

# **2013 Sustainability Report**

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# Strategy and Profile

# 1.0 Strategy and Analysis

#### 1.1 Statement From Jim Prokopanko, CEO Mosaic Company

Question 1: What role does fertilizer play in achieving global food security?

Over half of the world's crop yields are attributable to fertilizer, so fertilizer must be central to any discussion of global food security.

The fact is, each day the world has 150,000 new mouths to feed. The expanding middle class, with its increasing demand for resource-intensive proteins such as meat, plus climate change and water scarcity—all of these factors add to the pressure on global agriculture. Clearly, feeding a growing, changing world is one of the defining challenges of our lifetime.

Mosaic's mission is to help the world grow the food it needs. We believe the answer to this monumental challenge lies in "sustainable intensification"—producing more food, sustainably, and in a way that respects and preserves our natural world. We simply cannot achieve this without the many benefits of mineral fertilizers.

Fertilizer nourishes plants, which in turn nourish people. When appropriately applied, Mosaic's products—phosphate and potash crop nutrients—help farmers get more food and grain out of each acre they farm. Without fertilizer, much more land would be required to meet global demand—which contributes to deforestation and biodiversity loss.

To help promote efficient fertilizer use, Mosaic supports the 4Rs Nutrient Stewardship Framework—using the Right Source of fertilizer at the Right Rate, at the Right Time and in the Right Place. This program encourages farmers around the world to be good stewards of the environment while maximizing their yields.

# Question 2: How does the challenging business environment affect your sustainability efforts?

Business conditions—good or difficult—do not and will not change Mosaic's commitment to sustainability. Success comes when we make smart choices about our stewardship of the environment, how we engage our people and our communities, and how we manage resources. Our financial strength allows us to continue investing in our company's sustainability progress, regardless of market conditions.

We were tested in 2013 by lower market prices for potash and phosphates due to increasing global supply and inconsistent demand in certain parts of the world, most notably India and China. I'm proud that at Mosaic, we navigated through these challenges and produced solidly profitable business results, all the while keeping the sustainability of our business in mind.

We chose to use the tough environment as an opportunity to grow and refine our business portfolio. We are increasing our investment in Brazil's agricultural promise by agreeing to purchase Archer Daniels Midland Company's fertilizer distribution business in Brazil and Paraguay, a move that complements our expansion plans already underway. We also acquired CF Industries' phosphate operations in March 2014, and entered into a phosphates joint venture with Ma'aden and SABIC in Saudi Arabia. We also reached difficult decisions to divest underperforming assets in Chile, Argentina and Michigan. We expect these decisions to increase not only our operational efficiencies, but also our agronomic and economic impact in key agricultural markets.

#### Question 3: What are Mosaic's priorities when it comes to sustainability?

As the world's largest producer of phosphate and potash, our top priority is helping farmers in key agricultural areas produce more corn, wheat, soybeans, potatoes and other crops. We also have a responsibility to promote good nutrient stewardship throughout the supply chain—from mine to market.

We wanted to better prioritize and understand all the myriad issues material to our stakeholders, so in 2013 we conducted a materiality study with a third-party auditor. The valuable and impartial insights we received are helping us identify the most important actions we must take to further reduce our environmental footprint, in ways that are most meaningful to our stakeholders. We expect to finalize our materiality analysis in 2015.

Maintaining a healthy, safe work environment has been, and will always be, a primary focus for Mosaic. We were extremely troubled by the tragic accident in February 2014, which resulted in the fatality of a contract employee working on one of our Florida phosphates properties. We have conducted a thorough investigation and have shared what we learned, to avoid a future fatality.

Mosaic's safety culture has evolved significantly, and our overall safety performance in 2013 was statistically our best ever—but we must continue in our relentless pursuit of an injury-free workplace. This is more important than ever as we welcome 1,200 new employees through our completed and pending acquisitions.

#### Question 4: What is Mosaic doing to reduce its environmental footprint?

We have made good, consistent progress in the five years since we first published a sustainability report. In our operations, we're particularly proud of our efforts in the areas of water conservation, land reclamation, the use of alternative energy sources and reducing our carbon footprint.

Our Florida phosphate manufacturing facilities operate on more than 90 percent recycled water, and we continue to find new ways of reducing our water footprint. We're even working with other local businesses on responsible water use: Mosaic partnered with Duke Energy to eliminate up to 4.6 million gallons per day of groundwater withdrawal in Polk County, Florida.

To better understand our environmental performance, we have tracked our greenhouse gas emissions since Mosaic's inception in 2004—and we work to reduce emissions intensities year over year. Since 2008, we have improved our total energy consumed per tonne of finished product by over 10 percent. A portion of that savings is due to clean electrical cogeneration from the recovery of waste heat in our operations. In 2013, we produced enough electricity—approximately 6.24 million gigajoules—through cogeneration to satisfy 44 percent of our companywide electrical demand. We used more than 1 million gigajoules of this emission-free cogenerated electricity in our mines.

Mosaic's best-in-class Florida reclamation activities begin before we mine. First, we work with a dozen local, regional, state and federal regulatory agencies to ensure all mined areas can be successfully reclaimed—and to identify areas of high environmental sensitivity that should be protected. Our teams of professional biologists, hydrologists and other specialists take great pride in the exceptional quality of our reclamation work, and we focus on creating successful, sustainable habitats for diverse wildlife.

We are also finding new ways to reduce our indirect energy consumption. In 2013, we completed the conversion of our Central Florida truck fleet to clean-burning compressed natural gas. We are pleased that the new fleet will allow us to operate more safely, lower our customers' costs and reduce emissions.

Thanks to the work of our teams in operations, environmental, health and safety, supply chain and engineering, Mosaic has made great strides in reducing energy use and emissions profiles, earning the company recognition.

Since 2009, Mosaic has reported the greenhouse gas (GHG) inventory of more than 50 facilities in seven countries to the Carbon Disclosure Project (CDP). In 2013, we were included in the CDP S&P 500 Climate Disclosure Leadership Index and the CDP S&P 500 Climate Performance Leadership Index. We are proud Mosaic is the first crop nutrition company to be recognized for inclusion in these indices.

Additionally, Mosaic was one of 35 global companies included in the Trucost Natural Capital Leaders Index. We were noted for our record of economic success without environmental degradation.

#### Question 5: What are Mosaic's sustainability challenges?

The concept of sustainability has evolved tremendously through the years, and we must continue to learn so that we can keep pace with change. We are evolving in our approach to sustainability. Part of that process is assessing the myriad challenges, and determining where we can make the greatest impact for our stakeholders.

Some of our biggest challenges belong to the crop nutrition industry as a whole, and require consensus and collaboration. One of those issues is nutrient stewardship. We make products that are essential to humankind, and, like many other products, responsible use is critical. As an industry, we need to do more to ensure that our retail and distribution partners, as well as farmers, have the tools they need to grow crop yields sustainably.

Another issue of critical importance in our industry is product safety and security. We have joined with The Fertilizer Institute and the Agricultural Retailers Association in support of the new ResponsibleAg initiative, which will facilitate fertilizer retailers' compliance with federal safety and security regulations and provide access to comprehensive inspections. The safety and wellbeing of our people and our communities is paramount for us at Mosaic, and we are pleased that this program will help our customers more easily understand and conform to a common standard.

In the end, sustainable intensification remains our most compelling challenge—and it gives our business purpose. Every day, our people are driving new innovations, finding ways to work safer and smarter, and developing better, more efficient processes that move the company forward. We believe that our sustainability efforts lead to greater shareholder value—and help us achieve our mission of helping the world grow the food it needs.

#### 1.2 Description of Key Impacts, Risks and Opportunities

#### **Key Impacts and Risks**

Factors affecting our market, including impacts and risks, are summarized within Mosaic's <u>10-K Report</u> (pages 25-47).

#### **Key Opportunities**

Key opportunities are discussed in detail in our response to the <u>CDP Report</u> (sections 6.1a-6.1f), Mosaic's <u>10-K Report</u> (page 3-6).

## 2.0 Organizational Profile

## 2.1 Name of the Organization

The Mosaic Company

## 2.2 Primary Brands, Products and Services

The Mosaic Company is the world's leading producer and marketer of concentrated phosphate and potash crop nutrients for the global agriculture industry. We are the largest integrated phosphate producer in the world and the fourth largest producer of potash in the world. Through our broad

product offering, we are a single-source supplier of phosphate- and potash-based crop nutrients and animal feed ingredients. We serve customers in approximately 40 countries. We mine phosphate rock in Florida and process rock into finished phosphate products at facilities in Florida and Louisiana. We mine potash in Saskatchewan, New Mexico and Michigan. We have other production, blending or distribution operations in Australia, Brazil, China, India, Argentina and Chile, and a strategic equity investment in a phosphate rock mine in the Bayovar region in Peru, and recently formed a joint venture to develop a phosphate rock mine and chemical complexes in the Kingdom of Saudi Arabia. We also recently signed agreements with Archer Daniels Midland Company to acquire its fertilizer distribution business in Brazil and Paraguay We operate in the top four nutrient-consuming countries in the world.

