

Sustainability Report

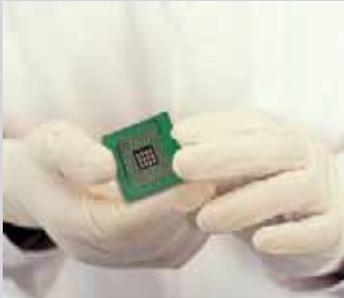
Marlborough, Massachusetts Facility



2005



ELECTRONIC MATERIALS



the **convergence** of materials and innovation

Rohm and Haas Electronic Materials is a world leader in developing innovative material solutions for the electronic and optoelectronic industries. Focused on the circuit board, semiconductor and advanced packaging industries, our products, technologies and solutions are vital elements in creating and producing electronic devices. Everyday, we bring inspiration, science, responsible care for our environment, technology and innovation together for people around the globe. We drive the convergence of materials and innovation.

At Rohm and Haas Electronic Materials we are committed to using the breadth of our portfolio, the talent of our people, and our unparalleled ability to serve customers regardless of geography. We respond quickly to the most demanding challenges, bringing you dynamic technologies and products, exactly when and where you need them.

Sustainability Report Objective

Provide our key stakeholders information related to our 2005 economic, social and environmental performance at Rohm and Haas Electronic Materials' Marlborough facility.

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Message from the CEO

People—Safety Performance

Sustainability is framed under three pillars—people, profitability and the planet. In looking at a safe and secure workplace for our people, I'm pleased to report that our performance was the best ever in 2005. We finished the year with an OSHA occupational injury and illness (OII) rate of 0.54, a

30 percent improvement over our 2004 OII rate of 0.78. Looking back over the last five years, our business has made steady improvement—a 65 percent reduction in recordable injuries and a 57 percent reduction in first aid cases. We believe this dramatic improvement demonstrates the commitment on every employee's part not only to work as safely as possible, but to look out for their colleague's safety. Earlier in 2005, we operated three consecutive months without a recordable injury in any Rohm and Haas Electronic Materials site, and 18 of 28 sites worked injury-free for the entire year—further demonstrating that zero injuries isn't just a legitimate goal, but an achievable one.

Profitability—Business Performance

On the business front, Rohm and Haas Electronic Materials delivered solid performance in 2005. We had record sales in the third and fourth quarters, and full-year sales of \$1.3 billion, the best ever for our business, were up 7 percent versus 2004.

Full-year sales in Asia posted a double-digit increase versus 2004, an indication of this region's strong growth potential. North America also delivered solid full-year sales growth versus the previous year. Unfortunately, our European region was impacted by a contraction of the industry, leading to full-year sales in Europe down versus the prior year.

Overall, we were very pleased with the performance of our business, which has benefited not only from a strong portfolio of new and existing products, but also from a robust overall electronics industry.



I'm pleased to once again update you on Rohm and Haas Electronic Materials' sustainable development progress. Although this report focuses on performance at our business headquarters in Marlborough, Massachusetts, we have also included performance measures for the global Electronic Materials business group.

Thank you for taking the time to read our report and to learn more about Rohm and Haas Electronic Materials.

Planet—Environmental Performance

The final leg of Sustainable Development rests on environmental performance—essentially, respect and protection of our planet for future generations. In this area, all Electronic Materials sites are working to integrate our Environmental, Health and Safety (EHS) and

Product Stewardship programs into a comprehensive management system known as Responsible Care 14001 (RC14001). Our facilities in Marlborough and North Andover, Massachusetts, and in Newark, Delaware, have been recommended for certification to RC14001 by independent auditor Det Norske Veritas. Our RC14001 programs provide the framework for sustainable business growth, demonstrating to customers that we're committed to responsible and systematic management of our operations and products, and that we respond to the concerns of stakeholders.

I am also pleased to report that the Marlborough facility earned national recognition for its 2004 environmental accomplishments by the U.S. Environmental Protection Agency (EPA). Each year, the EPA recognizes a select few Performance Track members who demonstrate exemplary environmental performance. We're proud to be one of only three members honored at a recent U.S. EPA ceremony.

Looking ahead, our goal is to continue making progress against the three pillars of sustainability. Our sites and business units monitor their safety performance regularly, and make safety an integral part of their operations. Our goal remains zero injuries at all facilities. Strengthening our innovation and product pipeline—the lifeblood of our growth and profitability—is a never-ending journey. And finally, introducing new, environmentally safe products, and operating our sites in a manner that is respectful to our neighbors, the environment, and future generations, will continue to be a priority for our business.





Facility Overview

The Marlborough facility is Rohm and Haas Electronic Materials' largest manufacturing site worldwide and corporate headquarters for the Rohm and Haas Electronic Materials business. Our 110-acre site operates 24 hours a day, seven days per week, and is the workplace of approximately 700 employees. The facility manufactures products for Circuit Board Technologies, Microelectronic Technologies

and Packaging and Finishing Technologies. The Marlborough site also has the largest Research and Development staff for the company. Other operations at the Marlborough site include raw material and finished-product warehousing, applications laboratories, clean rooms, a pilot plant, an ultra-high-purity manufacturing facility (UHP) and an Advanced Technology Center (ATC).

