



Our Commitment to Responsible Operations

Phosboucraa is a subsidiary of OCP Group located in Morocco's Southern Provinces (the "Region"). At Phosboucraa, OCP produces natural phosphate minerals—a crucial ingredient in fertilizer. We are proud of our achievements in Phosboucraa—a facility we manage according to the same international quality and sustainability standards as all other OCP mining and industrial facilities.

We emphasize sustainable operations and equal opportunity for employees, assuring that the benefits of our operations flow, in their entirety, to the wider local community. Phosboucraa—including its mining operations, products and commercial activities—meets and exceeds the highest Moroccan and international legal standards and industrial and commercial best practices. One hundred percent OCP-owned since 2002, the company's recent investments in Phosboucraa's operations and plant have contributed to greater efficiency, sustainability, and operational safety. We have made significant investments in mining and treatment, a chemical complex, a new port, improvement to the conveyor line, and renovation of the electrical network.

PHOSBOUCRAA HAS A SIZABLE PHOSPHATE MINING CAPACITY—AND WE PRODUCE ONLY WHAT WE CAN SELL.

- Phosboucraa's reserves represent roughly 1.6 percent of Morocco's total phosphate reserves.
- We are increasing the lifespan of Phosboucraa's reserves by building a flotation unit, which is expected to be commissioned in 2019 and will add 27 years to the lifespan of Phosboucraa's reserves (based on historical production levels). Our investments to date have contributed to greater efficiency, sustainability, and safety of our operations.

OUR SUSTAINABILITY EFFORTS OPTIMIZE ENERGY USAGE AND WATER CONSUMPTION.

- Since July 2013, 99.8 percent of Phosboucraa's energy consumption has come from the Foug el Oued wind farm, saving more than 80,000 tons of CO2 equivalent per year.
- As part of OCP Group's underground fresh water preservation program, Phosboucraa has built its own seawater desalination plant for its industrial process, enabling production of up to 4,100 m³/day of water or 1.5 million m³/year.

- In addition, the Heat Recovery System of our new fertilizer production lines, to be completed and operational by 2020, will increase our seawater desalination capacity by generating electric power in excess of 150 Gw/h. This excess electric power will supply the region's electric grid. To supply the industrial water need for the new fertilizer complex, a new sea water desalination plant project will be launched. This plant will produce 7,5 Million m³/year, by using the energy produced by co-generation. All excess water will be redistributed to surrounding region.

OUR HIGHEST PRIORITY IS THE HEALTH, SAFETY AND WELFARE OF OUR EMPLOYEES, CONTRACTORS AND SURROUNDING COMMUNITIES.

- Our world-class health and safety policies that we co-developed through a joint venture with Dupont de Nemours—a leader in global health, safety and environmental standards (HSE)—enhances our health and safety culture across all operations.
- We provide HSE training and increase awareness of HSE priorities for our employees and contractors, and we integrated HSE performance criteria into the evaluation and selection of our subcontractors.



- We joined international certification programs in security, health, safety and environment, and achieved certification in Protect & Sustain—an International Fertilizer Industry Association certification.

WE COMPLY WITH STRICT LOCAL AND INTERNATIONAL LAWS—AND GO BEYOND THEM.

- Phosboucraa’s operations meet and exceed the highest standards and requirements under the applicable United Nations framework.
- Across all Morocco activities, OCP applies for the necessary permits, undertakes environmental impact assessments in accordance with strict local laws, and complies with the World Bank’s Multilateral Investment Guarantee Agency (MIGA) standards and guidelines for all projects—going beyond local requirements. We follow International Financial Reporting Standards (IFRS) and receive investment-grade ratings by S&P and Fitch.

OCP IS INVESTING IN PHOSBOUCRAA FOR THE LONG TERM, TO STIMULATE EVEN GREATER ADDED VALUE IN THE REGION.

- OCP’s commitment to Phosboucraa is evident in its investment. Seventy percent of the approximately USD 2 billion (MAD 19.5 billion) total Phosboucraa-related investment made in the Region between 1977 and 2013 took place after 2002, when OCP became Phosboucraa’s sole owner. These capital investments have contributed to Phosboucraa’s financial profitability since 2008.
- As a policy, no dividends from Phosboucraa’s activities are distributed to OCP; all profits are retained and reinvested locally—amounting to more than USD 275 million (MAD 2.7 billion) in retained earnings.
- Phosboucraa is currently engaged in a development plan totaling approximately USD 2 billion (MAD 19.5 billion) through 2021, aimed at enhancing Phosboucraa’s long-term sustainability.