#### **Phosphates**

We are the largest integrated phosphate producer in the world and one of the largest producers of phosphate-based animal feed ingredients in the United States. We sell phosphate-based crop nutrients and animal feed ingredients throughout North America and internationally. Our Phosphates segment also includes our North American and international distribution activities. Our distribution activities include sales offices, port terminals and warehouses in the United States, Canada and several other key international countries. In addition, the international distribution activities include blending, bagging and production facilities in Brazil, China, India, Argentina and Chile. Our phosphate crop nutrient products are marketed worldwide to crop nutrient manufacturers, distributors and retailers.

#### **Potash**

We are the fourth-largest producer of potash in the world. We sell potash throughout North America and internationally, principally as fertilizer, but also for use in industrial applications and, to a lesser degree, as animal feed ingredients. We mine and process potash in Canada and the United States, and sell potash in North America and internationally.

Examples of Mosaic's products include:

- Diammonium Phosphate (DAP). DAP is the most widely used high-analysis phosphate crop nutrient worldwide. DAP is produced by combining phosphoric acid with anhydrous ammonia. DAP is a solid granular product.
- Monoammonium Phosphate (MAP). MAP is the second most widely used high-analysis
  phosphate crop nutrient and the fastest growing phosphate product worldwide. MAP is also
  produced by first combining phosphoric acid with anhydrous ammonia. MAP is a solid granular
  product.
- Muriate of Potash (MOP) is the primary source of potassium for the crop nutrient industry. Red MOP has traces of iron oxide. The granular and standard grade Red MOP products are well suited for direct fertilizer application and bulk blending. White MOP has a higher percent potassium oxide. White MOP, besides being well suited for the agricultural market, is used in many industrial applications.

- MicroEssentials : MicroEssentials fertilizers are a line of value-added ammoniated phosphate
  products that are enhanced through a patented process to include micronutrients such as sulfur
  or zinc. These products provide for uniform nutrient distribution, resulting in improved nutrient
  uptake, which allows plants to maximize their yield potential.
- <u>K-Mag</u>: K-Mag delivers potassium (K), magnesium (Mg) and sulfur (S) in a single granule, reducing the need for fertilizer blends.
- Nexfos: In 2011, Mosaic unveiled Nexfos, a new animal feed-grade phosphate product that
  increases efficiency, enhances bioavailability and contains a higher sustainable concentration of
  phosphate over traditional livestock feed products. Nexfos represents the first innovation in
  feed-grade phosphate in 40 years. Nexfos also reduces purchasing, storing and handling costs
  for consumers, and offers significant reductions in requirements during production. Production
  design changes have resulted in increased water and energy efficiencies.
- Aspire<sup>™</sup>: Aspire<sup>™</sup> is the first-of-its-kind micronutrient-enhanced fertilizer. Aspire premium potash with Boron combines Potassium and Boron in each granule to achieve uniform distribution, increased yields and meet the growing need for micronutrients in crops like corn, soybeans, alfalfa and cotton.

## 2.3 Operational Structure

## Mosaic's Global Footprint



Mosaic conducts business through wholly and majority-owned subsidiaries, as well as businesses in which we own less than a majority or a non-controlling interest. We are organized into two reportable business segments: Phosphates and Potash. Additional information is detailed in our <u>10-K Report</u> (Page 6).

#### 2.4 Location of Headquarters

Mosaic's headquarters are located in Plymouth, Minnesota.

Mosaic's complete mailing address: The Mosaic Company 3033 Campus Drive, Suite E490 Minneapolis, Minnesota 55441

#### 2.5 Number of Countries Where the Company Operates

Mosaic has operations in eight countries.

	Operations Presence					
Country	Phosphate production	Potash production	Office	Warehouse	Blender	Port
United States	•	•	•	•		•
Canada		•	•	•		
Argentina	•		•	•	•	•
Brazil	•		•	•	•	•
Chile			•	•	•	•
China	•		•	•	•	
India			•	•		•
Australia			•			

#### 2.6 Nature of Ownership and Legal Form

Mosaic is a publicly traded company whose common stock is listed under the ticker symbol MOS on the New York Stock Exchange (NYSE).

#### 2.7 Markets Served

Mosaic has key distribution facilities in eight countries, serving wholesalers, retail dealers and individual growers in approximately 40 countries. In 2013, we distributed crop nutrients – approximately 13% of estimated global phosphate and approximately 14% of estimated global potash products – through the value chain to wholesalers and retailers through our extensive global distribution system. Mosaic also offers value-added services, such as tools to assist in application rates of crop nutrients, and other customized services that increase both crop and economic yields.

#### 2.8 Scale of Reporting Organizations

Mosaic had approximately 8,400 employees as of December 31, 2013, consisting of approximately 3,600 salaried and 4,800 hourly employees. Sales for calendar year 2013 were approximately \$9 billion, representing approximately 16,300,000 tonnes of finished product.

Mosaic's total assets as of December 31, 2013, equaled \$19,554 million.

# 2.9 Significant Changes During the Reporting Period Regarding Size, Structure or Ownership

Reporting of 2013 Operations and Share Capital Structure is provided in our 10-K Report (Page 2).

#### 2.10 Awards Received in the Reporting Period

Mosaic has been recognized by international, national and local organizations for achievements in corporate responsibility, environmental issues, reclamation and philanthropy. A selection of awards is presented below.

#### **Corporate Responsibility 100**

The Mosaic Company has been recognized on *Corporate Responsibility Magazine's* 13th annual 100 Best Corporate Citizens List, known as the world's top corporate responsibility ranking based on publicly available information. This is the fourth year in a row that Mosaic been named to the list, ranking number one among mining and crop nutrition companies on the CR100 and number 52 overall.

#### Ethisphere's List of World's Most Ethical Companies

Mosaic joined only 145 other companies to be recognized by the Ethisphere Institute as one of the 2013 World's Most Ethical Companies. Mosaic was one of only two metals and mining companies based in the United States to make the list.

#### **CECP President's Award for Excellence in Corporate Philanthropy**

The Mosaic Company received the 2013 President's Excellence Award in Corporate Philanthropy from CECP, the organization formerly known as the Committee Encouraging Corporate Philanthropy. The award recognizes Mosaic's success in helping smallholder farmers in Guatemala, India and eight African countries break the cycle of insufficient crop yields and poverty through The Mosaic Villages Project.

## 3.0 Report Parameters

## 3.1 Reporting Period

This report primarily summarizes the activities occurring in the period of calendar year 2013, Mosaic changed our fiscal year-end to December 31, from May 31. Calendar reporting better aligns with our business cycle and with our competitors. This report is aligned with our 10-K Report for the transition period from June 1, 2013 to December 31, 2013 and our 2013 Annual Review and Business Outlook and should be read in conjunction with the information in those reports.

In this year's GRI report, much of the information is provided on the basis of the calendar year. We departed from the fiscal year reporting, where possible, to allow for direct comparison of our

sustainability data with our peers' sustainability data. As such, a significant portion of the data is for calendar year 2013. For fiscal year reporting, references in this report to a particular fiscal year are to the 12 months ended May 31 of that year. For example, "fiscal 2013" or "FY 2013" refers to the 12 months ending on May 31, 2013. In some cases we have not included historical information for every company time period. Generally, those omissions were due to concerns about data availability or consistency or because we determined that collecting such information would not add to the value of this report. Reporting generally covers actions and decisions for calendar year 2013. However, information and data from Mosaic's inception on October 22, 2004, through the company's year ended December 31, 2013, is also included where appropriate. This report includes entities over which Mosaic exercises majority control, including all their operations and departments that have the potential to generate significant impacts.

## 3.2 Date of Most Previous Report

2013.

#### 3.3 Reporting Cycle

Annual.

#### 3.4 Report Contact

Mr. Neil Beckingham, Sustainability Manager, can be contacted by e-mail at neil.beckingham@mosaicco.com.

# 3.5 Process for Defining Report Content, Including Materiality and Stakeholders

In 2013, Mosaic worked with a third-party auditor to analyze how Mosaic defines significant economic, environmental and social impacts. AccountAbility's AA1000 Stakeholder Engagement Standard guided the review process that reflects our company's commitment to more fully inform all stakeholders on matters that influence our business and society. How we engage stakeholders—whether supportive or critical—in our communities, our industry and globally, helps us anticipate and manage complex issues and develop targets by which we measure and report our progress. Our goals and reporting will evolve as we refine our understanding and identify further material issues.

Based on the GRI definition of materiality, Mosaic has developed a set of content indicators that focuses on the role key stakeholders play in Mosaic, including our customers, employees, shareholders and communities. To meet our vision of accountability and transparency around the key indicators that Mosaic and our stakeholders consider most relevant, we focus reporting in the areas of food, environment, people, community and company, as detailed below.

