yields using:

- **Biological active ingredients and** microbes | protecting and stimulating crops using products derived from natural bacteria found in plants and soil
- Seed Treatments | using bacteria to protect the seed and nurture an emerging plant once in the ground
- Plant Nutrition | adding basic nutrients to soil to ensure optimal conditions for healthy crop growth



OUR PRODUCT LINES FOCUSED ON PLANT HEALTH USE BENEFICIAL BACTERIAL STRAINS TO DELIVER CROP PROTECTION AND INCREASE OVERALL YIELDS FOR GROWERS.

FMC is increasingly innovating in these three areas, and in 2016 we focused on expanding the reach of the micronutrient business. Because nutrients are vitally important to soil and plant health, there is increasing concern about the depletion of key elements from soil in many areas of the world. With this in mind, FMC partners with farmers to provide technical support on improving soil health. For example, in Pakistan, technical experts offer a mobile soil testing service program known as "Doctor Soil". Doctor Soil experts conduct a complete soil fertility test on a farmer's field and the results provide land-specific nutrient deficiency details. The farmers can then use soil amendments to improve the quality of soil and significantly increase opportunity for healthy, high yield crops.

Pest Protection for Specialty Uses

FMC's expertise in pest protection extends beyond agriculture to specialty solutions including lawn and tree care, nursery and ornamental operations, and residential and commercial structural pest control. Additionally, FMC has products for adult mosquito control, a critical need for protecting public health. In 2016, the significant uptick in transmission of the Zika virus required targeted actions to control populations of the Aedes aegypti mosquito, the species that primarily carries and transmits the virus. FMC provides two key products in mosquito control:

- Fyfanon® ULV Mosquito insecticide
- Talstar® Professional insecticide

These tools are vital to pest management professionals and municipal mosquito abatement to control the mosquito population and slow the progression of the Zika virus. With only two classes



FMC'S MOBILE DOCTOR SOIL EXPERTS CONDUCT LAND-SPECIFIC NUTRIENT TESTS AND PROVIDE GROWERS WITH TAILORED MICRONUTRIENT SOLUTIONS.

of chemistry available for adult mosquito control, FMC provides products that ensure the ability to control the population long term.

As a result of carefully considering sustainability from the outset of a project, we are finding more ways where we can positively impact the global challenges. This includes FMC's strategy to replace older crop protection chemistries with new products and technologies. In 2016 we completed an assessment of our active ingredients and products to determine which ones may potentially be classified as Highly Hazardous Pesticides (HHPs). As a result, we are conducting specific country risk assessments for where we sell these products and proposing mitigation, if needed, until the products are replaced by newer chemistries. We have also initiated a replacement program for inert ingredients identified as HHPs.

Over the past several years we have reduced the number of countries where we sell one of our oldest products, Furadan®, by 75 percent. Our goal has been to only sell this product in countries where the application is done under highly controlled and mechanized conditions. As an extension of our strategy we will be phasing this product completely out of the market within the next two years.

FMC LITHIUM: BUILDING A SUSTAINABLE ENERGY FUTURE

As global economies develop, it is important that companies advance sustainable modes of transportation and energy distribution to secure a low carbon footprint future. In 2016, FMC Lithium rapidly accelerated growth, innovation and customer focus to power a more sustainable mobile world. As lithium battery technology advances, we partner directly with our customers to provide the highest quality lithium products for



AS ELECTRIC VEHICLE ADOPTION CONTINUES TO GROW IN EMERGING MARKETS LIKE CHINA, FMC'S LITHIUM TECHNOLOGIES WILL BE AT THE FOREFRONT OF THIS GROWTH.

energy storage, electric vehicles, electronics and many other advanced applications.

FMC's approach to product innovation is highly focused on three key product areas: lithium hydroxide, butyllithium and high purity lithium metal.

Lithium Hydroxide

FMC is the market leader in reliable, safe and technologically advanced lithium hydroxide products. In May 2016, we announced plans to expand production capacity of lithium hydroxide by 20,000 metric tons per year, effectively tripling current production capacity by 2019. Phase one of the expansion is expected to be complete by mid-2017 and will serve the growing demand for highquality lithium hydroxide that powers electric vehicles. In addition, our new plant in Jiangsu, China will help reduce FMC's shipping footprint when we deliver to customers in Asia.