Company Profile | Rohm and Haas Electronic Materials

The convergence of materials and innovation Rohm and Haas Electronic Materials is a world leader in developing innovative material solutions for the electronics and optoelectronics industries. Our products, technologies and solutions are vital elements in creating and producing smaller, faster, more powerful electronic devices, such as cell phones, digital cameras, and laptops.

To meet the exacting product roadmaps of our customers, we are fully-staffed with local sales support, manufacturing facilities, and technology centers. This means we can respond quickly to our customers' needs through our four independent business units:

■ **Circuit Board Technologies**::: creating solutions for an evolving electronic world by providing materials and fabrication services for the global circuit board market, including metallization, imaging, embedded passives and optoelectronics.

■ **CMP Technologies**::: creating the flawless surfaces required to make faster and more powerful semiconductor chips with our polishing pads, slurries, reactive chemical solutions, conditioners and other leading-edge products.

■ **Microelectronic Technologies**::: using the science of materials, the power of collaboration with partners, customers and colleagues to harness advances in lithography and, in turn, improve the speed and power of semiconductor devices. Our products include 248 nm and 193 nm photoresists, anti-reflectant coatings and aqueous-based developers.

■ **Packaging and Finishing Technologies**::: linking innovation to performance by delivering integrated materials and surface finishing processes in electronics, optoelectronics and industrial applications. Reliable interconnects for electronic packaging, EMI shielding and corrosion resistance are just a few examples.

Economic Performance

Global Results

Rohm and Haas Electronic Materials continued delivering strong economic performance and creating shareholder value for Rohm and Haas Company in 2005. We can proudly state that all of the Rohm and Haas Electronic Materials businesses contributed to the company's successful financial performance by delivering solid results. Rohm and Haas Electronic Materials booked record sales in both the third and fourth quarters of 2005. Our sales of \$1.3 billion in 2005, an all-time high for Rohm and Haas Electronic Materials, were up almost 7 percent versus 2004. This performance compares very well with the rest of the industry and will put us in a strong position for future profitable growth.

Rohm and Haas Electronic Materials 2005 versus 2004 (\$ Millions)

	2005	2004	% Change
Net Sales			
Circuit Board Technologies	297.0	296.8	0.1%
Packaging and Finishing Technologies	277.8	239.0	16.2%
Semiconductor Technologies	757.4	714.4	6.0%
Total Net Sales	1,332.2	1,250.2	6.6%
Net Earnings	142.6	142.2	0.3%

Energy Conservation

Rohm and Haas Electronic Materials is committed to growing a profitable business but at the same time minimizing our overall ecological footprint. We are continually challenged with balancing our business growth with our demand for energy. The Marlborough facility has implemented many energy conservation programs over the years to minimize our demand for additional energy, such as:

- Retrofitted lighting systems, installed motion sensors, and replaced high pressure sodium lighting with high efficiency fluorescent T8 fixtures resulting in an annual energy savings of more than 320,000 kW hrs.
- Replaced boiler burners with advanced combustion control systems that save more than 37,000 therms annually.
- Retrofitted existing chillers to provide "free cooling" in the winter months.
- Eliminated several inefficient electric cooling units and replaced them with more efficient chilled water systems.
- Consolidated several small warehouse heaters with two high efficiency air units that also provide better air circulation throughout the warehouse.
- Installed variable frequency drives on several air handling units to reduce energy load.

The Marlborough facility is also participating in EPA's New England Performance Track Energy Challenge which asks facilities to achieve a 5 percent reduction in greenhouse gas emissions by December 2006. To help us achieve this goal, we are currently exploring several additional energy conservation programs including renewable energy options, changing heating and cooling set points, re-permitting pollution abatement equipment for more efficient operation, night set back programs, and increasing employee awareness.

Health, Safety and Environment Policy

Policy Statement

We are committed to making our worldwide operations and products free from significant risks to the health and safety of our employees, customers, contractors, the general public and to the environment.

Management Commitment We commit to provide safe and secure workplaces and to protect employee health and the environment. This commitment is communicated to employees and the community. Rohm and Haas Electronic Materials management commits resources in order to:

- Comply with all applicable health, safety and environmental regulations, as well as all internal policies, procedures and with other requirements to which we subscribe.
- Manage our business in accordance with the Responsible Care® Guiding Principles.
- Pursue continual improvement in our Environmental, Health and Safety (EHS) programs.
- Pursue pollution prevention programs that make sound economic and environmental sense.

Measurement We maintain systems to measure and evaluate safety, health and environmental performance and to identify areas for continuous improvement in all of these areas. We annually set objectives and targets that support our business and operational strategies and demonstrate continual EHS improvement. We conduct audits to assist management in assessing compliance with the safety, health and environmental regulations, policies and procedures applicable to the company's operations and products.

Employee Participation and Accountability We provide opportunities for employees to participate in the process of improving the safety, health and environmental performance of company operations.

