

Brussels  
25 March 2017

Innophos Holdings, Inc  
Att: Dr. Kim Ann Mink,  
President and Chief Executive Officer

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[investor.relations@innophos.com](mailto:investor.relations@innophos.com)

**Request for comments**  
**Pending report on Innophos' phosphate imports from occupied Western Sahara**

Dear Dr. Mink,

In the coming weeks, Western Sahara Resource Watch will publish a follow-up report to its annual "P for Plunder" report. The revised edition of the report will offer information about the importing companies, and about the estimated volume and market value of the imports from occupied Western Sahara.

The report will this year place Innophos "under observation" as a company probably involved in the trade.

Our organisation has sent letters to your company on 15 October 2010, 8 December 2011 and 15 March 2014, 5 February 2015 and 26 January 2016, raising our concerns and outlining our questions on Innophos' purchases of phosphate from occupied Western Sahara. We cannot see having received an answer to abovementioned letters.

Our questions related to the import volumes of Innophos Mexicana from Western Sahara, and whether it has sought the consent of the representatives of the Saharawi people to investigate whether the imports are in accordance with their wishes. WSRW observes that the traffic of vessels from El Aaiun in occupied Western Sahara into your plant in Coatzacoalcos, Mexico seem to have stopped.

However, we are concerned about the purchases of raw materials to your plant in Geismar, Louisiana.

In the Innophos annual report of 2015, we find the following passages:

*"Those materials are: (i) Filter Material from an enclosed intermediate filtration step to further process green phosphoric acid we receive as raw material via pipeline from the adjacent site operated by an affiliate of Potash Corporation of Saskatchewan, or PCS; and (ii) Raffinate, a co-product we return to PCS under a long-term contract we have with PCS."*

*"MGA, which is purified to produce PPA, is the main raw material for the creation of our downstream salts and acids. We purchase MGA for processing at our Geismar, Louisiana facility through a long-term agreement with PCS."*

*"In addition to purifying MGA to produce PPA internally, we also purchase certain quantities of our PPA supply from third parties to optimize our consumption and net sales, including from PCS with whom we have a long-term supply contract."*

[http://www.wsrw.org/files/dated/2017-03-25/innophos\\_2015\\_annual\\_report.pdf](http://www.wsrw.org/files/dated/2017-03-25/innophos_2015_annual_report.pdf)

The annual report of PotashCorp for 2016, states the following:

*"Much of the Geismar facility's phosphoric acid is delivered via pipeline to a nearby customer. The balance of the facility's phosphate products is shipped by rail or tank truck. Phosphate rock feedstock is delivered to*

*Geismar from Morocco in large ocean-going vessels. Sulfur is delivered to the Geismar facility by barge, truck and rail.”*

<https://www.sec.gov/Archives/edgar/data/855931/000119312517055499/d280847d10k.htm>

It should be mentioned that the PotashCorp statement is incorrect. We do not know PotashCorp’s import volumes from Morocco proper into Geismar, but do know that the PotashCorp plant in Geismar at least partially relies on imports from Western Sahara, under Moroccan occupation.

It should be added that PotashCorp has never responded what it has done to ascertain that this trade takes place with the consent of the people of the territory.

On this basis, WSRW wishes to hear from your company:

1. What is the origin of the phosphate products that you acquire from PotashCorp?
2. When does the long-term supply contract with PotashCorp for these products expire?
3. Does the contract stipulate anything about the origin of the phosphate rock?
4. If the products originate from the Bou Craa mine in Western Sahara, what has Innophos done, if anything, to request from the supplier that the source rock should be originating from any other mine?
5. If the products originate from the Bou Craa mine in Western Sahara, what has Innophos done, if anything, to ascertain whether the trade has the consent of the people of the territory?

We maintain that it is not in Innophos’ interest to be associated with the illegal occupation of Western Sahara.

Please let us know if our questions above are not clear, or if you require additional information to respond to them. We look forward to hearing from you.

If your response is to be included in the report, we’d need a reply prior to 10 April 2017. A reply can be sent to [erik@wsrw.org](mailto:erik@wsrw.org)

Yours sincerely,

/sign./

Erik Hagen  
Board member,  
Western Sahara Resource Watch