FMC Lithium researchers develop lithium products that can improve battery performance. For electric vehicles, energy density is a key variable in long battery life and efficient charging. Currently, many lithium ion batteries use lithium carbonate-based cathode materials that have a low energy density. As high quality battery needs increase, higher performance battery materials are required. These materials often require lithium hydroxide. In 2016, FMC Lithium R&D teams conducted and presented studies that demonstrate how our lithium hydroxide products can be used with certain chemistries to improve battery manufacturing efficiency and overall battery performance.

"We partner closely with leading manufacturers of lithium ion batteries and electric vehicles to ensure our production meets their current and future demand. Our manufacturing network is highly flexible, which allows us to increase capacity or accelerate expansion plans as customer needs warrant."

> **TOM SCHNEBERGER, VICE PRESIDENT AND** GLOBAL BUSINESS DIRECTOR, FMC LITHIUM

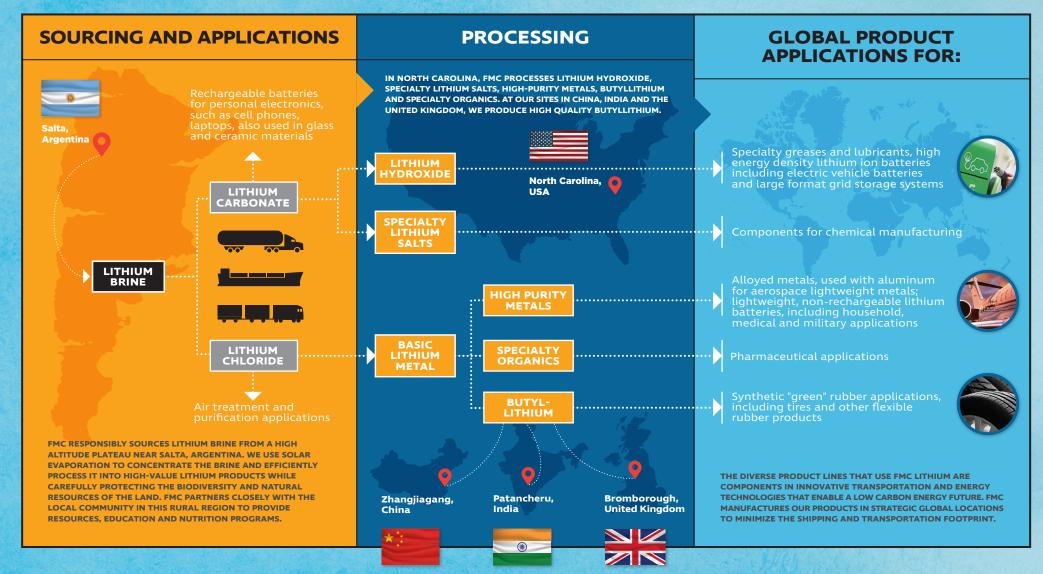
Butyllithium

In the butyllithium (BuLi) market, FMC provides advanced materials to optimize our customers' technologies. BuLi is used in the production of high performance rubber and elastomers, which are often used in high performance tires. These tires have a lower rolling resistance with the road surface, thereby increasing vehicle fuel efficiency and wet grip traction and reducing noise. With four production locations around the world, FMC is able to deliver the products our customers need, safely and efficiently.

POWERING AN ENERGY REVOLUTION

FMC'S GLOBAL LITHIUM SUPPLY CHAIN

FMC continues to advance lithium technologies and applications that are enabling our customers to revolutionize their product lines and markets. Our lithium products are changing the energy landscape and addressing climate change in the process.



FMC NAMED SUPPLIER OF THE YEAR BY NESTLÉ NORTH AMERICA

FMC Health and Nutrition was named Supplier of the Year by Nestlé in the raw materials category. FMC was commended for delivering solutions that enabled consistent and innovative products for Nestlé while minimizing costs.

"We are delighted to be recognized by Nestlé in North America for the value of our service," said Eric Norris, President, FMC Health and Nutrition. "At FMC, we place the utmost importance on our customer relationships, going beyond the responsibilities of an ingredient supplier and providing a much higher level of expertise and support."

