

OUR COMMITMENT TO RESPONSIBLE CARE®

2005 IN REVIEW



OUR RESPONSIBLE CARE® VISION

NOVA Chemicals is committed to being a leader in achieving and maintaining superior Responsible Care performance.

Our ultimate goal is to operate our businesses without harm to people, property or the environment.

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DID YOU KNOW?

NOVA Chemicals was co-winner of the American Chemistry Council's 2006 Responsible Care Leadership Award for our performance, our proactive approach to managing Responsible Care programs, and for sharing information and best practices throughout the industry.

NOVA Chemicals' senior executives support Responsible Care initiatives both within the company and across our industry:

Jeffrey M. Lipton, President and C.E.O., NOVA Chemicals

Chairman of the Board of the American Chemistry Council (ACC)

Larry MacDonald, C.F.O., NOVA Chemicals

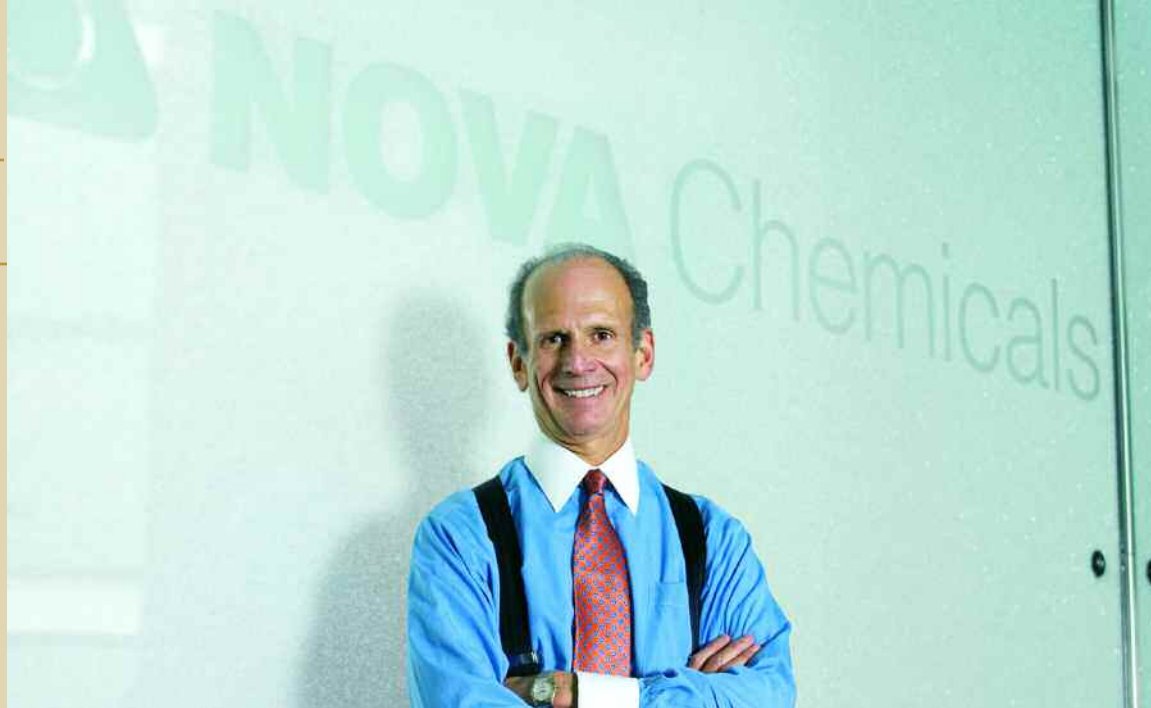
Chairman of the Canadian Chemical Producers' Association (CCPA)

Chris Pappas, Senior V.P. and President, Styrenics, NOVA Chemicals

American Plastics Council (APC) Finance Committee Chair

Since 2004, NOVA Chemicals has been listed on the FTSE4Good Global Index for meeting globally recognized corporate responsibility standards. FTSE is an independent investment index provider, and additional information is available on the FTSE4Good (www.ftse.com/ftse4good) and Corporate Registry websites (www.corporateregister.com/ftse4good).