Each employee is responsible for maintaining a safe and healthful workplace and for protecting the environment in accordance with his or her job duties. Each employee is held accountable for adherence to all applicable procedures.

Training and Awareness Employees are provided with the information and training needed to protect themselves, their co-workers and the environment from potential hazards associated with company operations.

All other stakeholders, such as contractors, suppliers, customers, etc., are provided training when necessary.

Management of Change New or changed processes, products and their intended applications are reviewed for safety, health and environmental risks prior to introduction or implementation.

Operating Hazards We assess the hazards associated with our operations and identify potential risks by analyzing hazards. We modify operations to reduce significant risks, taking into account technical and economic factors.

Employee Health We provide programs to assist employees in maintaining good health.

Stakeholder Involvement We will be responsive to the concerns of our stakeholders and share information on the potential hazards of our operations.

Pollution Prevention and Sustainable Development We will strive to prevent or reduce pollution from emissions, discharges and wastes and will promote resource conservation throughout the life cycle of our products. We will incorporate sustainability considerations into our business processes.

Product Safety and Stewardship We assess, manage and provide information on the potential health, safety and environmental impact of our products, and take steps to continuously improve and protect the environment and stakeholders (e.g., employees, customers). We make Responsible Care®, health, safety and environmental protection an integral part of our product lifecycle management.

All Rohm and Haas Electronic Materials employees and contractors are responsible for being aware of the policy statement and incorporating it into the conduct of their jobs.

2005 Environmental, Health and Safety Objectives and Targets

The Rohm and Haas Electronic Materials Marlborough facility has been formally setting environmental, health and safety (EHS) objectives and targets for many years. The table below outlines some of the EHS objectives and targets that were established for calendar year 2005, and the associated results.

Objectives and Targets	Results Achieved
Reduce work-related injuries and illness. "Goal-is-Zero" OII for Electronic Materials worldwide.	The 2005 OII rate for the Marlborough facility and Electronic Materials worldwide was our best ever at 0.29 and 0.54 respectively.
Comply with all applicable health, safety and environmental regulations. Receive no violations or penalties from regulatory agencies. Corporate business unit target of <4 reportable releases/quarter.	All required reports were submitted for the Marlborough facility. We had two reportable releases in Marlborough. One release resulted in a notice of violation from the City of Marlborough. No penalties were issued from agencies in 2005.
Continue implementation of First Line Leader (FLL) training and development of a comprehensive Operator, Maintenance, Technician (OMT) training program to site as part of our Safety Journey program.	The FLL training and OMT programs are Safety Journey tools that make a positive impact on our site safety culture. Our low injury rate is a clear indicator that our Safety Journey tools are effective.
Expand ISO 14001, Environmental Management System (EMS), to Responsible Care 14001 (RC14001). Marlborough site and Electronic Materials business third-party certified in 2006.	A comprehensive management system that adds health, safety, security and product stewardship to our existing EMS structure was developed. RC14001 certification audit May 2006.
Provide members, customers and community stakeholders with EHS information on the Marlborough facility and demonstrate our commitment to Responsible Care® by preparing an annual sustainability report.	The Annual EHS Report was distributed to all North American employees, key customers, Electronic Materials organizations overseas and to local community officials.
Explore water/wastewater conservation opportunities.	Updated water meters and monitoring tools, reduced back-washing frequency which eliminated the use of more than 100,000 gallons of water/year.
<p>Continue progress on achieving results committed to under EPA's National Performance Track program:</p> <p>Energy Challenge—Reduce Greenhouse Gas (GHG) emissions by 5% on an absolute basis from base year 2003</p> <p>Reduce use of Acetone by 10% on a normalized basis from base year 2003</p> <p>Reduce cleaning solvents by 5 tons on a normalized basis from base year 2003</p>	<p>The following results against baseline were achieved:</p> <p>Energy Challenge: Energy consumption was flat relative to base year 2003</p> <p>Acetone—Reduced usage by 15% normalized by production</p> <p>Cleaning solvent—Reduced usage by 40 tons normalized by production</p>

National Environmental Performance Track

The EPA Performance Track program is designed to recognize and encourage facilities that have a sustained record of compliance, employ environmental management systems (EMS) and are committed to continue improvements in environmental performance. This voluntary program defines what it means to be a top environmental performer and provides incentives to motivate further improvements. To participate in the program, a facility must demonstrate past environmental achievement and commit to environmental improvements over a three-year time period. The companies in the program must also complete an annual report that outlines their progress on achieving their established environmental targets.

Rohm and Haas Electronic Materials' Marlborough facility was part of the first group of companies selected by the EPA to participate in the Performance Track program in late 2000. We renewed our membership for

another three years in the program and also agreed to participate in the EPA's Region 1 Energy Challenge.