#### Food

Helping the world grow the food it needs is what gives our business purpose. Mosaic's continual focus on new product development ensures we can meet the unique needs of growers in every part of the world. Our products, agronomic expertise and financial support for the Mosaic Villages Project have helped smallholder farmers in Guatemala, India and eight countries in Africa move from subsistence farming to producing a surplus. Mosaic promotes the efficient use of crop nutrients so farmers can maximize crop yields and mitigate potentially negative environmental impacts stemming from improper use.

#### **Environment**

Mosaic's crop nutrients play a crucial role in nourishing the crops that are needed to feed our growing global population, and our respect for the earth is fundamental. We demonstrate our commitment to environmental sustainability through our land reclamation and water conservation efforts, our nutrient stewardship and our cogeneration projects. Mosaic works to optimize our production processes and reduce our environmental footprint. We are also committed to educating growers on the sustainable use of our products.

#### People

Mosaic aims to be the employer of choice for an engaged, inclusive workforce, and we are committed to preserving a safe, healthy and respectful work environment. We are proud of our stringent safety programs for employees and contractors alike. Additionally, all Mosaic employees, service providers and contractors are held to the same high standards outlined in Mosaic's Code of Business Conduct and Ethics.

#### Community

Our community investment focus is simple and direct – we seek out projects in the areas of food and water, as well as projects that benefit our local communities. As a global leader in the crop nutrient industry, Mosaic recognizes the importance of partnering with industry associations, nonprofit organizations and stakeholders, both globally and in local communities where we operate. We are proud of the long-term economic impact we make in our communities, as well as the improved profitability and quality of life we help achieve for farmers and their families.

#### Company

Mosaic's sustainability goals are closely aligned with our operational and financial goals. We respond annually to the Carbon Disclosure Project and utilize the Global Reporting Initiative's G3.1 framework with the Mining and Metals Sector Supplement to report on our environmental and sustainability performance. Mosaic is a signatory to the United Nations Global Compact, affirming our deep commitment to operate according to universally accepted principles in the areas of human rights, labor, environment and anti-corruption.

#### 3.6 Boundary for Report

Operating units and subject matter experts from throughout Mosaic's global enterprise provided support for data collection and analysis. These units include Phosphate operations in Florida and Louisiana and Potash operations in New Mexico and Michigan in the United States and in Saskatchewan, Canada. Our subsidiaries in Argentina, Brazil, Chile, China and India are included, unless otherwise specified.

Data collection was managed globally, geographically and at the business unit level. Our approach to data collection was based on verifiable facts within the specified boundaries. Before publication, Mosaic conducted a final validation process to ensure the accuracy of information provided. This process was supplemented by:

- Sustainability Steering Committee review of collected data and related information
- Reporting within the <u>GRI Framework at the "A" GRI application level</u>
- Establishing initial goals and key performance indicators for future reporting

Validation steps for data included:

- Engaging internal subject matter experts to review and analyze data
- Conducting meetings with subject matter experts to review data and the resulting analysis
- Engaging senior leadership in a review of GRI indicators before finalization
- Developing a process for consistent data collection and analysis that can be used in subsequent years and with future reports

Mosaic authorized Trucost Plc to perform a third-party verification of energy, water withdrawals and greenhouse gas emissions data and calculations (Scope 1, Scope 2 and Scope 3) for 2013. Trucost evaluated Mosaic's data, methodologies and calculations, and provided a statement of assurance to the AA1000AS standard. For information on our investments in non-consolidated companies, please see our 10-K Report (Page F-62).

## 3.7 Specific Limitations on Scope or Boundary

The report covers our global operations. However, this report does not specifically cover projects where Mosaic is not the majority shareholder, or in the primary on-site project management role.

# 3.8 Basis for Reporting Joint Ventures, Subsidiaries, Leased Facilities, Outsource Operation and Other Entities

Information regarding Mosaic's joint ventures and subsidiaries is detailed in our <u>10-K Report</u> (Pages F-62).

#### 3.9 Data Measurement Techniques and Bases of Calculations

Mosaic's data management techniques and bases for calculations employed are expressed and summarized within this report and in relevant sections wherein data is reported. Mosaic collects data and performs calculations in general accordance with guidance provided by the GRI Indicator Protocols.

#### 3.10 Explanation of the Effect of Any Restatements of Information

The following changes are pertinent:

- Greenhouse gas emissions from purchased raw materials are restated in EN17 to reflect more updated calculation methodology (in line with international standards) for prior years 2010, 2011 and 2012.
- 2. A review of historical data resulted in restatement of wastewater withdrawals for the Potash business unit in EN8 for the years 2010, 2011 and 2012.
- 3. Brine and salt tailings generated in the Potash business unit have been restated in MM3 for the years 2010, 2011 and 2012.

#### 3.11 Significant Changes From Previous Reporting

Beyond changes noted in 3.1, there are no other major changes from the 2013 reporting year. Mosaic strives to continuously improve our reporting standards and has reported to the following GRI Sustainability Reporting Guidelines G.3.1: Strategy and Analysis, Organizational Profile, Report Parameters, Governance, Commitments and Engagement, and the GRI Mining and Metals Sector Supplemental Indicators #MM1 through MM11.

#### 3.12 GRI Content Index

For our full content index click here.

#### 3.13 External Assurance

Mosaic commissioned iCompli, a division of BPA Worldwide, to provide independent third party assurance over the sustainability content within the Mosaic 2013 GRI Indicators (the "Report", covering activities occurring in the period of calendar year 2013). This engagement has been managed in accordance with AccountAbility's AA1000AS (2008) assurance standard, where the format of the engagement was structured to meet the AA1000AS Type I (Moderate) requirements.

Mosaic authorized Trucost Plc to perform a third-party verification of energy, water withdrawals and greenhouse gas emissions data and calculations Scope 1, Scope 2 and Scope 3 emissions for 2013. Trucost evaluated Mosaic's data, methodologies and calculations, and provided a statement of assurance to the AA1000AS standard.

# 4.0 Governance, Commitments and Engagement

## 4.1 Governance Structure of the Organization, Including Committees

Mosaic's corporate governance structure is characterized by the <u>Board of Directors</u>, <u>Board Committees</u> and <u>Senior Leadership</u> Team (SLT). Our Board Committees include an Audit Committee; Compensation Committee; Corporate Governance and Nominating Committee; and Environmental, Health, Safety and Sustainable Development Committee. Additional information regarding directors, executive officers and corporate governance is detailed in our <u>Proxy Statement</u> (page 12).

We are committed to making informed choices that improve our corporate governance, financial strength, operational efficiency, environmental stewardship, community engagement and resource management. Through these efforts, we intend to sustain our business and experience lasting success. In 2010, Mosaic formalized its commitment to sustainability by establishing a Sustainability Steering Committee to ensure companywide transparency and accountability. This group works to define priorities, needs and performance gaps across the company.

The Environmental, Health, Safety and Sustainable Development (EHSS) Committee of Mosaic's Board of Directors provides oversight of the company's overall environmental and sustainability strategy. Composed of four members, three of whom are independent, the EHSS Committee provides oversight of our environmental, health, safety and sustainable development strategic vision and performance, including the safety and health of employees and contractors; environmental performance; the systems and processes designed to manage EHSS risks, commitments, public responsibilities and compliance; relationships with and impact on communities with respect to EHSS matters; public policy and advocacy strategies related to EHSS issues; and achieving societal support of major projects. The EHSS Committee's recommendations are comprehensively reviewed by Mosaic's Board of Directors and SLT.

#### 4.2 Chair

Mr. Robert L. Lumpkins is Chairman of the Board of Directors. He is an independent director and not an executive officer of the company.

## 4.3 Number of Members of the Highest Governance Body

Mosaic's <u>Board of Directors</u> has 12 members. All of our directors, except our CEO and one director, who is an executive officer of Cargill, are independent. Please refer to our <u>Proxy Statement</u> (page 21) for more information.

The listing standards of the NYSE require that Mosaic's Board be comprised of at least a majority of independent directors and that the Board maintain Audit, Compensation and Corporate Governance and Nominating Committees comprised entirely of independent directors. The NYSE Corporate Governance Rules also require the Board to make a formal determination each year as to which of its

directors are independent. In addition to meeting the minimum standards of independence adopted by the NYSE, no director qualifies as "independent" under the NYSE Corporate Governance Rules unless the Board affirmatively determines that the director has no material relationship with the corporation.

# 4.4 Mechanisms for Shareholders and Employees to Provide Recommendations or Direction to the Highest Governance Body

The Governance Committee believes that open communication is best achieved by offering stakeholders, including security holders, employees and other interested parties, several methods of communication with the Board, including phone, e-mail or written communication in care of the General Counsel at the address of the Company's executive offices. For more information, please see Mosaic's Policy Regarding Communications with the Board of Directors.

# 4.5 Linkage Between Compensation of Members of Governance Bodies and the Organization's Performance

Performance measures for incentive compensation for members of Mosaic's governance executives (Management Incentive Plan) are based not only on financial results but also on operational excellence measures. Details of our corporate governance are provided in Mosaic's <u>Proxy Statement</u> (pages 21-31).