In 2005, NOVA Chemicals was added to the Jantzi Social Index, a socially-screened stock index which includes 60 Canadian companies that pass a set of broadly based environmental, social and governance rating criteria (www.jantzisocialindex.com).



“At NOVA Chemicals, we incorporate Responsible Care Principles into all aspects of our operations.”

Responsible Care is a voluntary global chemical industry performance initiative that helps companies go above and beyond government requirements, and we have been a part of this force for positive change in our industry since its inception more than 20 years ago.

At NOVA Chemicals, we incorporate Responsible Care principles into all aspects of our operations. Our leaders are accountable for ongoing environmental protection, health, safety and security improvements, and the Board of Directors is updated regularly on our performance in these areas. Our goal is to conduct our business in a way that enables us to contribute profitably to the economy and our communities; exhibit high standards of corporate social responsibility; and to act as good stewards of the environment and our natural resources.

NOVA Chemicals and our fellow Responsible Care companies continue to reduce releases to air, land and water; achieve major improvements in workplace and community safety; and extend research programs to better understand any potential health or environmental impacts related to our products.

We are proud of our achievements in environmental protection, health, safety and security, and we were pleased to be named co-winner of the American Chemistry Council's 2006 Responsible Care Leadership Award. However, we are never satisfied with our performance. We invite questions, comments, suggestions and input to better understand stakeholder concerns and to improve our results. We strive to perform better every day, because we believe it is the only responsible way to do business.

Jeffrey M. Lipton
President and Chief Executive Officer
NOVA Chemicals Corporation

PRODUCT STEWARDSHIP

DID YOU KNOW?

Responsible Care was first conceived in Canada and launched in 1985 to proactively and voluntarily address public concerns about the manufacture, distribution and use of chemicals. The number of chemical industry associations embracing the Responsible Care ethic has now grown to include 52 countries.

NOVA Chemicals is actively conducting research and sharing information about our products. Through the American Chemistry Council's (ACC) Long-Range Research Initiative, NOVA Chemicals and industry peers support research on the health and environmental impacts of basic chemicals, plastics and other chemical products. NOVA Chemicals was one of the first companies to jointly commit with the ACC to the U.S. Environmental Protection Agency's High Production Volume Program and the Voluntary Children's Chemical Evaluation Program (www.epa.gov/chemrtk).

NOVA Chemicals was among the first five ACC member companies (out of 136) to be audited and certified under the new Responsible Care Management Systems (RCMS) requirement. An auditor from the external company responsible for verification commented:

"I'm very impressed with your management system...your employees are very knowledgeable...and NOVA Chemicals is doing a great job in Responsible Care."

Our Chesapeake, Virginia, site was our first manufacturing facility to be audited and certified for RCMS, and our Decatur, Alabama, site plans to complete its certification by the end of 2006.

At NOVA Chemicals, we make the "building blocks" — plastic resins and basic chemicals — used in products that make people's lives better, safer, and healthier. Customers use our products to make protective food packaging, life-saving medical devices and supplies, injury-reducing sports gear, strong and lightweight automobile parts and a host of other familiar items. Our approach is to maximize the benefits of these products while minimizing risks throughout the product lifecycle. As part of our product stewardship process we:

- * conduct and participate in research to understand the potential health impacts of products before they are introduced to the marketplace
- * engage our customers, carriers and distributors to work cooperatively in order to safely handle, use and dispose of our products
- * work with suppliers and carriers to ensure they safely handle, package and transport the raw materials required to manufacture our products
- * characterize, manage and communicate product risk information.

We regularly communicate with our stakeholders about our company and products, and we continue to improve the ongoing exchange of information. Our "product stewards" meet the needs of our customers by providing print and electronic versions of literature on the safe handling, use and storage of our products, and by encouraging stakeholders to adopt Responsible Care principles.



SURPASS® polyethylene resin is used to produce injection molded lids with improved drop-resistance and flexibility for refrigerated and frozen food storage containers.



Dumpsters made from NOVA Chemicals' SURPASS® polyethylene resin don't leak or rust, are half the weight of metal dumpsters and significantly reduce noise associated with use.