Rose Perkins receives the Performance Track 2006 Environmental Performance Award for the Marlborough Site from Steve Johnson, EPA Administrator (left) and Robert Varney, EPA Region 1 Administrator (right)

We are extremely proud that Rohm and Haas Electronic Materials earned national recognition for our environmental accomplishments by receiving the Performance Track 2006 Environmental Performance Award for our performance during the 2004 calendar year. The Performance Awards are given annually to recognize Performance Track members that have demonstrated exemplary environmental performance during their participation in the program. The principal evaluation criteria for this award are progress made toward performance goals and breadth and challenge of the commitments made.

Additionally, quality of the submitted annual performance report, community outreach efforts and compliance history are also considered.

The following table outlines our 2005 progress on achieving our three-year target value:

Commitment	Base Year	Target Value by 2006	2005 Results	Normalized Results*
Reduce Greenhouse Gases (MTCO ₂ E)	19,510	18,530	19,511	20,756
Reduce Hazardous Materials Usage Acetone (tons)	60	54	57	51
Reduce Hazardous Materials Usage Cleaning Solvents (tons)	212	206	194	172

* Results are normalized based on production data. More details on EPA's Performance Track program can be found at www.epa.gov/performance-track/.

Reduce, Reuse, Recycle

The Massachusetts Department of Environmental Protection has established a goal to reduce solid waste by 70 percent by 2010 (established in the Solid Waste Master Plan: 2005 revision). Reducing commercial waste is a priority for our state as well as for the Rohm and Haas Electronic Materials business. We are committed to producing the highest quality products without adversely impacting the quality of air, water or land in our community. Recycling waste material conserves natural resources, saves energy and prevents pollution. The Marlborough site continues to do its part by recycling many solid waste materials.

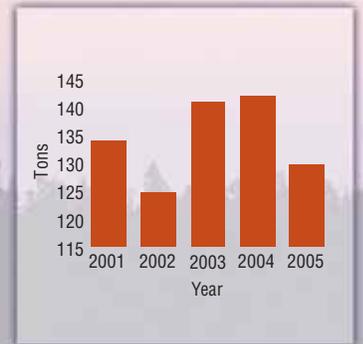
The recycling totals for calendar year 2005 are as follows:

- 1.8 tons of copper laminate
- 12 tons of paper
- 43,000 steel and plastic containers
- 130 tons of cardboard
- 790,000 lbs of solvent*

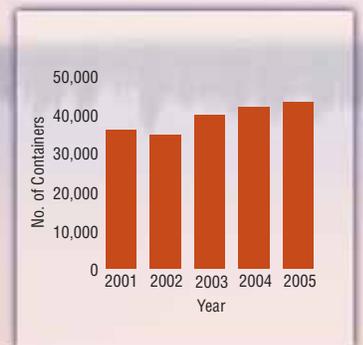
Recycling these waste streams means less waste going to combustion facilities and landfills, and a reduction in Rohm and Haas Electronic Materials' overall ecological footprint.

* We continued to grow our "Waste to Product" program in 2005 for two spent solvent waste streams. Because the quality of our spent solvents exceeds many quality specifications for virgin materials, other businesses are able to use our spent cleaning solvents as raw materials for their products. The quantity of spent solvent recycled as a product increased by 7.5% in 2005 versus 2004.

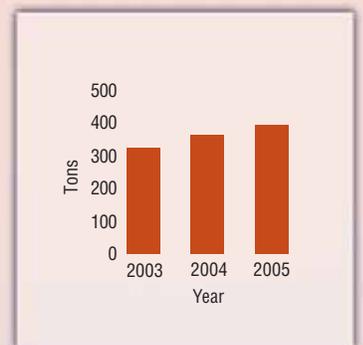
Paper and Cardboard Recycling



Container Recycling



Spent Solvent Recycled as "Product"



Rohm and Haas Electronic Materials' Marlborough facility obtained its first certification to the ISO 14001 Environmental Management System (EMS) Standard back on October 1, 1998. In 2005, we began the expansion of our EMS to include health, safety, security and product stewardship by developing a Responsible Care Management System. Since the Marlborough facility is home to the global Product Safety and Stewardship group, we developed business and site level management systems that conform to the requirements of the Responsible Care® 14001 Technical Specification

The Rohm and Haas Electronic Materials business and Marlborough facility was recommended for certification to RC14001 by Det Norske Veritas (DNV) in May 2006.

(RC14001). This technical specification, developed by the American Chemistry Council, incorporates health, safety, security, as well as product stewardship activities into our existing environmental management system. The Rohm and Haas Electronic Materials business and Marlborough facility was recommended for certification to RC14001 by Det Norske Veritas (DNV) in May 2006. This RC14001 certification allows us to demonstrate conformance to the ISO 14001:2004 standard along with conformance to Responsible Care® requirements. All the Electronic Materials sites worldwide will be working towards RC14001 certification in the coming years.