#### 4.6 Processes for the Governance Body to Avoid Conflicts of Interest

Mosaic employees and directors must abide by the applicable provisions in the Company's Code of Business Conduct and Ethics, which provides that personal conflicts of interest (i.e., when an individual's private interests interfere in any way with the interests of the company) are prohibited as a matter of Company policy, except under the guidelines approved by the Board. Each of the Company's directors and executive officers completes a questionnaire on an annual basis designed to elicit information about any potential related person transactions. In addition, it is the responsibility of each director and executive officer to bring any related-person transaction in which he or she is involved to the General Counsel for review and approval in accordance with this policy. Any potential related-person transaction that is identified will be analyzed by the General Counsel, in consultation with management and with outside counsel, as appropriate, to determine whether the transaction or relationship constitutes a related-person transaction requiring compliance with this Policy. Related-person transactions that are brought to the attention of the General Counsel shall be submitted for consideration by the Governance Committee. Any related-person transaction that is not approved or ratified, as the case may be, shall be voided, terminated or amended, or such other actions shall be taken, in each case as determined by the Governance Committee, so as to avoid or otherwise address any resulting conflict of interest.

# 4.7 Process for Determining the Qualifications and Expertise of Members of the Governance Bodies

The responsibilities of the Corporate Governance and Nominating Committee are detailed in the Corporate Governance Guidelines. Per the Committee charter, the Corporate Governance and Nominating Committee of the Board of Directors identifies individuals believed to be qualified to become Board members pursuant to its "Policy Regarding Identification and Evaluation of Potential Director Nominees." In evaluating candidates, the Committee shall take into account the applicable requirements for directors under the Securities Exchange Act of 1934 and the listing standards of the NYSE. The Committee may take into consideration such other factors and criteria as it deems appropriate in evaluating a candidate.

#### 4.8 Mission Statements, Codes of Conduct and Principles

No matter where Mosaic operates in the world, our employees adhere to the same companywide values. This common sense of purpose and responsibility ensures that we approach our work with a shared goal.

#### Mission

Our mission is to help the world grow the food it needs. As the world's largest supplier of phosphate and potash, we consider this mission to be a noble one that carries vast responsibility.

#### **Values**

Our values of integrity, excellence, sustainability and connectivity define how we conduct our business, how we interact with each other and how we treat our communities and our planet.

#### Our Role in Feeding the World

We live in an increasingly populous and prosperous world, one in which the accelerating demand for food is a powerful force. Today the world's population is growing at a rate of about 1.1% per year. That might not sound like much, but it means we need to set the dinner tables for an additional 73 million people each year. This population explosion poses a serious challenge to the food producers of the world.

Another factor driving the demand for food is increasing prosperity, particularly in the developing world. As millions of people continue to increase their earning power, a protein-rich diet is generally one of their first lifestyle improvements. The demand for more protein has a significant impact on grain and oilseed demand, as protein-based diets are more dependent on these products than carbohydrate-based diets.

Considering the ever-expanding world population, the increased demand for protein and the fact that there is limited arable land on our planet, the most efficient way to meet the increasing demand for

food is to increase crop yields. That's where Mosaic comes in. Our crop nutrients can double, triple or even quadruple a farmer's yield per acre. Agronomists estimate that commercial crop nutrients directly account for 40 to 60% of crop yields. The optimum use of crop nutrients is essential to growing the food the world needs.

Our crop nutrition products are complemented by our customized services. From field mapping and soil testing, to agronomic consulting and fertilizer blending innovations, our services provide real-world benefits to our customers.

# 4.9 Procedures for Overseeing the Organization's Identification and Management of ESG Performance

Pursuant to their respective charters, committees of our Board assist in the Board's oversight of risk. The Environmental, Health, Safety and Sustainable Development (EHSS) Committee oversees management's plans, programs and processes to evaluate and manage EHSS risks to our business, operations and products; the quality of management's processes for identifying, assessing, monitoring and managing the principal EHSS risks in our business; and management's objectives and plans (including means for measuring performance) for implementing our EHSS risk management programs. Please refer to Mosaic's Proxy Statement for more information.

Please refer to Mosaic's 10-K Report (page 47).

# **4.10** Process for Evaluating the Highest Governance Body's Performance

Mosaic's Board, <u>Mosaic's Environmental, Health, Safety and Sustainable Development Committee</u> (per Mosaic's Proxy Statement, page 22), Compensation Committee, and Corporate Governance Guidelines

# 4.11 Explanation of Whether and How the Precautionary Approach or Principle Is Addressed by the Organization

Mosaic addresses the precautionary principle through the organization's management of risk. It is the role of management to operate the business, including managing the risks arising from our business, and the role of our Board to oversee management's actions. Management reports on enterprise risks to the full Board on a regular basis. Please see our <u>Proxy Statement</u> for more information.

In fiscal 2013, Mosaic submitted our first United Nations Global Compact (UNGC) Communication on Progress, affirming our commitment to operate according to the UNGC's 10 universal principles, including Principle Seven, which states, "Businesses should support a precautionary approach to environmental challenges."

# 4.12 Externally Developed Economic, Environmental and Social Charters, Principles to Which the Organization Subscribes or Endorses

In 2012, Mosaic became a signatory to the United Nations Global Compact.

# 4.13 Memberships in Associations in Which the Organization Has Positions in Governance Bodies, Participates in Projects or Committees, or Provides Substantive Funding Beyond Routine Membership Dues

The Mosaic Company strives to be the global leader in the crop nutrient industry. As such, we recognize the importance of being active in industry associations and cross-sector business forums that provide common platforms to advance cutting-edge scientific research and best management practices within our company and our industry. Mosaic considers the relevance of the engagement opportunities to our business strategies and pursues mutually beneficial partnerships. A selection of key organizations with which Mosaic is involved are listed below.

Cross-Sector and Industry Partnerships				
Cross-Sector Organization	Ways We Engage	Involvement		
Carbon Disclosure Project (CDP)	Member	Mosaic supports the CDP's aims to improve transparency with respect to greenhouse gas emissions and develop reduction strategies.		
Global Landscapes Initiative (GLI)	Founding partner	Mosaic supports the GLI's activities to assess trends in global agricultural supply and demand, improve our ability to balance human needs with environmental stewardship and promote secure landscapes across the globe.		
GRI's Focal Point Sector USA	Founding U.S. sector leader	In 2011, Mosaic joined the GRI's Focal Point USA as a U.S. sector leader to help boost the number of U.S. companies reporting on sustainability, to improve the quality of those reports and to increase U.S. organizations' input into developing new guidance for sustainability reporting.		
United Nations Global Compact (UNGC)	Signatory	In 2012, The Mosaic Company became a signatory to the UNGC, affirming our deep commitment to operating responsibly.		
World Economic Forum (WEF)	Member and committee level	Mosaic's participation in the WEF in both the Consumer and the Mining & Metals sectors allows us the opportunity to engage other global companies, gain line of sight and contribute to best practices.		

Industry Organization	Ways We Engage	Involvement
ANDA	Member	As a member of ANDA, Mosaic promotes the value and correct use of fertilizers in Brazil.
Agriculture Nutrient Policy Council (ANPC)	Member	Our membership in the ANPC allows us to be an active stakeholder and leader in the policy process, building the industry's technical, legal and policy capacity.
Canadian Fertilizer Institute (CFI)	Board level	Mosaic supports the CFI's efforts to promote the responsible, sustainable and safe production, distribution and use of fertilizers.
Conservation Technology Information Center (CTIC)	Board level	In 2013, Mosaic continued to partner with the CTIC on several initiatives that champion, promote and provide information on technologies and sustainable agricultural systems.
International Plant Nutrition Institute (IPNI)	Board level	In 2013, Mosaic contributed to and benefited from the IPNI's information about the production, distribution and use of potash and its influence on soil fertility.
International Fertilizer Industry Association (IFA)	Board level	Mosaic supports the IFA's efforts to represent, promote and protect the fertilizer industry among policymakers, regulators, farmers and society atlarge.
Saskatchewan Mining Association	Board level	Mosaic supports the association's aims to enhance the general welfare of the mining industry through technical innovations in the fields of health and safety standards, waste disposal, environmental protection, and extractive metallurgy research and development.
Saskatchewan Potash Producers Association (SPPA)	Board level	Our membership in the SPPA allows us to be an active stakeholder and leader in the policy process, building the industry's technical, legal and policy capacity.
The Fertilizer Institute (TFI)	Board level	Mosaic partners with TFI in its mission to represent, promote and protect the fertilizer industry.

## 4.14 List of Stakeholder Groups Engaged by the Organization

Mosaic encourages open lines of communication with stakeholders, with the communities in which we operate and with all other stakeholders.