Throughout our collaboration, FMC and Nestlé have shared similar values of safety, quality and sustainability.



High-Purity Lithium Metal

FMC is the only producer of high-purity lithium metal in the Western Hemisphere. It is used in lithium-aluminum alloys that strengthen an aircraft's fuselage while also reducing its weight. Light-weight materials enable an aircraft to be more fuel efficient. These products are used in a commercial aircraft fuselage, also in aerospace, engine parts and other modes of air transportation. In addition, advanced energy storage technologies, such as rechargeable lithium metal systems, require lithium metal that can offer higher energy density as compared to the best available lithium ion systems.

HEALTH AND NUTRITION

Every day, the FMC Health and Nutrition business transforms naturally derived materials into valuable solutions that help customers stabilize foods, enhance medicine effectiveness and improve wellness around the world. We process sustainably sourced seaweeds and cellulose fiber into highvalue products such as alginate, carrageenan and microcrystalline cellulose. These products provide stability and other vital characteristics to food and allow effective delivery of pharmaceuticals and nutraceuticals. We work with customers to develop solutions tailored to consumer needs, including leveraging experience in natural colors to help remove artificial colors from food products.

Increasingly, global consumers are seeking transparency about what is in their food, including "clean label" products made with ingredients they recognize and understand. In 2016 FMC launched a new nutraceutical product, Aquateric™ N100 Enteric Coating made from seaweed-based alginate. Aquateric is a clean label, non-GMO

coating used to protect fish oil capsules while in the stomach, keeping them intact until later in the digestive process. This technology allows for an improved sensory experience for the consumer by reducing unpleasant flavors and odors associated with fish oil supplements.

In 2016, carrageenan was reviewed by the National Organics Standards Board (NOSB) which provides recommendations to the U.S. Department of



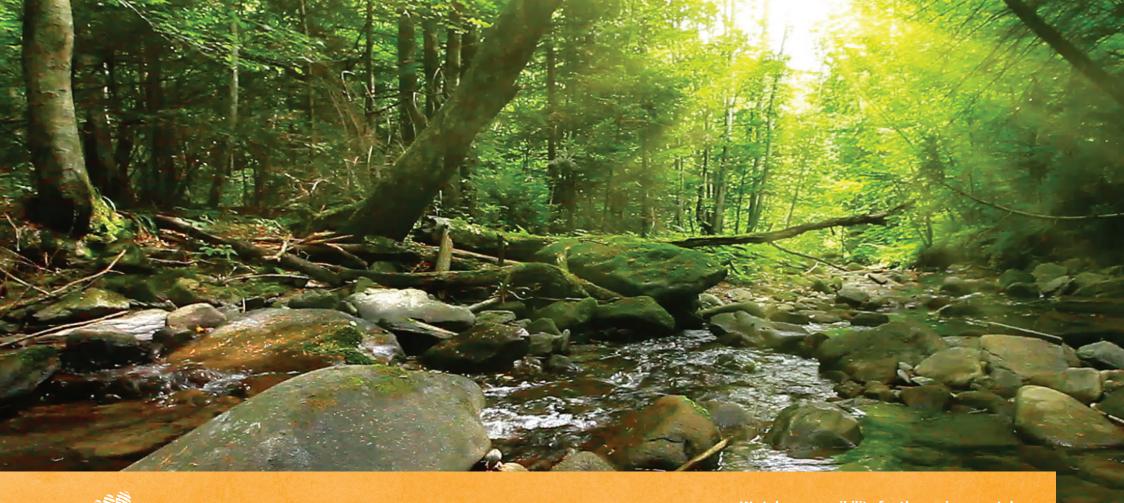
Agriculture (USDA) about food ingredients that can be included in certified organic products. Carrageenan, an ingredient naturally derived from seaweed, has decades of safe use in many foods and beverages as a stabilizer. Recently a few consumers have expressed concern about its safety. Results of many peer-reviewed studies indicate that carrageenan is non-toxic and safe for use as a food ingredient. In the fall of 2016, the National Organic Standards Board concluded that carrageenan is not an "essential" food ingredient and recommended that the USDA remove it from the approved national list of ingredients that can be included in certified organic products. The USDA will review the recommendation and make its final decision in 2018. FMC will continue to work with consumers. academia and NGOs to understand the concerns and increase education about the effectiveness and safety of carrageenan.