ENVIRONMENTAL PROTECTION



UN Secretary General Kofi Annan called the global chemical industry's environmental, health and safety performance initiatives "inspiring models of self-regulation that other industries should consider following."

NOVA Chemicals believes that sound environmental stewardship and the careful management of our natural resources — such as air, land and water — simply make good business sense. We have established companywide systems and procedures to ensure that we continuously improve our environmental performance and protect the well-being of our communities.

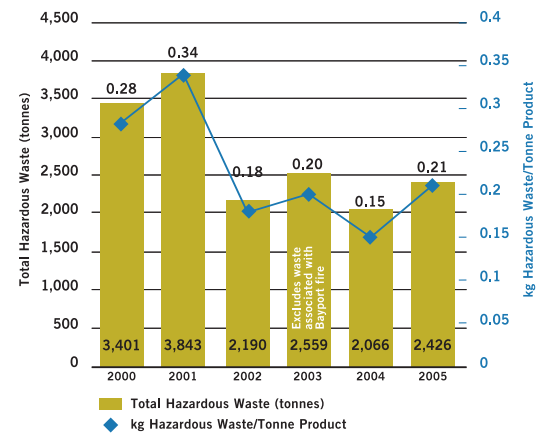
A critical element of our approach is tracking key environmental performance indicators that help us understand our progress in managing the use of our valuable natural resources and in reducing environmental releases, emissions and hazardous waste.

Since 2000, we have been setting short- and long-term performance targets for a wide range of environmental indicators, including: atmospheric emissions, spills and releases, regulatory permit exceedences, community complaints and hazardous waste. Our companywide Environmental and Responsible Care Councils work together to review our performance and establish the targets that help to drive continuous improvement throughout our operations and manufacturing processes.

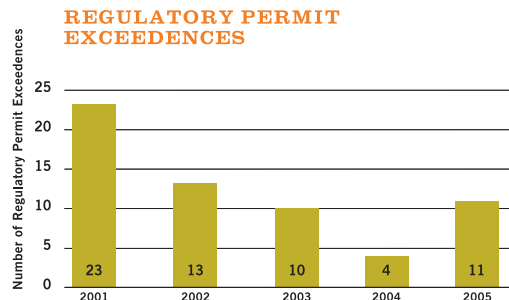
Increases in the frequency of regulatory permit exceedences in 2005 were largely a result of refrigerant releases (each less than 10 kgs or 22 lbs) from air-conditioning systems in Joffre, Alberta, and regulatory orders arising from Ministry of Environment (MOE) inspections in Ontario, Canada. Each refrigerant release was primarily related to defective equipment and repaired immediately, and procedural changes were made to help prevent further incidents. The MOE regulatory orders were primarily related to administrative deficiencies, and all of these issues have been corrected.

We are committed to systematically reducing the generation of both non-hazardous and hazardous waste from all of our manufacturing sites. In 2005, our routine hazardous waste production continued to decrease, but our non-routine hazardous waste showed an increase compared to 2004 levels due to plant maintenance and the re-classification of a waste stream. In addition, the company's production was substantially lower in 2005 because of unusually high plant maintenance and modernization activities. Lower production means less efficient operations, causing more waste per unit of production. The decrease in 2005 production volumes, combined with the increase in non-routine hazardous waste, resulted in an overall increase in hazardous waste intensity. Recent process improvements and fewer major plant maintenance projects should allow us to significantly reduce the hazardous waste intensity in 2006.

HAZARDOUS WASTE



Excludes European JV



Excludes European JV

All NOVA Chemicals manufacturing plants are issued environmental permits by government agencies that oversee specific operations and enforce regulatory requirements. When a site is not fully compliant with a provision of a permit, this is described as a regulatory permit exceedence.