Stakeholder Engagement						
Mosaic's Stakeholder	Ways We Engage	How Often	Topics of Importance			
Employees	Intranet sites, e-screens at plants and mines, town hall meetings, employee magazine, engagement surveys	Daily to biannually	Environment, health and safety, company, business unit and facility performance, our business and our industry, business conduct and ethics, professional development and training			
Local Communities	Internet site and community microsites, tours of plants and mines, community advisory panels, town halls and/or open houses, media, community organization memberships, economic and charitable partnerships	Daily to quarterly	Partnerships and community relations, corporate and charitable support, environmental investment, environmental footprint, education, local jobs, economic impact			
Customers	Sales relationships, regular visits, customer service surveys, special events	Weekly to biannually	Product innovations, agronomic research and development, certifications, impacts of our business and the industry			
Government and Regulatory Officials	Legislative advocacy, permitting applications, tours of plants and mines	Biweekly to quarterly	Compliance, environmental investment and footprint, industry leadership, voluntary programs			
Investors	Internet site, Webcasts and presentations, Securities and Exchange Commission (SEC) reports, analyst meetings, press releases	Daily to quarterly	Investments, financial results, market data, operational excellence, risks and opportunities, company priorities			
Civil Society Organizations	Internet site, meetings with organization, local community and business leaders, corporate communications	Weekly to biannually	Nutrient stewardship, sustainable agriculture, food security, local community investment and partnerships			
Suppliers	Internet site, meetings with procurement team, supplier survey	Weekly to biannually	Cost reduction, productivity, quality and innovation opportunities, new technologies, contract preparation, environment, health and safety evaluation and renewal, products and services provided, certifications, impacts of products and services			
Media	Press releases, interviews and briefings, Internet site and community microsites, SEC reports, tours of plants and mines, town halls and/or open houses	Daily to quarterly	Company priorities, performance and products, food security, nutrient stewardship, watershed restoration and preservation, local economic impact, partnerships and community relations, corporate and charitable support			

# 4.15 Basis for Identification and Selection of Stakeholders With Whom to Engage

In 2013, Mosaic worked with a third-party auditor to analyze how Mosaic defines significant economic, environmental and social impacts. AccountAbility's AA1000 Stakeholder Engagement Standard guided the review process that reflects our company's commitment to more fully inform all stakeholders on matters that influence our business and society. The analysis included:

- Reviewing Mosaic's public financial reports, sustainability reports, GRI tables, policies and commitments, as well as an internally conducted survey of senior management, customers and employees
- Conducting a quantitative telephone survey to measure progress of community relations and environmental stewardship in two primary geographies in which Mosaic operates, regions of Saskatchewan and Florida
- Scanning media reports and blogs for issues raised for public concern
- Engaging leaders of local, regional, national and global community organizations
- Comparing materiality determination practices to peer companies
- Cataloguing issues identified by stakeholder surveys, sustainability indexes, principles of the United Nations Global Compact, regulatory and policy trends, industry associations and crosssector partnerships

How we engage stakeholders—whether supportive or critical—in our communities, our industry and globally, helps us anticipate and manage complex issues and develop targets by which we measure and report our progress. Our goals and reporting will evolve as we refine our understanding and identify further material issues.

Mosaic uses a variety of methods to engage with stakeholders. Some examples are provided below.

- Methods and opportunities for communication with the Board of Directors is detailed in our <u>Proxy Statement</u> page 29.
- Mosaic maintains EthicsPoint, a 24-hour, independently administered, confidential, anonymous
  and multilingual hotline and Website. EthicsPoint allows Mosaic employees to express any
  concerns they might have about compliance with our Code of Business Conduct and Ethics, as
  well as other workplace issues, concerns, inquiries and suggestions.

#### **Community Advisory Panels and Microsites**

During the 2013 reporting period, Mosaic supported formal and informal communication channels to leverage the collective strength of our employees, communities, partners and consumers. Mosaic underwrites independent Community Advisory Panels (CAPs). For example, the CAP in Manatee County, Florida, is comprised of members from an active cross-section of civic leaders, environmental groups, business leaders and Mosaic's neighbors. A mix of self-identified citizens and those selected by a third-party facilitator identifies topics of community interest and concern, and invites knowledgeable presenters to address specific areas of focus. The Company is working to expand stakeholder outreach to improve our accountability feedback loop.

## 4.16 Approaches to Stakeholder Engagement

Mosaic is committed to stakeholder engagement and public advocacy efforts. Through social media, government relations, facility tours and more, we work to ensure that our stakeholders are well-informed and engaged with our mission.

Please refer to Mosaic's GRI indicator <u>SO1</u> and the chart in <u>4.14</u> for additional details.

## 4.17 Key Topics and Concerns That Have Been Raised Through Stakeholder Engagement, and How the Organization Has Responded to Those Key Topics and Concerns, Including Through Its Reporting

Key topics raised through stakeholder engagement are summarized in <u>4.14</u>. Meaningful engagement of internal and external stakeholders is central to The Mosaic Company's social responsibility and long-term success. We want to hear the full range of voices in our workplace and in our communities, and we strive to earn and preserve the trust of our communities and our world.

# **Economic**

# **Economic Performance**

EC1 Direct Economic Value Generated and Distributed, Including Revenue, Operating Costs, Employee Compensation, Donations and Other Community Investments

		Economic F	Performance			
		(in m	illions)			
	FY 2010 FY 2011 FY 2012 FY 2013			FY 2013	CY 2013	
Revenue	\$6,759.10	\$9,937.80	\$11,107.80	\$9,974.10	\$9,021.40	
		Operati	ing Costs			
Cost of Goods	5,065.80	6,816.00	8,022.80	7,213.90	7,006.00	
Sold						
Selling,	360.30	372.50	410.10	427.30	393.50	
general and						
administrative						
expenses						
Less:	-71.30	-13	41.90	-15.20	-0.40	
Unrealized						
gain/loss on						
derivatives						
Less:	445	447.40	508.10	604.80	655.60	
Depreciation,						
depletion and						
amortization						
*Less: Wages	494.10	772.30	843.10	935.90	927.80	
and benefits						
Total	4,558.30	5,981.80	7,039.80	6,115.70	5,816.48	
Operating						
Costs						
Wages and	494.10	772.30	843.10	935.90	927.80	
Benefits						
		Payments to Pr	oviders of Funds			
Dividends	668	89.30	119.50	426.60	427.10	
Paid						
Interest paid	\$60.00	\$43.10	\$21.00	=	\$6.90	
(net of						
amount						
capitalized)						
Total	728	132.40	140.50	426.60	434	
Payments to						
Providers of						
Funds						
Retained	5,905.30	8,330.60	10,141.30	11,603.40	11,182.10	
Earnings						

Tax (Payment to Government)							
Taxes Paid (Refunds	Taxes Paid (Refunds Received)						
U.S.	-183.60	264.70	272.70	175.80	155.10		
Canada	608.20	132.10	211.90	123.20	107.60		
Brazil	7.20	4.10	2.20	2.90	3		
Other worldwide	56.70	134.30	29.60	-2	-0.20		
Total Income Taxes Paid	488.50	535.20	516.40	299.90	265.50		
Canadian Resource Taxes and Royalties Expense	\$127.90	\$294.20	\$327.10	\$307.90	\$235.20		

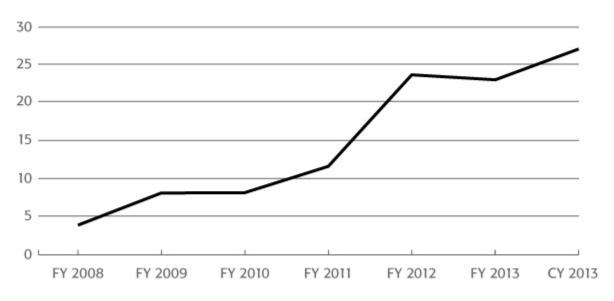
Note: (\*) Mosaic Cost of Goods Sold and Selling, General and Administrative expenses from the 10K include wages and benefits. For the GRI report, wages and benefits are requested separately, so they are excluded here and added back in as a separate line item directly below.

#### **Community Investments**

In 2013, Mosaic targeted to invest 1% of earnings before interest and taxes (EBIT) over a three-year rolling average into our communities. The Mosaic Company, The Mosaic Company Foundation and The Mosaic Institute in Brazil make investments in our global communities through philanthropic funding, employee engagement and in-kind donations. Combined contributions in 2013 reached \$27.16 million.

## COMMUNITY INVESTMENTS

\$ IN MILLIONS



Note: Community investments are reported on a fiscal year, cash basis.

Mosaic focuses its community investments in three areas:

- 1. Food: hunger relief, agricultural development, and agricultural research and education
- 2. Water: Watershed restoration, habitat conservation and nutrient stewardship
- 3. Local: Philanthropic or civic partnerships that enrich the long-term strength of communities in which Mosaic has offices and operations

The graph above reflects investments made in communities where targeted beneficiaries are external to the company. This may include contributions to research institutes unrelated to Mosaic's research and development activities, funds to support community infrastructure and other philanthropic efforts.