We see opportunity in sustainable, longer term strategic options for Health and Nutrition products, including using our traditional functional ingredients as active ingredients.

For example:

In 2016, the US Food and Drug Administration (FDA) formally defined the ingredients that can be claimed to add dietary fiber to foods. The FDA evaluated clinical evidence of 30 ingredients that previously claimed fiber benefits, and cellulose (including microcrystalline cellulose) is one of only seven ingredients that FDA approved for use based on evidence of efficacy. The new fiber definition will take effect in 2018.







We take responsibility for the environmental impact of our manufacturing processes and products very seriously. We seek to be strong community partners where we work and live. Advancing the health of the environment and our communities is mutually beneficial to FMC and our stakeholders.

DEDICATED TO UNDERSTANDING OUR ENVIRONMENTAL IMPACT

FMC is on a path of continuous improvement to reduce the environmental impacts of our manufacturing footprint. Energy use, greenhouse gas (GHG) emissions, water use and disposal of waste to landfill are key impacts of chemical manufacturing. FMC plants report these impacts on a quarterly basis. To decrease the company's environmental footprint, in 2015 we set goals to reduce energy, GHG, water and waste intensities by 2025. We pursue a tailored approach to reaching those goals based on the metrics, which include:

- Reducing energy and GHG through strong engineering practices and efficiencies, as well as evaluating fuel types and choosing lower GHG-emitting fuels when possible
- Assessing the water availability and quality risk at all manufacturing locations using the World Resources Institute Aqueduct tool. We then focus water reduction efforts at the locations determined to be high risk
- Targeting waste-to-landfill sources and seeking alternative disposal methods, including beneficial reuse

Please see pages 32-33 for our detailed environmental profile and progress.

PROGRESS BEYOND OUR DOORS: **UNDERSTANDING FMC'S SUPPLY CHAIN**

As FMC has become more advanced in reducing our own manufacturing impacts, the next step on our sustainability journey is to find opportunities to promote sustainability beyond

our doors. A major part of FMC's environmental and social footprint exists outside of our own manufacturing. We purchase millions of dollars of goods and services for use in our products that we, in turn, transport to our customers around the world. To minimize the impacts of these activities, FMC remains committed to responsible procurement and has begun the process of measuring and monitoring our logistics footprint.

All FMC suppliers are expected to comply with the Supplier Code of Conduct that clearly states FMC's high standards of integrity and ethical behavior. However, our efforts to manage the social and environmental impacts of FMC's diverse set of suppliers go beyond implementing the Code.

For all new raw material suppliers, the Procurement team employs an internal supplier pregualification process. This process assesses a supplier's sustainability efforts, safety record, environmental and quality management systems and responsible sourcing, and ensures that the raw material supply is ethical, reliable and safe.

In addition to the prequalification screening, FMC partners with an external screening and risk management provider to qualify contractors who may be exposed to the hazards of the manufacturing site or may expose personnel, community members or the environment to additional hazards in the course of their work. The third-party process carefully assesses these contractors, including evaluation of safety, environment and sustainability criteria, to best protect people and the environment.

BY 2025: ZERO WASTE TO LANDFILL FOR FMC HEALTH AND NUTRITION

FMC Health and Nutrition is pursuing zero waste-to-landfill for all manufacturing locations by 2025. From 2013 to 2016, we reduced waste intensity by 55 percent. In 2016, the first waste diversion audit was conducted at the Cork, Ireland site and it was certified to have greater than 99 percent waste diversion from landfill. We will certify the Haugesund, Norway, and Girvan, United Kingdom, sites in 2017.