An important part of a Responsible Care Management System is determining how the activities, products and services at a facility can significantly impact the health, safety and security of our stakeholders as well as the environment. The term used to describe these sources is a significant environmental, health, safety or security aspect. The Marlborough facility has completed a comprehensive review of our activities, products and services and determined the following are the significant aspects at the Marlborough facility:

Significant Health and Safety Aspects:

- Contact with hazardous chemicals
- Inhalation of hazardous chemicals
- Physical hazards
- Electrical hazards
- Thermal hazards
- Ergonomics
- Hazardous noise
- Mechanical hazards
- Oxygen deficiency
- Electromagnetic non-ionizing radiation

Significant Environmental Aspects:

- Emissions to air
- Wastewater discharges
- Storm water management
- Waste management (hazardous waste, solvent recycling)
- Hazardous materials management
- Resource use (energy, water)
- Transportation of hazardous materials

Significant Security Aspects:

- Unauthorized access
- Theft of assets
- Unauthorized use of equipment/chemicals
- Workplace violence

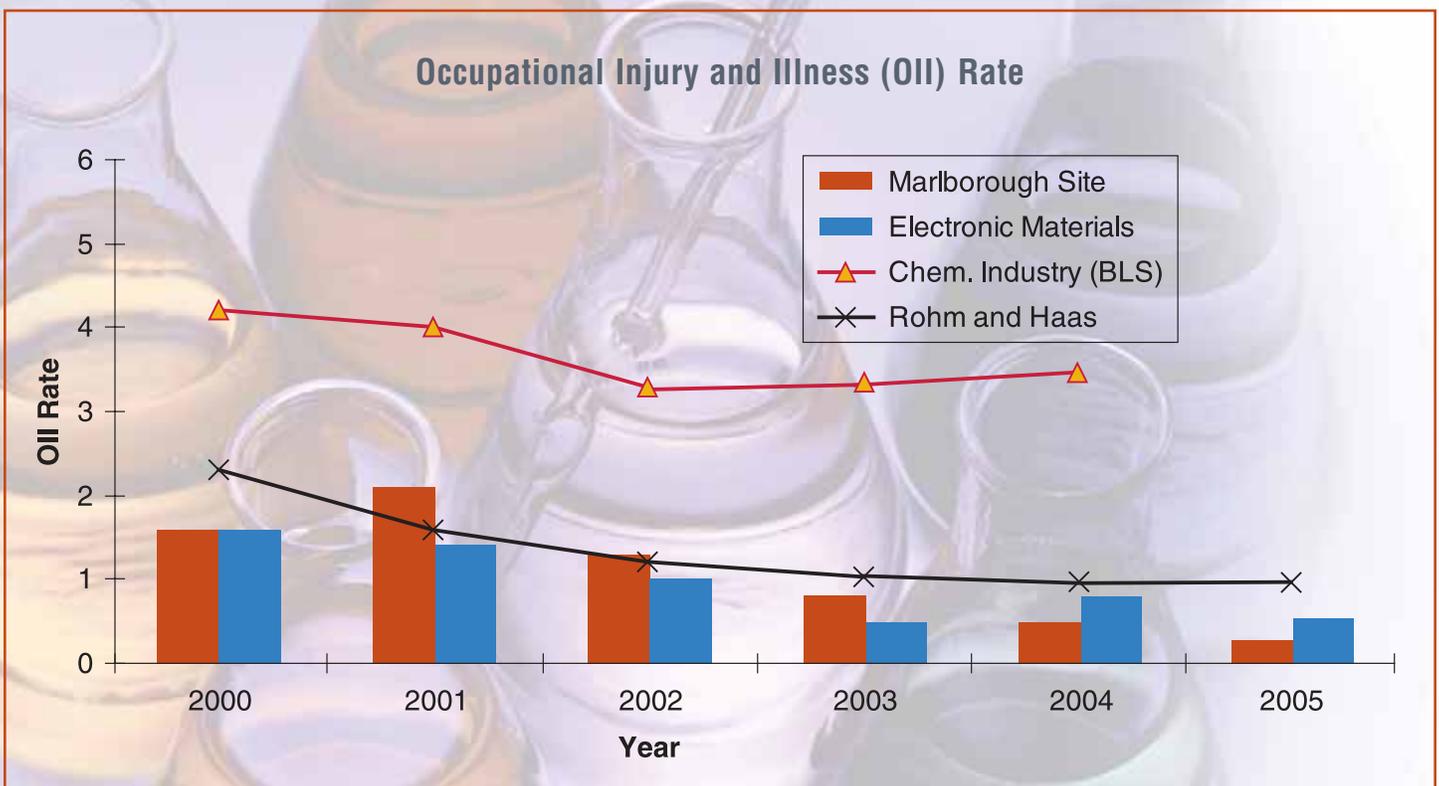
Health and Safety

Occupational Injury and Illness Rates

The Occupational Injury and Illness (OII) rate is a results measure that serves as a downstream indicator of a company's safety performance. The rate, as specified by the Bureau of Labor Statistics, measures the number of recordable injuries or illnesses per total number of man-hours worked. This rate is standardized against 200,000 man-hours—which is an approximation of the number of hours worked by 100 workers in one year. The company's numerous safety programs,

such as hazard assessments and behavioral-based safety, should lead to a reduction in unsafe behaviors, total incidents and injury rates.