# EC2 Financial Implications and Other Risks and Opportunities for the Organization's Activities Due to Climate Change

Mosaic's 2012 published "Commitment on Climate Change" states that global climate change creates uncertainty for our business and poses challenges for the health and well-being of the world's populations – ecologically, socially and economically. The potential financial implications with regard to the physical changes associated with climate change, as well as potential regulatory response changes, are discussed in Mosaic's CDP public response and in Mosaic's 10-K Report. We evaluate whether, and to what extent, environmental issues and associated regulations could adversely impact our costs and operating activities, as well as the supply, demand, cost and location of grain production. This evaluation is part of a broader strategic business plan designed to help Mosaic meet or exceed production and profitability requirements. Other aspects of this plan include strategies for lowering purchased energy consumption through more efficient processes and maximizing the use of energy generated through the fertilizer manufacturing process.

#### **Risks and Opportunities Driven by Physical Changes**

Changes in temperature, drought, floods, storms and plant disease could affect agricultural production and negatively impact the demand for crop nutrient products. The effects of these impacts could be material to Mosaic. Mosaic's balanced approach to crop nutrition is a strategy to mitigate the adverse effects of drought, floods, storms and plant disease. We have established relationships with key universities and research organizations around the globe to develop and test innovative products like the MicroEssentials® product line, which is designed to help farmers make the most of every inch of farmland.

The same physical changes could result in an increase in demand for Mosaic's higher yield crop nutrition products, which could have a positive effect on our operating results and financial condition.

#### Risks and Opportunities Driven by Regulatory Changes

While there is uncertainty with regard to what final material regulatory provisions and targets applicable to Mosaic will be adopted in reducing greenhouse gases (GHG) in the United States and Canada, if any, the commitment by federal, province-based (Canada) and state-based (United States) regulatory bodies

is in motion. Any agreement, regulation or program that limits or taxes direct and indirect GHG emissions from our facilities could increase operating costs directly and through suppliers.

These initiatives could restrict our operating activities; require us to make changes in our operating activities that would increase our operating costs; reduce our efficiency or limit our output; require us to make capital improvements to our facilities, increase our energy, raw material and transportation costs or limit their availability; or otherwise adversely affect our results of operations, liquidity or capital resources. Any of these costs could be material to Mosaic. In order to manage the potential risks from changing regulations, Mosaic is taking a proactive approach, with particular emphasis on improving energy efficiency and waste management. These initiatives will assist Mosaic in emission reduction.

Any change in regulation that incentivizes production and/or use of renewable energy could provide a variety of opportunities to Mosaic, many of them with financial benefits. Similarly, if climate change-related restrictions were global in nature, Mosaic could gain a competitive advantage over our global competitors due to our current environmental performance and/or planned performance and initiatives related to environment and greenhouse gas emissions.

See Mosaic's 2013 Carbon Disclosure Project response for more information on Mosaic's efforts to address the risks and opportunities associated with climate change.

#### EC3 Coverage of the Organization's Defined Benefit Plan Obligation

Please refer to Mosaic's 10-K Report (page 137, F-74).

Benefit Plan Obligation							
(in millions)							
	FY 2011 FY 2012 FY 2013 CY 2013						
Pension Plan Obligation:	\$694.30	\$743.30	\$788.60	\$728.00			
Fair Value of Plan Assets	\$630.00	\$654.40	\$707.60	\$736.90			
	Pension Plan Asset Allocation						
U.S. Pension Plans	U.SPension Assets as of 5/31/2011	U.SPension Assets as of 5/31/2012	U.SPension Assets as of 5/31/2013	U.SPension Assets as of 12/31/2013			
Fixed Income	75%	77%	74%	75%			
U.S. Equity Securities	12%	11%	13%	12%			
Non-U.S. Equity Securities	7%	6%	7%	7%			
Real Estate	4%	4%	4%	4%			
Private Equity	2%	2%	1%	2%			
Other	0%	0%	1%	0%			

	100%	100%	100%	100%
Canadian	Canadian Pension Assets	Canadian Pension Assets	Canadian Pension Assets	Canadian Pension Assets
Pension	as of 5/31/2011	as of 5/31/2012	as of 5/31/2013	as of 12/31/2013
Plans				
Fixed	28%	38%	37%	38%
Income				
U.S. Equity	24%	22%	21%	22%
Securities				
Canadian	23%	21%	20%	21%
Equity				
Securities				
Non-U.S.	15%	14%	14%	14%
Equity				
Securities				
Private	3%	3%	2%	2%
Equity				
Other	7%	2%	6%	3%
	100%	100%	100%	100%
Investment	FY 2011	FY 2012	FY 2013	CY 2013
Plan and				
Savings				
Plan				
Attributable	\$28.50	\$30.00	\$34.50	\$35.20
Expense				

## **EC4 Significant Financial Assistance From Government**

In Canada, tax credits for FY 2013 were as follows (reported in U.S. dollars):

• Research & Development Credit = \$6.3M

In the U.S., tax credits for FY 2013 were as follows:

- Research & Development Credit = \$2.75M
- Agricultural Chemicals Security Credit = \$15,000
- Mine Rescue Team Training Credit = \$43,000

In Brazil, tax relief and credits for CY 2013 were as follows (reported in U.S. dollars):

- Employee Meal & Leave Subsidies = \$191,298
- Freight Tax Reduction SUDENE = \$35,917

### **Market Presence**

## EC5 Range of Ratios of Standard Entry-Level Wage Compared to Local Minimum Wage at Significant Locations of Operations

Mosaic offers competitive compensation and benefits in each of the company's significant locations of operation. As noted in local currency, the standard entry-level wage range is higher than the prevailing local minimum wage. For Mosaic, minimum wages are generally not relevant since the majority of entry-level Mosaic positions require a higher level of skills or knowledge than jobs at which the minimum wage rate would apply.

Comparing Mosaic's Entry-Level Wage to Local Minimum Wage						
Significant Operations	Local Minimum Wage	Mosaic Entry-Level Wages	Mosaic Entry-Level Wage Relative to Local Minimum Wage			
U.S. Wage Range/hr (USD)	\$7.25–\$8.25	\$13.40-\$29.57	185%			
Canada Wage Range/hr (CAD)	\$10.00	\$21.25–\$36.81	213%			
Argentina Wage Range/hr (ARS)	22.50	58.07–87.70	258%			
Brazil Wage Range/hr (BRL)	3.31–5.59 Union* 3.29 National**	3.52-8.02 Union* 3.29 National**	106% Union* 100% National**			
Chile Wage Range/hr (CLP)	1093.75	2,672–5,142	244%			
China Wage Range/hr (CNY)	8.73–15.20	14.94–24.70	171%			
India Wage Range/hr (INR)	39.10–44.83	79.62–104.07	204%			

Notes: (\*) Excludes apprentice positions, paid at the national minimum wage (\*\*) Applies to apprentice positions, paid at the national minimum wage

## EC6 Policy, Practices and Proportions of Spending on Locally Based Suppliers at Significant Locations of Operations

Local Supply Chain			
Operational Location	FY 2013		
All Phosphate (U.S. only) *	75.91%		
All Potash (Canada and U.S.) *	62.03%		
Offshore – Quebracho, Argentina **	100%		
Offshore – Fospar, Brazil **	100%		

Notes: (\*) Excludes Governmental, Raw Materials, Clubs and Organizations, Employee Related and Freight spend, and includes as locals in the Phosphates business unit all vendors with addresses in Louisiana and Florida and in the Potash business unit all vendors with addresses in New Mexico, Michigan, Saskatchewan and Manitoba.

Mosaic does not have a written policy for preferring locally based suppliers, but we do encourage and support spend with local suppliers.

<sup>(\*\*)</sup> Argentina and Brazil figures are based on all spend and consider as local vendors all of those whose addresses are within these countries. Brazil total excludes Raw Materials.

# EC7 Procedures for Local Hiring and Proportion of Senior Management Hired From the Local Community at Significant Locations of Operations

As a matter of practice, and in accordance with Mosaic's global job posting policies, we will "hire from within wherever possible." For mid- to lower-level positions, a search is conducted locally to find a qualified candidate. If no local candidates are identified, then the search broadens until a qualified candidate is found. Mosaic provides a generous relocation package to support the movement of talent to our locations. For senior management roles, if no internal candidates are identified, a search will be conducted externally to find the best candidate for the leadership role. The hire may or may not come from one of the communities where we have a local presence. These candidates are also supported with relocation assistance.

### **Indirect Economic Impacts**

# EC8 Development and Impact of Infrastructure Investment and Services Provided Through Commercial, In-Kind or Pro Bono Engagement

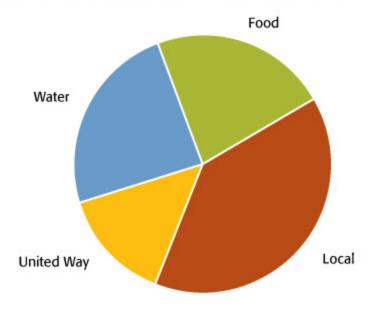
At Mosaic, our mission is to help the world grow the food it needs. As the world's largest combined producer and marketer of concentrated phosphate and potash – two of the three macronutrients essential to plant life – this is both a business and social mission. We focus our community investments in three core areas that help us achieve this goal: Food, Water and Local Community Investments. Furthermore, our community investments are allocated to align with the size of our operations and industrial footprint in each of our locations. In fiscal 2013, combined contributions by The Mosaic Company, The Mosaic Company Foundation and The Mosaic Institute in Brazil through philanthropic funding, employee engagement and in-kind donations totaled approximately \$27.16 million.