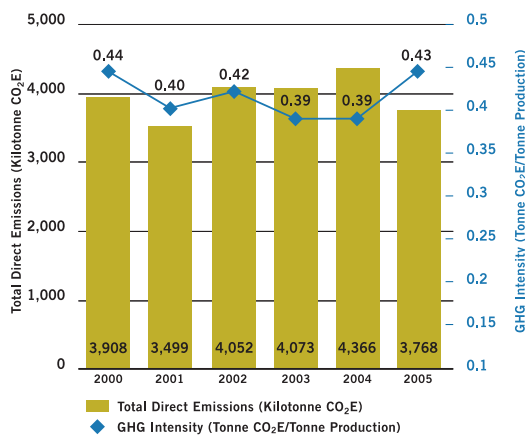
Many of our manufacturing sites sponsor local river clean-up events and water-quality testing.

ENVIRONMENTAL PROTECTION (continued)

NOVA Chemicals and our fellow American Chemistry Council member companies have committed to an aggregate 18% reduction in greenhouse gas emissions intensity (defined as the equivalent mass of carbon dioxide emissions per unit of production) from our operations between 1990 and 2012. NOVA Chemicals has adopted this 18% reduction as the target for our manufacturing facilities across North America during the same time frame. We continue to invest in capital projects to enhance energy efficiency, thus reducing emissions to the environment.

In 2005, we pursued the heaviest plant maintenance workload in the company's history and also undertook the modernization of our Corunna, Ontario, flexi-cracker. As a consequence of the interruptions in operations required for these major activities, our total greenhouse gas emissions decreased by almost 600 kt. However, because 2005 production from our Large Emitter facilities was approximately 25% less than our 2004 production, the greenhouse gas emissions intensity increased by 10% from 0.39 to 0.43. In 2006, we are forecasting a continued reduction of emissions intensity to levels below 0.39.

DIRECT GREENHOUSE GAS EMISSIONS CO₂E (LARGE EMITTERS)*



* Large Emitter facilities include NOVA Chemicals' Joffre, Alberta, ethylene units; Corunna, Ontario; and Sarnia, Ontario, sites.

The following are examples of recent projects that apply innovative thinking and technology to improving our manufacturing operations:

- * In 2005, we invested more than \$200 million to increase the ethylene capacity and improve the energy efficiency of our Corunna, Ontario, flexi-cracker. At full capacity utilization, the modernization will substantially improve this Large Emitter facility's greenhouse gas emissions intensity.
- * Our Beaver Valley site in Monaca, Pennsylvania, converted a thermal oxidizer to a new design that allows it to operate at temperatures as much as 200 degrees Fahrenheit, or 93.3 degrees Celsius, cooler than previously required. This new design enabled the site to significantly reduce energy consumption and lower carbon dioxide emissions by 50% and oxides of nitrogen (NO_x) emissions by 55% while maintaining the safe and effective destruction of hydrocarbon emissions.
- * For more than 20 years, NOVA Chemicals has participated in projects that re-use waste carbon dioxide (CO₂) in Alberta, Canada. The latest project utilizes technology that captures CO₂ from the ethane feedstock used at the Joffre, Alberta, site. The captured CO₂ is piped to oilfields where it is used in enhanced oil recovery operations. This project will result in a CO₂ emissions reduction of 110,000 tonnes, reduce the use of water as an oilfield flooding agent and extend the life of oil reservoirs.
- * Conventional hydrocarbon steam cracking used to produce olefins such as ethylene and propylene is among the most energy intensive processes in chemical manufacturing. In 2005, NOVA Chemicals entered into a research partnership to explore the development of nanotechnology-based coating and catalysts that could significantly decrease the amount of energy required for olefins manufacturing, and therefore lower greenhouse gas emissions.

Additional details regarding our greenhouse gas emissions reduction strategy, projects and performance are outlined in the document, "Managing Greenhouse Gas Emissions" available on our website.

DID YOU KNOW?

The chemical industry scored highest among 10 industries in a report by the Investor Responsibility Research Center (www.irrc.org). The report evaluated how 100 global companies are addressing climate-change risk and pursuing strategic opportunities to develop climate-friendly products.

American Chemistry Council member companies and the broader U.S. chemical industry continue to produce more with less impact on the environment. Since 1988, we have reduced emissions of core chemicals by 72% while increasing production by 29%.

Since 1992, the rate of Canadian Chemical Producers Association members' emissions reduction has outpaced the increase in chemical production. Today, a unit of chemical product is manufactured with 85% less emissions than in 1992.