The year 2005 saw a continuation in the reduction of the OII Incident Rate. The Marlborough site experienced an overall rate of 0.29, its best ever. Our goal, however, is to be an injury-free workplace by continuously improving our safety and health programs.





Rohm and Haas is committed to protecting employee health and safety as well as the safety of others. We do this through effective management systems that require employees to take responsibility for their own safety and for the safety of those around them. The framework and long term strategy for this approach to “interdependent safety” is the company’s “Safety Journey”.

In 2005, the Marlborough site continued our Safety Journey progress toward zero injuries with several key programs contributing to our success.

First Line Leader (FLL) Training for supervisors was completed in 2005. This training is designed to equip supervisors with the knowledge and tools to manage safety effectively and to actively lead their work teams toward the achievement of an injury and illness-free workplace.

Operator, Mechanic and Technician (OMT) Training All Operations employees began training in 2005. The goal of this training is to strengthen the awareness, knowledge and skills of operators, mechanics and technicians in job safety and health. An additional goal is to instill a sense of responsibility and duty to protect themselves and their coworkers in all aspects of their jobs. This training is delivered by First Line Leaders and members of the Operations First Level Safety Committee.



Michael Lombardi, Health and Safety Manager, shows Keith Lemaire a new glove

Site Safety Stand Down All employees of the Marlborough site participate in this event. This year the stand down focused on the continual improvement of our safety performance and expanding each person’s involvement with the Safety Journey. Each site developed a team to determine what the agenda would be for that site or group. This brought a more interdependent approach to each stand down meeting.

2005 Commu

The Rohm and Haas Electronic Materials business in Marlborough continues to demonstrate that we are a responsible and active partner in our local community. We have established an excellent foundation of support for programs and events in Marlborough and surrounding communities. The Rohm and Haas Electronic Materials facility has donated more than \$100,000 to local charities, schools and several associations. Our business and our employees continue to make a difference in our community.

Rohm and Haas Key Partners

United Way Each year all our U.S. employees have the opportunity to make contributions to non-profit organizations through the United Way. The Marlborough campaign resulted in nearly \$90,000 being raised from the Company contribution and employee pledges.

We also participated in the **Backpack-to-School program** providing 70 local school children with backpacks filled with school supplies.

Ten employees represented the Company at the **Annual Women's Leadership** Fundraiser.

FIRST Robotics Through active employee leadership and financial support, we are a key sponsor of the "For the Inspiration and Recognition of Science and Technology" (FIRST) program at Algonquin Regional High School in Northborough.

Camp Invention We support this summer educational enrichment program for primary-level teachers, future educators and children entering grades 2-6.

Local Community Programs

Arts Alliance We sponsor cultural programs aimed at youth and families offered by this local arts organization based in Hudson.

Blood Drives During 2005, our employees donated 171 pints of blood to the MetroWest Hospital Blood Donor Program. Since the inception of this program in 1992, our Marlborough employees have donated more than 1,700 pints of blood.

Boys and Girls Clubs of MetroWest We continued being a major financial contributor to the growth and development of the Club's programs supporting local youth.

Evening of Giving Our role as a major sponsor of this fundraiser for the Marlborough/Hudson Homeless Shelter continued. One hundred of our employees are able to participate through the distribution of event tickets by the Company.

Marlborough Regional Chamber of Commerce We remain an active business leader through our participation on the Board of Directors of the Marlborough Regional Chamber of Commerce. In 2005, we received the Chamber's award as the "Business of the Year" as recognition of our ongoing contributions to the City of Marlborough.

City of Marlborough, Local Emergency Planning Committee We actively participate on this committee in a capacity that represents Rohm and Haas. We also provide our expertise to this committee and sponsor training for the committee.

Massachusetts CERT Family Day The Community Emergency Response Team (CERT) Program educates people about disaster preparedness and trains them in basic disaster response skills, such as fire safety, light search and rescue, and disaster medical operations. The Rohm and Haas Electronic Materials Marlborough site has been a principle sponsor of this program for the last two years.

Assabet River Consortium The Rohm and Haas Electronic Materials Marlborough site has served as the industry representative to this consortium of six municipalities. The purpose of the consortium is to plan for watershed conservation and NPDES permitting discussions with the U.S. EPA.

Community Outreach

MetroWest/495 Transportation Management Association (TMA) The Rohm and Haas Electronic Materials Marlborough site is a member and serves on the Board of Directors for this organization. The purpose of the organization is to promote transportation solutions for the regional area.

City of Marlborough, School Space Committee A Rohm and Haas Electronic Materials Marlborough representative serves on the committee created by the Mayor of Marlborough. The purpose of the committee is to evaluate and make recommendations for the future capacity needs for the public schools of Marlborough.

Employee Driven Programs

Canned Food Drives The demand on the local food pantry in 2005 exceeded the supply of food, causing the pantry to shut down for a period of time. We responded with our canned food drives that collected almost 1,500 pounds of food and several hundred dollars in donations.

Hat and Glove Drive For the second year, we held a hat, glove and coat drive that filled 15 bags with warm clothing in addition to 225 coats. Our donations supplemented a drive being held at three Marlborough grade schools.