FMC promotes sustainable labor and work practices in our supply chain. In 2016 we initiated a partnership with the Supplier Ethical Data Exchange (Sedex) to thoroughly evaluate supplier social responsibility. Through Sedex, suppliers answer a series of questions regarding their responsible and ethical business practices, including human rights, labor standards, health and safety, and business ethics. FMC is then able to evaluate whether a supplier adheres to our high standards. FMC has initiated relationships with suppliers that are current members of Sedex and

OUR PARTNERSHIP WITH VILLANOVA UNIVERSITY COMING IN 2017

In 2017, we will launch an exciting partnership with Villanova University to advance the sustainability of our packaging portfolio. As part of the Resilient Innovation for Sustainable Engineering Forum, students studying sustainable engineering will partner with FMC sustainability, procurement



and operations personnel to assess the categories of packaging that FMC uses the most and determine opportunities for improvement.

has successfully engaged with 67 percent of those current members we targeted. Sedex regularly updates FMC on changes to supplier profiles. In 2017, we will identify our strategic suppliers that are not current Sedex members and work with them to join the program.

LOGISTICS NETWORKS FOR THE FUTURE

FMC utilizes multiple transportation modes to move raw materials and products, including road, rail, air and ocean freight. The decisions we make in logistics have a significant environmental impact. In 2016, FMC evaluated our footprint using industry standards for measuring the sustainability of logistics. Logistics vary widely by region, so we began by assessing the greenhouse gas emissions generated from global ocean freight and North American road freight.

In 2017, we will develop methods to measure and monitor a broader scope of our global logistics footprint. This will support our long-term objective to create a target to decrease emissions associated with logistics through optimization. As part of our commitment to transparency, we will join EPA's SmartWay Partnership and begin reporting the greenhouse gas emissions that are generated from North American road freight. An update on our progress will be included in the 2017 Sustainability Report.

Packaging for Progress

Throughout FMC's sustainability journey, employees responsible for product packaging have worked closely with suppliers to find sustainable packaging options while ensuring the highest standards of safety and quality for our customers.



OUR GREEN FAMILY OF FMC PACKAGING SOLUTIONS ALLOWS OUR **CUSTOMERS TO ADDRESS INTERNAL SUSTAINABILITY EMISSIONS, RESOURCE USE AND WASTE TARGETS.**

When we significantly expanded our footprint in Europe in 2016, we reviewed the packaging we purchase for the region. After a careful evaluation of safety, we replaced some cardboard with a thinner grade and plastic packaging with a lower weight in Agricultural Solutions. In doing so, we were able to reduce cardboard consumption by 170 metric tonnes and plastic consumption by 20 metric tonnes per year. Those reductions equal 18 percent less paper consumption and a 4 percent reduction in plastic consumption annually versus 2015 with respect to the affected products.

In Brazil, Agricultural Solutions continuously seeks more sustainable packaging options. Since 2012, we have sourced "Green Bottle" packaging, which is composed of at least 51 percent sugarcanebased polyethylene. From 2012 to 2016, purchasing Green Bottles allowed FMC to avoid 3,520 tonnes of GHG that would have been associated with 100

percent petroleum-based packaging. In addition to the Green Bottles, we use recycled bottles that are composed of at least 85 percent recycled polyethylene. Using these recycled bottles instead of virgin plastic materials allowed FMC to avoid over 1,600 tonnes of GHG over the three-year period. We have also used 100 percent recycled polypropylene caps since 2015.

2016 RESULTS ON COMMUNITY ENGAGEMENT INDEX The Index measures interaction with our communities in four areas: operational transparency, safety, community leadership and community partnership. 2020 GOAL (100%) 96% 91% 87%

However, these more sustainable packaging options comprised only 20 percent of packaging used in FMC Brazil in 2016. By 2018, we plan to shift 100 percent of packaging in the region to these more sustainable options including 85 percent Green Bottles and 15 percent recycled bottles.

PROGRESSING COMMUNITY DEVELOPMENT

The communities in which FMC operates are integral to the company's success. We believe we have a responsibility to our neighbors to not only provide employment, but also to understand what is most important to them to create a thriving community. All 26 FMC manufacturing sites conduct community development programs based on local needs.

FMC's Community Engagement Index reports on the breadth and depth of the company's efforts in local communities. Each FMC-owned manufacturing site reports quarterly on its community activities, which are organized into four categories:

Operational Transparency



We strive to be transparent about our business activities so they are well understood in the community.

.......

FMC Agricultural Solutions in Rønland. Denmark, provides vital support to the small community

that surrounds it. Rønland site employees hosted an open house during which family and community members toured the site and learned about the operations and research work occurring. FMC Rønland has many longstanding partnerships with the community, including support for technical and regional schools, cultural festivals and health clinics.