### CY 2013 MOSAIC GLOBAL GIVING BY REGION

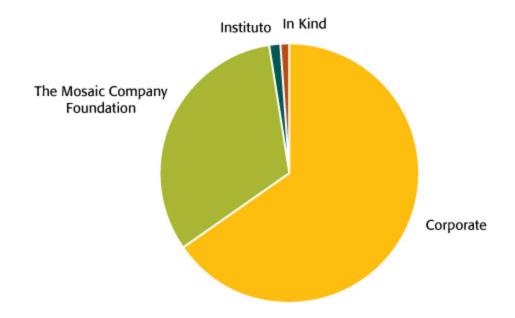


Additionally, Mosaic partners with the United Way, an important community nonprofit at Mosaic's North American operations. Each fall, teams of employee volunteers organize a series of events that focus our employees' attention on their communities through agency tours, volunteer projects and fundraising.

### CY 2013 MOSAIC GLOBAL GIVING BY FOCUS AREA



# CY 2013 MOSAIC GLOBAL GIVING BY TYPE OF DONATION



Since 2012, Mosaic has used an online grant system to track and monitor proposals for funding and report outcomes. Potential nonprofit partners can access the online grant system and the formal application for funding, our focus areas, our giving guidelines, our application deadlines and our non-discrimination policy through our Website. Establishing a standardized funding system, reporting outcomes and listing policies online provides greater transparency to our partners, shareholders, employees and communities.

Mosaic works closely with best-in-class nonprofit partners to address the needs of individuals and communities on issues ranging from local hunger relief, global food security, watershed restoration, nutrient stewardship and local civic needs in operating communities. A few examples of these partnerships are listed below.

#### **Food**

The Florida Association of Food Banks: Headquartered in Southwest Florida, the Florida Association of Food Banks (FAFB) is comprised of 14 regional food banks serving all 67 counties in Florida. In 2013, The Mosaic Company Foundation supported FAFB's Farmers Feeding Florida program, which collaborates with Florida agricultural producers, packers and distributors to deliver fresh produce to Central and Southwest Florida food banks. These area food banks serve approximately 640 community agencies' food shelves and food programs.

The Mosaic Villages Project: Initiated in 2008, the award-winning Mosaic Villages Project in India, Guatemala and eight African countries have helped more than 300,000 people move from food insecurity to food surplus. The Mosaic Villages Project is a physical manifestation of our mission to help the world grow the food it needs. Our investment includes cash grants, product, logistics, and the time and talents of many Mosaic employees, including agronomists who work alongside implementing partners in training farmers. In 2013, Mosaic invested more than \$1 million in cash donations to The Mosaic Villages Project. In February 2013, Mosaic was awarded the President's Excellence Award in philanthropy for The Mosaic Villages Project by CECP, formerly the Committee Encouraging Corporate Philanthropy.

#### Water

American Farmland Trust: Formed in 1980, American Farmland Trust (AFT) works to prevent the loss of farmland and promote environmentally sound farming practices. In 2013 Mosaic provided a grant to support AFT's efforts on the Ohio River Basin Water Quality Trading Project, designed to improve water quality by helping farmers adopt conservation agriculture practices and participate in a first-of-its-kind interstate water quality trading market. In partnership with the Electric Power Research Institute, AFT identified and recruited farmers, educated stakeholders about water quality trading, and customized the application process for each state during the year.

**The Nature Conservancy**: Mosaic continues to support The Nature Conservancy's Great River Partnership whereby the Conservancy has worked with local partners and producers to address nutrient

and sediment runoff in agricultural landscapes located in five key watersheds. In 2013, The Mosaic Company Foundation provided funding that will help the Conservancy extend and expand work with farmers and partners to improve water quality in three watersheds in the Upper Mississippi River Basin: Minnesota's Root River, Iowa's Boone River and Illinois' Mackinaw River.

#### Local

Habitat for Humanity: Mosaic has a strong partnership with Habitat for Humanity in Regina, Saskatoon, Moose Jaw and Yorkton, and in fiscal year 2013, Mosaic donated \$1 million to the organization to build 68 new homes over a three-year period. In all, Mosaic has helped build more than 85 homes for at-risk families since 2008, directly impacting the low income housing shortage in the province. Mosaic employees continue to support builds, dedicating over 1,250 hours at builds, with over 120 employees lending a hand in the past year.

**Child is Life**: Through The Mosaic Institute in Brazil, Child is Life received funding to expand its Living Well Project, which provides health and self-esteem education to hundreds of children living in favelas, or shanty towns. Through schools and communities, the program trains teachers to administer curriculum on four topics: health and nutrition, physiology and respect for the human body, health and the environment, and decisions for better living.

### The United Way

In 2013, 73% of Mosaic employees pledged a combined \$1.73 million to 50 local United Way organizations across North America. With the Mosaic dollar-for-dollar match, the total amount donated to United Way in 2013 was over \$4 million. Additionally, Mosaic was awarded the United Way Worldwide's Summit Award for Corporate Philanthropy and the United Way Suncoast Spirit of Tampa Bay award.

### **Infrastructure Investments**

Integrated Land Management Program (ILMP): Over the past 13 years, Mosaic has embarked upon an ambitious restoration initiative that includes an extensive exotics/nuisance plant removal program and planting of native species on its Riverview property. Mosaic is continuing the ILMP created as part of the Riverview phosphogypsum stack expansion project.

Compressed Natural Gas (CNG) filling station: Mosaic's transportation partner in Central Florida, Dillon Transport, is building a CNG filling station to fuel CNG trucks used for Mosaic's fleet. Trillium CNG will operate the plant. This is not public domain infrastructure, but it will be the first CNG station capable of accommodating heavy-duty trucks that is open to the public. The station is currently under construction.

### **EC9 Understand and Describe Significant Indirect Economic Impacts**

Mosaic has diverse and varied indirect economic effects on communities across the world. However, due to the complex nature of the business and philanthropic activities in which Mosaic engages, Mosaic does not attempt to estimate its indirect economic impact by using a measurement of currency.

Global food security is one of the most pressing issues of our time and calls for the judicious use of resources, as well as an innovative spirit. Today's crop nutrients are responsible for 40 to 60% of global crop yields, and Mosaic's products play a crucial role in meeting the global demand for food. Our worldwide research programs focus on the development of new products for the specific soil characteristics in different parts of the world, such as Mosaic's proprietary MicroEssentials® line, which is designed to help farmers make the most of every inch of farmland. By delivering sulfur and zinc with MicroEssentials and boron with Aspire™, another premium product, farmers are able to apply the top three most deficient secondary nutrients and micronutrients efficiently and uniformly, creating the opportunity to maximize yields in a sustainable manner.

Farmers who produce enough food to support a profitable business bring economic benefits through their hiring and spending practices. Likewise, the dealers who distribute our fertilizers and the vendors who support our operations are meaningful contributors to the economic vitality of the rural and regional communities where they operate. Additionally, participants in The Mosaic Villages Project receive no-interest loans to buy fertilizer at planting, and repay the loans through the sale of surplus yield at harvest. Fertilizer acts as an injection of capital to the region, helping farmers break the cycle of poverty that has gripped these developing regions of the world. Participants in The Mosaic Villages Project have reported that, on average, yields have increased three to five times over that of traditional farming practices. Furthermore, many of Mosaic's charitable community investments are focused on supporting hunger relief in communities and providing access to emergency food systems. Studies show that children who have sustained hunger have reduced abilities and capacity to learn in school. Access to regular food improves educational outcomes.

The mining, production and distribution of potash and phosphate contribute to global economies through the import and export of the minerals themselves and the complementary goods needed to manufacture fertilizer, animal feed and industrial products. The multiplier effect of the money that Mosaic's employees, suppliers and other stakeholders spend is dramatic. For example, in 2009, The Fertilizer Institute commissioned a study that found the phosphate fertilizer industry in the United States—of which Mosaic is the largest participant—provided a total economic contribution of \$21.2 billion and almost 90,000 jobs.

Additionally, the Areawide Environmental Impact Statement (AEIS) for continued phosphate mining in the Central Florida Phosphate District that was administered by the Army Corps of Engineers studied the economic impact of Mosaic's continued operations in the region. The evaluation included Employment, Labor Compensation, Value of Production or Output and Value Added. It concluded that the indirect economic impact of continued Mosaic mining in the Central Florida region over the next 50 years will be

\$1.4 billion. Furthermore, according to a 2013 study by the Port of Tampa of the port's 2012 fiscal year, the phosphate industry accounted for more than \$10 billion of the port's \$15.1 billion annual economic activity; supported more than half of the port's 80,000 direct, indirect and related jobs; and created more than half of the 10,573 direct jobs at the port from the movement of phosphate rock and raw materials, as well as crop nutrition and animal feed supplies and products.