Holiday Hopes Program This program is a year-end holiday staple. Employees brightened the holidays by providing over \$3,500.00 in toys and games for 100 local children through this program with the Marlborough Community Services organization.

Reading Is Fun (RIF) For several years, one of our employees has taken fellow employees to a local grade school where employees participate in this event by reading books to a group of young children.

Society for Women Engineers (SWE) We sponsored an annual student networking event held at M.I.T. in Cambridge that featured one of our female employees as a guest speaker on a discussion of non-traditional engineering careers.

U.S. Military in Iraq Our employees continued their donations of food, reading material and supplies to a group of soldiers stationed in Iraq. Since August 2004, about 2,000 pounds of supplies have been sent.

Partnerships in Education



Co-op Rebecca Mazych

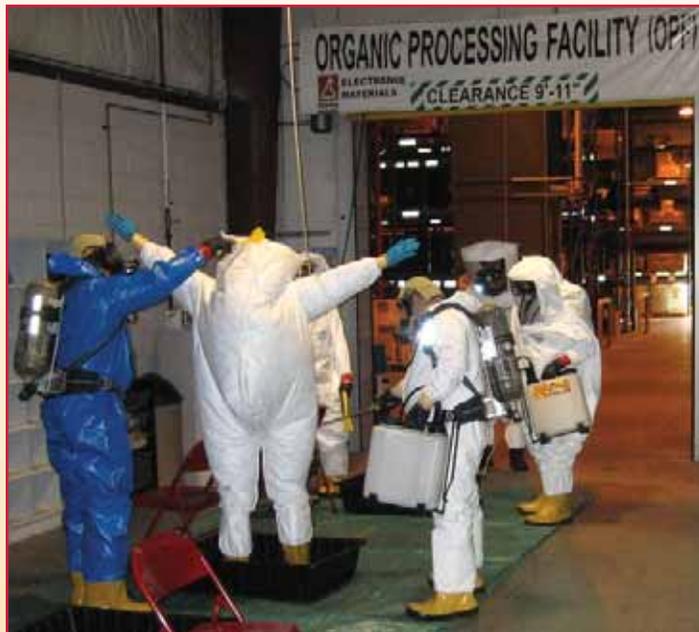
We furthered our relationship with **Marlborough High School** in 2005 by sponsoring the school newspaper, *The Panther*; hosting a live webcast with soldiers stationed in Iraq for a communications class; and through our employees serving as judges at two Science Fairs. We continue to offer two scholarships to graduating seniors going on to college with science or engineering majors.

Northeastern University remains an important piece of our academic connection. In 2005, we employed 16 Chemical Engineering students in our Technology Cooperative Education program. Two of our former co-op students joined the Company as engineers upon graduation. We also sponsored activities with the school's chapters of The American Institute of Chemical Engineers (AIChE) and The Society of Women Engineers (SWE).

Co-op Michael Marchio

Protection of our Employees and the Community

Through our continued participation in the Local Emergency Planning Committee (LEPC), the Rohm and Haas Electronic Materials Emergency Response Team (ERT) participated in a joint tabletop and functional exercise with the city of Marlborough in 2005. A tabletop exercise explains the exercise concept, establishes the basis for the exercise, and establishes and defines the communications, logistics and administrative structure need-



ed to support the exercise—before, during and after. The functional exercise effectively enacted the tabletop exercise and included several Marlborough emergency services: Marlborough Hospital, Department of Public Health, Fire and Police Departments, Public Works and other emergency management response, support and volunteer personnel. While most emergency situations are handled locally, major incidents in our com-

munity may need assistance from industry. We will continue to offer our assistance to the Marlborough community to improve their preparedness for any major emergency.

ERT activities at the Rohm and Haas Electronic Materials facility in Marlborough also included training in the National Incident Management System (NIMS). All federal, state, local, private sector and non-governmental personnel with a direct

role in emergency management and response must be NIMS trained. NIMS was developed so responders from different jurisdictions and disciplines can work together to respond to natural disasters and emergencies, including acts of terrorism. NIMS benefits include a unified approach to incident management, standard command and management structures, and emphasis on preparedness, mutual aid and resource management.



Toxics Release Inventory

The Emergency Planning and Community Right-to-Know Act (EPCRA) Section 313 requires federal and state agencies to annually collect data on releases and transfers of certain toxic chemicals from industrial facilities, and make the data available to the public in the Toxics Release Inventory (TRI). Every July, the Marlborough site reports to the Environmental Protection Agency and the Massachusetts Department of Environmental Protection on our environmental releases to all media for regulated substances in the previous calendar year.