Safety



In all facets of our operations, we put safety first and share our safety knowledge with our neighbors.

At the FMC Lithium site in Patancheru, India, site personnel held National Safety Day celebrations. They hosted employees from nearby industrial plants, including industry leaders, and shared their safety knowledge and experience. Employees demonstrated safety devices and discussed FMC's approach to the safety culture so they could learn from our experience.

Community Leadership



We manage our community relationships with an emphasis on taking active, participatory roles.

In an effort to promote career development in the Philadelphia region, FMC collaborates with Cristo Rey High School, an independent, college preparatory school for students who cannot otherwise afford a private education. To fund their education, the students participate in a work-study program that builds professional experience and skills early in life. FMC is a "job partner" and works with 16 students who spend five days a month interning at FMC, gaining valuable knowledge in a professional environment.



OUR SUPPORT FOR COMMUNITIES ON PEMBA ISLAND IS ONGOING. TO IMPROVE SANITATION AND HYGIENE INFRASTRUCTURE, FMC SUPPORTED THE CONSTRUCTION OF A COMMUNITY LATRINE FACILITY.

Community Partnership



These relationships involve sharing our personal and professional skills, talents and interests to further our mutual welfare.

Pemba Foundation: FMC sources seaweed from small farmers in

Pemba Island, Zanzibar, Tanzania. When the island was hit by a cholera outbreak in 2015, FMC partnered with the Pemba Foundation to build sanitation infrastructure in a small community. This infrastructure was completed in 2016, including toilets and showers. In addition, the project partnered with the Department of Health to train people on hand washing and improved hygiene. The Pemba Foundation continues to work to make an impact on this life-threatening disease.

If a site completes an activity in each category, it earns a 100 on the Community Engagement Index. In 2016, FMC achieved a 91 on the Index, which shows that our sites are implementing meaningful programs that are accelerating our progress toward our 2020 goal of 100.

In addition to the four categories above, education is a vitally important part of FMC's community engagement strategy. Two long-time partnerships include the World Food Prize and the Initiative for Global Environmental Leadership (IGEL) at the Wharton School.

- FMC is a supporter of the World Food Prize, which is known as the "Nobel Prize for agriculture" and promotes agricultural advancement in the developing world, and its Global Youth Institute, which supports student research.
- The IGEL program at the Wharton School, University of Pennsylvania, seeks to promote thought leadership in sustainable business on a global scale. In late 2015, we published a Knowledge @ Wharton article on "Feeding the World". Linda Froelich, Global Sustainability Director, also spoke on a panel discussion about "Careers in Sustainability" to encourage students to consider the path of corporate sustainability.

FMC continues our involvement with developing future leaders in agriculture through the National FFA in the U.S. In 2016, we sponsored the Agriscience Research Plant Systems Proficiency Program, a research-based award program within FFA. The program supports students who are conducting research in plant sciences independently or in collaboration with experimental stations or colleges and universities. FMC representatives had

the opportunity to join other leading scientists from around the nation to judge the student competition during the National FFA Convention. We also continue to support the Walter Biddle Saul

High School of Agricultural Sciences in Philadelphia, one of four local FFA chapter schools sponsored by FMC. This year, FMC organized a field trip for the entire W.B Saul School to the Franklin Institute, another long-time FMC community partner.



In 2016 we launched a new initiative to contribute to the future of agriculture in Australia, where we became a partner to the Future Farmers Network. FMC made an educational presentation at the 2016 Young Beef Producers Forum. This partnership will expand in 2017 to promote technical leadership and responsible farming practices across the country.

DEVELOPING THE FUTURE GENERATION OF FARMERS

In Pakistan, FMC works to develop the next generation of farmers through the "Rising Stars" program. Rising Stars is a series of programs that teach children from farming regions about the promising opportunities in agriculture. The children learn about the importance of agriculture to the economy as well as the educational programs and career options available to them. They also learn technical skills such as responsible and safe farming practices. Once they have completed the program, they are tasked with being "ambassadors" for agriculture in their local villages. These programs give confidence to rural children and encourage them to continue their education while pursuing a career in agriculture.