Plastics reduce the weight of the average passenger car by more than 110 kg (242 lbs), improving gas mileage and reducing greenhouse gas emissions.



ARCEL®, a unique material used in the shipping of electronics and other damage-sensitive goods, virtually eliminates packaging-related product damage while enabling shippers to use smaller package sizes. This translates into reduced transportation costs and lower energy consumption and emissions.

HEALTH & SAFETY

"When I think of leadership in the areas of environment, safety and social responsibility, NOVA Chemicals immediately springs to mind - a company that demonstrates true leadership both in doing the right thing internally and in demonstrating the true path to others in our industry and the public at large. It is characteristic of NOVA Chemicals to be open, transparent and self-critical in finding its own areas for improvement as well as helping others to improve."

Brian Wastle
VP, Responsible Care
Canadian Chemical
Producers' Association

At NOVA Chemicals, employee health and safety are our top priorities.



Our approach to employee health and wellness includes on-site fitness facilities and support.

Health

Our Occupational Health and Industrial Hygiene teams implement programs that help protect the health of employees and their families, our communities and our customers. On-site health programs verify that employees are fit to work, and monitoring programs help to ensure that we minimize exposures.

We also employ broader approaches to wellness, such as our companywide "Balance" initiative. This initiative is designed to educate employees about how to maintain and improve their overall health and wellness both at work and at home. We also encourage employees to share this information with their families. The effectiveness of our health and industrial hygiene programs is tracked and measured, and performance data is used to drive additional improvements.

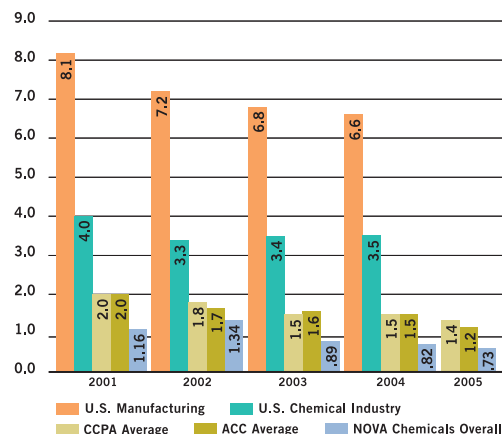
Safety

We operate on the premise that all work-related illnesses and injuries can be prevented. NOVA Chemicals continues to foster a culture that focuses on the critical importance of safe behaviors, both on- and off-the-job. Our "World Class Safety" program supports this objective by holding leaders accountable for safety performance and engaging employees in open dialogues about safety. Further improvements in our safety practices and performance are driven through co-worker safety observations and the sharing of information and best practices across the company.

Our contractors often undertake some of the most dangerous work the industry performs, such as major plant maintenance and construction projects. In 2005, the TurnAround Safety Network was created to leverage best practices in contractor health and safety across the company during the heaviest plant maintenance workload in our history. The network addressed issues such as heat stress, eye safety and fall protection. This focus on contractor safety management has resulted in a contractor Total Recordable Case Rate (TRCR) improvement of nearly 50% since 2000.

NOVA Chemicals' TRCR of 0.73 in 2005 was our best performance ever, and both the Total Recordable Case Rate and Away from Work Case Rate remain below those of the U.S. manufacturing and chemical industries, as well as our American Chemistry Council (ACC) and Canadian Chemical Producers Association (CCPA) peers.

TOTAL RECORDABLE CASE RATE* COMPARISON



Excludes European JV

* Total Recordable Case Rate (TRCR): The number of away from work cases, medical treatment cases or restricted work cases (where the work routine is restricted due to the work-related injury or illness) as a rate per 200,000 hours worked.