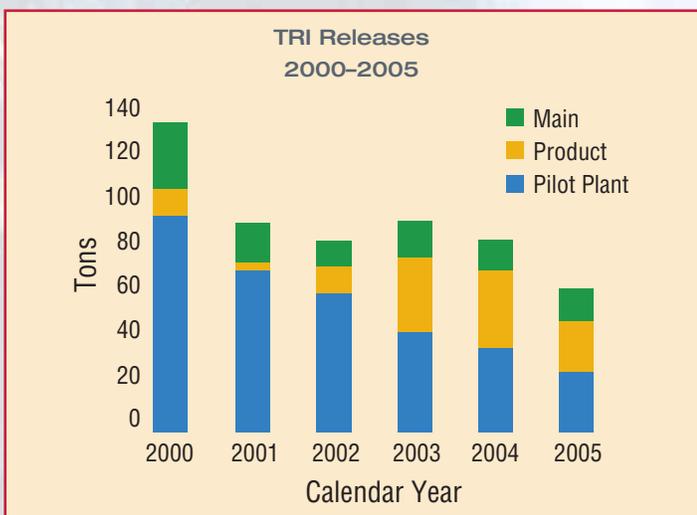
The chart below breaks down the total releases from the Marlborough facility into three areas; manufacturing operations (Main), disposal of products (Product), and releases from pilot plant operations.

Releases from the disposal of products are primarily attributed to customers closing facilities in North America, and product obsolescence. The following actions have helped us to minimize the amount of product going to waste: reduced inventory levels, implemented improvements in our forecasting system, worked with customers on stock agreements and consolidated warehouse locations. We will continue to focus on these initiatives to significantly reduce the volume of product that must ultimately be disposed.

Our total 2005 federal reportable releases to air, water, and off-site treatment facilities were 64 tons, a reduction of 25% as compared to our 2004 results. We are committed to continue this trend of reducing reportable releases from the Marlborough site by designing new products with less hazardous substances and increasing production efficiency to minimize waste generation.

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TRI releases to the air, land and water from this site remain less than 3 tons per year. The remaining reportable releases are those that are shipped off-site to be recycled, recovered for energy, or treated by other methods, such as incineration. Refer to EPA's website for more specific information on Toxics Release Inventory Releases, <http://www.epa.gov/tri/>.



Sustainable

Rohm and Haas Electronic Materials has made many positive contributions when it comes to protecting our people, growing our profits and preserving our planet. We recognize that growing a sustainable business is a never-ending journey that we must continually improve upon. We are working to fully integrate sustainable development into our current business strategies so we can meet or exceed the expectations of our stakeholders.

Green Chemistry in the Rohm and Haas Electronic Materials Business

We continued our commitment to promote principles of Green Chemistry (a set of principles that reduces or eliminates the use or generation of hazardous substances in the design, manufacture and application of chemical products) by conducting another seminar for our North America Electronic Materials Technology staff in March 2006. The seminar coincided with a Global EHS Managers meeting being hosted at the Marlborough site. We were honored to host two distinguished speakers for our event, Dr. John Warner, Director of Green Chemistry at the University of Massachusetts, and Dr. Berkeley Cue, retired Vice President of Research and Development for Pfizer. Dr. Warner's and Dr. Cue's inspirational words and practical approach were very well

received and quickly put into action throughout the Electronic Materials Technology community. The seminar also included opening remarks from Rohm and Haas' Chief Technology Officer, Dr. Gary Calabrese, and managers from our Microelectronics and Circuit Board Technology groups presented the green initiatives underway for their respective business units. Videos from the seminar were shared with our colleagues at Rohm and Haas Electronic Materials locations across the globe, and the presentation is also available for on-line viewing. A few examples of the green chemistry programs throughout the Rohm and Haas Electronic Materials businesses follow:

Development

Microelectronics After several months of research and collaboration, the Microelectronics business was successful in formulating Advanced Removers that are technically superior and free of the very unstable and potentially explosive hydroxylamine. The research team worked very closely with our Electronic Materials Product Safety team to develop a safer product that is technically superior, reduces the risk, reduces cost of ownership, dramatically decreases waste management costs, and extends customers' current installed tool base into the future.

Packaging and Finishing Technologies The Packaging and Finishing Technologies business has undertaken many development programs for greener products including: lead-free solderable finishes; less hazardous and biodegradable electrolytes (methanesulfonic acid); cyanide-free electrolytes for gold plating; and chrome-free, aqueous processes for plating on plastics. Packaging and Finishing Technologies products were also reformulated with ethoxylated linear alcohols as substitutes for nonylphenol ethoxylates (NPE), which were banned in the EU.

Circuit Board Technologies Circuit Board Technologies is committed to making the next generation of products more environmentally-friendly wherever feasible. They have removed NPE materials from major segments of their new product portfolio and are actively exploring the use of more biodegradable surfactants. Circuit Board Technologies formulators are also developing products that are free of heavy metals, such as lead and cadmium, as well as researching greener alternatives ahead of any legislative mandate. Circuit Board Technologies offers products that help our customers conform with the European Union (EU) Directives, such as Waste Electrical and Electronic Equipment (WEEE) and Restriction on Hazardous Substances (RoHS) which were developed to reduce the environmental impact of electrical and electronic components.



ELECTRONIC MATERIALS



Circuit Board Technologies



CMP Technologies



Microelectronic Technologies



Packaging and Finishing Technologies

For locations and information please visit <http://electronicmaterials.rohmhaas.com>

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