The competition was held at a highly regarded business school in Pakistan, and FMC Pakistan sponsored farmers' children who competed with students from across the country. Students also attended information sessions about the business school and learned how opportunities in higher education could transform their lives.

Muhammad Nasir Ali is one of the Rising Stars. He spoke about his experience at the science competition: "The event was a dream come true. I got to visit the best institution in our country and come toe-to-toe with the finest brains in business during the competition. This experience gave me immense confidence as I realized I have what it takes to reach the top. I come from an agricultural background and have learned how we can revolutionize rural life through technological advancement."

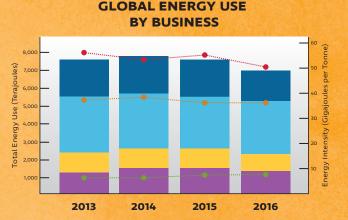


ENVIRONMENTAL RESULTS

FMC CORPORATION METRIC	2025 TARGET (VS. 2013 BASELINE)	2016 PERFORMANCE (VS. 2013 BASELINE)
Energy intensity	-15%	+12%
GHG emissions intensity	-15%	-2%
Waste disposed intensity	-15%	-38%
Water use intensity at high risk locations	-20%	+25%

FMC measures our environmental footprint on an intensity basis (X metric tonnes of energy, GHG, water or waste per tonne of product). In 2016, FMC's environmental performance varied greatly among Agricultural Solutions, Health and Nutrition and Lithium. The reduction in GHG emissions intensity was driven by changes to cleaner burning fuels in Health and Nutrition and Lithium. We reduced the waste disposed intensity through phasing out a highly waste intensive product in Agricultural Solutions. Agricultural Solutions, FMC's largest business, produces 69 percent of the company's total product volume. Because of this, improvements in energy and water use intensities in other businesses are often 'masked' by variations in AgS product volume. For example, a major energy reduction in Lithium may not appear in the overall FMC energy intensity results due to Agricultural Solutions production changes. Therefore, in addition to reporting our environmental performance metrics as overall FMC, we also report them by individual business to communicate progress more clearly and transparently.

FOR GRAPHS PRESENTING ALL ABSOLUTE DATA VALUES. FMC TOTALS AND ADDITIONAL ENVIRONMENTAL DATA. VISIT FMCSUSTAINABILITY.COM/GOALS-DATA

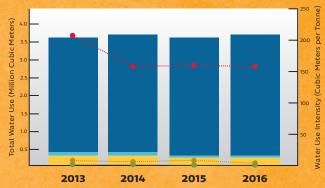




GLOBAL WASTE DISPOSED BY BUSINESS



GLOBAL WATER USE AT HIGH RISK LOCATIONS BY BUSINESS*



*The water risk analysis includes only FMC owned sites, not active ingredient manufacturers.



NOTE: Historical information (2013-2015) has been adjusted to include environmental data from recently acquired Cheminova manufacturing locations.

Each business focused on improving their metrics that have the highest impact on the 2025 goals. Its efforts are summarized below.

LITHIUM

FMC Lithium has achieved significant reductions in energy and water use. As the business grew over the past two years, it focused on increasing production capacity while minimizing resource use.

- 1. Energy | With a strong focus on improving efficiency, FMC Lithium increased production by 13 percent while reducing absolute energy use by 1 percent since 2013. This remarkable achievement amounts to a 12 percent reduction in Lithium energy intensity.
- 2. Water | FMC Lithium requires water to extract lithium resources from salt flats in Argentina, so we carefully steward water resources. We reduced water intensity by 22 percent since 2013. We are also engineering solutions to further reduce water use through additional water reuse treatment and improved process controls.

HEALTH AND NUTRITION

FMC Health and Nutrition uses the most energy of all FMC business units as a result of manufacturing highly refined products.

1. Energy | We conducted several focused energy audits at Health and Nutrition sites and found energy reduction opportunities, resulting in flat absolute energy use despite increasing production by 2 percent. We expect that the multi-year energy improvement roadmap will yield additional reductions.

2. GHG | We achieved a 22 percent reduction in absolute GHG emissions and a 24 percent reduction in GHG intensity from the 2013 baseline. This reduction was accomplished by converting the facility in Rockland, Maine, to run on natural gas and improving energy efficiency. As we implement additional energy improvement projects, we expect GHG emissions to decline further.