HEALTH & SAFETY (continued)

Process Safety Management

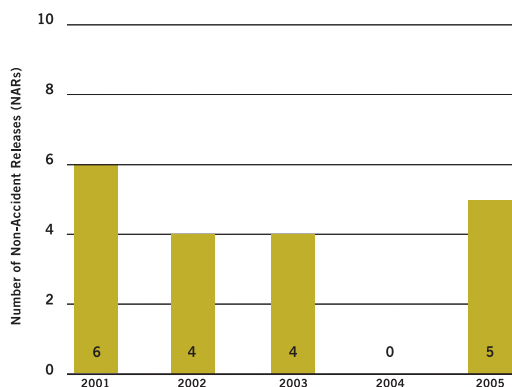
Another important aspect of our approach to health and safety is the effective management of our manufacturing processes. Through stringent process safety programs and procedures, we reduce the risk of uncontrolled manufacturing process events in our facilities. Process fire prevention is an area of particular focus at NOVA Chemicals, and we believe that our approach is an industry best practice. Any fire in the process area (as well as adjacent spaces such as warehouse and utility areas), even if it is smaller than a candle flame, is classified as a process fire. We actively share what we learn about process fires and their prevention with peer companies, and continue to encourage the development of industry standard definitions and methodologies to broaden the use of our approach.

Transportation Safety

A key measure of safe transportation for a chemical company is the number of Non-Accident Releases (NARs), defined as instances when a release of hazardous material occurs from a railcar during transport that could have been prevented by maintenance or inspection. Releases usually involve small amounts of material, often as little as 250 milliliters (or approximately one cup).

In 2005, we were not able to sustain our zero Non-Accident Release (NAR) performance, but we did beat our target with five NARs for the year. During our investigation to discover and understand the cause of these NARs, we learned that three were due to manufacturing and design defects in the railcars. We have since addressed this issue with the manufacturer and have also improved our loading and unloading practices to further reduce the risk of a release.

NON-ACCIDENT RELEASES*



Excludes European JV



A NOVA Chemicals employee wears personal protective equipment including a hardhat, earmuffs, safety goggles, flame retardant jacket and leather gloves as she views the firebox of a cracking furnace through an inspection port. The welder's mask provides additional eye protection.

DID YOU KNOW?

NOVA Chemicals won the 2005 Union Pacific Chemical Transportation Safety Pinnacle Award. We were one of 30 companies honored for safe loading practices and zero non-accident releases.

The following Class 1 Railroads presented NOVA Chemicals with 2005 Safe Handling Awards for outstanding performance regarding the shipment of dangerous goods and regulated products: BNSF, CN, CP & CSXT.

Since 1995, the number of distribution incidents among American Chemistry Council member companies declined by 27%, while the volume of chemicals shipped increased 11% for the U.S. chemical industry overall.

“NOVA Chemicals has more than a safety program. You are shifting the organizational culture and creating an ongoing safety process. It is the roadmap to success. Thank you for your openness, ideas and safety professionalism.”

Lyn Sartori
Manager, Logistics
Kellogg Canada Inc.

EMERGENCY PREPAREDNESS & SECURITY

DID YOU KNOW?

In 2003, we began work with the U.S. Bureau of Customs & Border Protection to implement the Customs Department – Trade Partnership Against Terrorism (C-TPAT) program. NOVA Chemicals was one of the first organizations in Canada to apply for C-TPAT membership and we became a certified member in 2003. The U.S. Customs & Border Protection verification team observed that NOVA Chemicals demonstrated a number of “best practices” related to site security, IT and logistics processes.

NOVA Chemicals was recently accepted into the Canada Border Services Agency's security program — Partners In Protection (PIP is similar in scope to C-TPAT). This program enables us to work in cooperation with customs authorities and maximize effectiveness throughout our importing/exporting supply chain.

Emergency preparedness and security are cornerstones of NOVA Chemicals' Responsible Care program.

Without waiting for government action, we joined our American Chemistry Council (ACC) and Canadian Chemical Producers' Association peers in implementing a comprehensive security program for all of our facilities worldwide. More than 2,000 ACC member facilities have completed rigorous security vulnerability assessments to strengthen site, information technology and transportation security as part of this program. Although the products that NOVA Chemicals manufactures have virtually no potential for immediate use as weapons, we continue to take aggressive measures to safeguard our facilities and materials from possible attacks or thefts.

We work to:

- * identify and evaluate gaps in physical security and security procedures on a scheduled basis
- * close gaps with appropriate countermeasures
- * verify the effectiveness of countermeasures through the use of independent third parties.



The Joffre, Alberta, site conducted an emergency response drill featuring a simulated vehicle accident involving a tanker truck.

Examples of specific measures that we take at our facilities to enhance security include: visitor identity verification, background checks, employee patrols, digital video recording, increased perimeter lighting, and fence and fence line inspections. We continue to educate employees regarding security issues; implement strict controls and accountability regarding all aspects of the handling of hazardous chemicals; and further develop our relationships with law enforcement and emergency response personnel.

Each of our facilities is ready to respond to crisis situations in order to protect our workers, the community and the environment. We continually re-evaluate and test our security through drills with community emergency responders. We also work closely with law enforcement at local, state and provincial levels, including the U.S. Coast Guard, the FBI and the Canadian Security Intelligence Service.



The Montreal, Quebec, site's Heavy Rescue Technical Team.

RESPONSIBLE CARE IN OUR COMMUNITIES

We believe that sustainable business success demands positive and open relationships with our neighbors. As a manufacturer, it is important that we openly share information with our neighbors about our facilities, operations and products. We make concerted efforts to understand and respond to the concerns of local communities and residents and to seek their

input about our plans and operations through community advisory panels (CAPs), open houses, community forums and personal visits.

NOVA Chemicals also invests in the well-being of our communities through programs and events that support emergency services partnerships, and health, science and technology education.

DID YOU KNOW?

The chemical industry sponsors more than 300 CAPs in the U.S. and Canada.



The Joffre, Alberta, site participated in the seventh annual Central Alberta Science Festival. The event emphasizes interactive science activities. Children were introduced to polymers, watched the stars in a portable planetarium, and learned about owls and reptiles.

“It’s great to see companies like NOVA Chemicals showing interest, and playing an active role in the development of tomorrow’s skilled workforce – an effort that requires real focus and partnership.”

Dave Hancock
Advanced Education Minister
of Alberta



Many NOVA Chemicals sites build active partnerships with local universities and provide internships and employment opportunities for students enrolled in science, engineering and technology programs.



Our Ontario, Canada, manufacturing sites sponsored a pilot robotics competition at three local schools to make students aware of science and engineering careers and inspire them to participate. Employees worked closely with teachers and students to design and build robotics appropriate to the students’ age groups using LEGO® bricks.



The Painesville, Ohio, site hosted more than 80 friends, family and retirees at their annual open house. The event included a visit from the Painesville Township Fire Department and information on off-the-job safety.

**QUESTIONS? COMMENTS?
WE INVITE YOU TO CONTACT US.**

E-mail Care@novachem.com

Canada 403.750.3600

U.S. 412.490.4000 or 1.866.ASK.NOVA



Additional information about our Responsible Care performance is available in the Social Responsibility section of www.novachemicals.com.

To learn more about Responsible Care performance and initiatives in the chemical industry, please visit the websites of the American Chemistry Council (www.americanchemistry.com, www.responsiblecare-us.com) and the Canadian Chemical Producers' Association (www.ccpa.ca).

NOVA Chemicals participates in industry organizations that support the responsible use of chemicals and plastic products:

- * Alliance of Foam Packaging Recyclers (AFPR): www.epspackaging.org
- * American Chemistry Council (ACC): www.americanchemistry.com, www.responsiblecare-us.com, www.transcaer.org
- * American Plastics Council (APC): www.americanplasticscouncil.org, www.plastics.org
- * Canadian Chemical Producers' Association (CCPA): www.ccpa.ca
- * Canadian Plastics Industry Association (CPIA): www.cpia.ca, www.plastics.ca, Canadian Environment and Plastics Industry Council (EPIC): www.cpia.ca/epic
- * EPS Molders Association (EPSMA): www.epsmolders.org
- * Foodservice and Packaging Institute (FPI): www.fpi.org
- * International Council of Chemical Associations (ICCA): www.icca-chem.org
- * Polystyrene Packaging Council (PSPC): www.polystyrene.org
- * Styrene Information and Research Center (SIRC): www.styrene.org

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SURPASS® is a registered trademark of NOVA Chemicals Corporation in Canada and of NOVA Chemicals (International) S.A. elsewhere.

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