AGRICULTURAL SOLUTIONS

In the production of Agricultural Solutions products, FMC-owned manufacturing sites perform the steps of product formulation, mixing and packaging.

Agricultural Solutions Owned Sites

1. Waste | FMC's Agricultural Solutions sites focus on waste reduction due to the high volumes they produce. Over the last three years, we focused on efficient operations and repurposing waste streams into value-added materials for other industries. As a result, we reduced absolute waste-to-landfill by 60 percent and waste intensity by 48 percent. It is important to note that a portion of this improvement is driven by a 24 percent reduction in Agricultural Solutions' production totals due to business conditions.

For many years, FMC Agricultural Solutions has worked with contract manufacturers that synthesize active ingredients for FMC. Because this chemical synthesis has a material environmental impact when compared to the FMC-owned formulation and packaging operations, we also account for the impacts of contract manufacturing.

Agricultural Solutions Contract Manufacturing

- 1. Energy | Energy intensity increased by 2 percent since 2013. Over those three years, production increased by 10 percent while absolute energy use increased by 13 percent. Our active ingredient product mix has evolved every year to include different Als based on grower needs and changing pest pressures. Changing needs have required FMC to produce Als that are more resource intensive, which increases energy intensity.
- **2. GHG** | GHG intensity increased 16 percent from 2013-2016, including an absolute GHG emissions increase of 28 percent.
- **3. Waste** | Waste intensity increased by 2 percent and absolute waste disposal increased by 12 percent since 2013. Similar to GHG emissions, this metric is heavily influenced by the specific products that FMC made in 2016 to meet customer requirements, including some products that are highly waste intensive.

ACTIONS TO CONTINUE PROGRESS

Each business has identified new projects to favorably impact the metrics and these projects are included in their 2017 capital plans.

ASSURANCE SCOPE

In this 2016 Report, FMC included data from legacy Cheminova sites for the first time. Because the data that was assured in the 2015 Report did not include Cheminova, the historical information in this report is no longer consistent with last year's assured data. It should also be noted that the 2016 independent assurance does not include: Active Ingredient Contract Manufacturing Total, Total Active Ingredient Contract Manufacturing + FMC Intensity, and Global Water Use at High Risk Locations.

ASSURANCE STATEMENT

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 2016 environmental and safety data in the 2016 FMC Sustainability Report as set

out below.		
	Engagement summary	
	Whether the FMC 2016 data for the following environmental and safety indicators presented on pages 5, 6, 11, and 32, and on FMC's sustainability website FMCSUSTAINABILITY.COM/GOALS-DATA are fairly presented in all material respects, with the reporting criteria: * Total FMC and Business level Direct and Indirect (Scope 1 and Scope 2) 2016 Absolute and Intensity Energy Use (Terajoules and Gigajoules/Tonne of Production)	
Scope of our assurance engagement	Total FMC and Business level (Scope 1 and Scope 2) 2016 Absolute and Intensity GHG Emissions (K-tonnes CO2e and tonnes CO2e /Tonne of Production)	
	 Total 2016 FMC and Business level Absolute and Intensity Water Use (Million Cubic Meters and Cubic Meters/Tonne of Production) 	
	 Total 2016 FMC and Business level Absolute and Intensity Total Waste and Absolute and Intensity Waste Disposed (K-tonnes and Kg/Tonne of Production) 	
	 Waste Disposed per disposal type – landfill, fuel blending, and incineration with and without recovery (K-tonnes and Kg/Tonne of Production) 	
	Total Recordable Incident Rate (TRIR)	
Reporting criteria	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.	
Assurance standard	ERM CVS' assurance methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised).	
Assurance level	Limited assurance.	
Respective responsibilities	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.	
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Our conclusions

Based on our activities, nothing has come to our attention to indicate that the 2016 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 three sites (Rockland, ME, USA; Bessemer City, NC, USA; and Ronland, Denmark) 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 lansen-Rogers Head of Corporate Assurance Services 17 May 2017



ERM Certification and Verification Services, London | www.ermcvs.com; email: 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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FMC Corporation FMC Tower at Cira Centre South 2929 Walnut Street Philadelphia, PA 19104 USA

www.FMC.com























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