Through work with the United Way and other local charities, Mosaic's community investments help families achieve greater economic independence and improve educational outcomes for children. From workforce development programs to K-12 education initiatives, communities receive significant support to advance results in our operating communities and in NGO partner programs globally.

Additionally, Mosaic's partnerships with community organizations continue to support positive healthcare, education and housing opportunities for our neighbors. In Saskatchewan, Canada, Mosaic proudly supports Shock Trauma Air Rescue Service (STARS), which brings emergency medical transport to critically ill and injured patients in Saskatchewan. The service is the first of its kind in Saskatchewan, and with the largely rural communities in the regions where Mosaic operates, this program has already begun saving lives. After its first year in operation, over 250 lives were impacted due to the service. Mosaic also continues to support Habitat for Humanity in Regina, Saskatoon, Moose Jaw and Yorkton – helping to build 68 new homes over a three-year period.

### **Environmental**

### **Materials**

### **EN1 Materials Used by Weight or Volume**

Our business used the following raw materials in 2013:

Materials Mined or Consumed Reported in Million Tonnes			
	CY 2013		
Ammonia	1.34		
Limestone	0.28		
Micronutrients	0.01		
Phosphate Rock	13.90		
Potash Ore	29.75		
Sulfur	3.69		
Notes: Ammonia purchases depicted in table above are for production of crop nutrients in Phosphates business unit only.			

Limestone is used to produce our animal feed products and for water treatment processing. Sulfur, a by-product of crude oil and natural gas de-sulfurization, is used to produce steam, electricity and sulfuric acid, which is used to produce phosphoric acid. We use by-product heat from sulfuric acid production to generate steam that we use in our operations and to generate electricity. Sulfur is also used in the production of our MicroEssentials product line. Various micronutrients, including boron, zinc, sulfur and cupric oxide, are key ingredients in our MicroEssentials product line. Ammonia is used in our finished products, DAP, MAP and MicroEssentials, and to neutralize the pH of the stack gases at our Esterhazy potash mine.

### **EN2 Percentage of Materials Used That Are Recycled Input Materials**

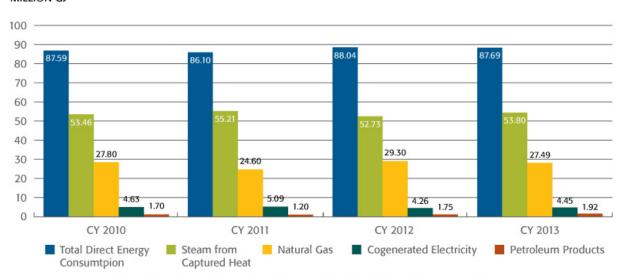
Sulfur is the most significant recycled raw material in our manufacturing processes. The sulfur used is recovered from crude oil and natural gas processing and then recycled in our plant operations to produce sulfuric acid, which we use to make phosphoric acid, steam and electricity. In 2013, sulfur made up approximately 7.5% by weight of our total raw materials. We recycle the catalyst used in our sulfuric acid production and recover the vanadium for recycling. We also use recycled oil as a flotation aid in our phosphate beneficiation process.

### **Energy**

### **EN3 Direct Energy Consumption by Primary Energy Source**

Mosaic's worldwide total direct energy consumption in 2013 was 87.69 million gigajoules (GJ).

### TOTAL DIRECT ENERGY CONSUMPTION BY SOURCE



Notes: Waste heat and steam from the processing of sulfur is used as a source of energy.

0.04 million gigajoules from propane are not depicted but are included in total direct energy consumption.

### **Direct Energy Consumption – by Energy Source**

Approximately 98% of Mosaic's worldwide total direct energy consumption in 2013 was from two sources: waste heat from sulfuric acid production and natural gas. The remaining portion was made up of petroleum products and propane.

Our Phosphate operations require the production and consumption of sulfuric acid to liberate crop nutrients (phosphorous) from raw material inputs. The manufacture of sulfuric acid is an exothermic process, generating tremendous amounts of waste heat. Most of our finished phosphate crop nutrient manufacturing operations have installed bottoming cycle combined heat and power systems to convert this waste heat primarily into steam, used in the phosphate manufacturing facilities and mines.

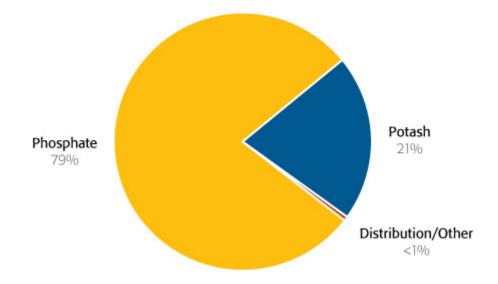
In 2013, our Phosphate operations used a portion of this energy to produce 5.17 million GJ of electricity, 86% of which was used internally. We consider the waste heat from sulfuric acid production to be a direct primary energy source for our operations.

Natural gas is primarily used in our Phosphate and Potash operations to generate thermal energy for drying. However, a small portion of this fuel is used to produce steam for internal combined heat and power generation.

### **Direct Energy Consumption**

Almost all of Mosaic's worldwide total direct energy consumption is attributable to its phosphate and potash crop nutrient manufacturing operations. Specifically, approximately 79% is consumed in the production of phosphate crop nutrients while almost 21% is consumed in production of potash. The remaining portion – less than 1% – is consumed within Mosaic's product distribution network and international production facilities.

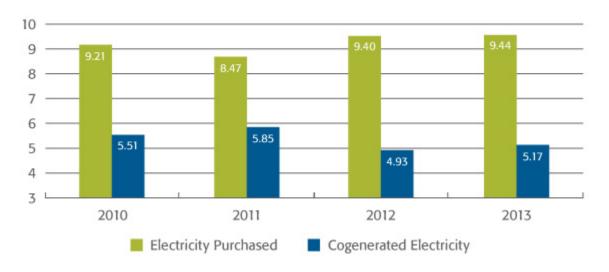
### MOSAIC DIRECT ENERGY CONSUMPTION BY BUSINESS SEGMENT 2013



### **EN4 Indirect Energy Consumption by Primary Energy Source**

## MOSAIC GLOBAL ELECTRICITY SOURCES PURCHASED VS GENERATED

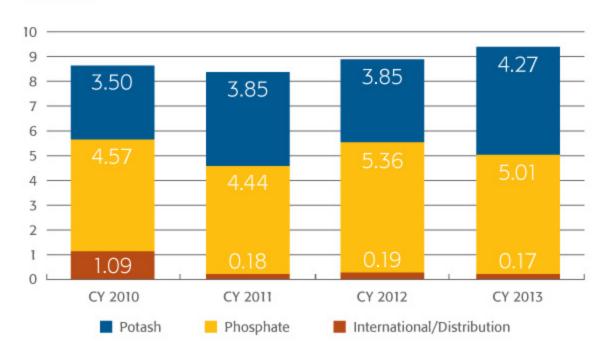
MILLION GJ



Mosaic consumes indirect energy solely through the purchase of electricity produced by third parties. Mosaic's worldwide indirect energy consumption was 9.44 million GJ for 2013. The Phosphates business unit reduced the amount of purchased electricity in 2012, due primarily to resuming operation of a turbo generator used to convert waste heat into cogenerated electricity at our Uncle Sam facility. The Potash business unit increased production at some facilities, resulting in an overall increase in purchased electricity.

## MOSAIC INDIRECT ENERGY CONSUMPTION BY BUSINESS UNIT

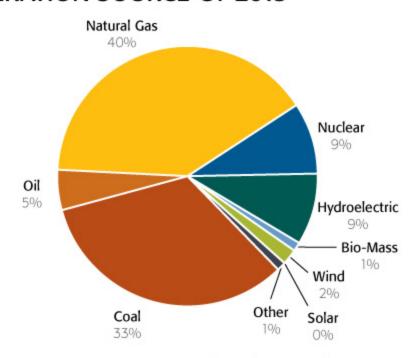
MILLION GJ



### **Indirect Energy Consumption – by Fuel Source**

Approximately 11% of Mosaic's worldwide indirect energy consumption is from renewable sources, including hydroelectric, bio-mass sources and wind power. Since 2009, almost 100% of the electricity used in our Brazilian operations has come from hydroelectric sources.

### MOSAIC INDIRECT ENERGY CONSUMPTION BY GENERATION SOURCE CY 2013



Note: Percentages may not total 100 due to rounding.

Mosaic Indirect Energy Consumption by Generation Source CY 2013			
Source	GJ Purchased		
Natural Gas	3,741,516		
Coal	3,129,982		
Nuclear	884,439		
Hydroelectric	820,376		
Oil	469,924		
Wind	174,571		
Biomass	94,331		
Other Unknown	76,669		
Fossil Fuel Type Unknown	35,850		
Geothermal	14,828		
Solar	206		
Total	9,442,695		

Note: Purchased electricity sources for facilities in the U.S. are based on the U.S. Department of Energy 2012 Emissions & Generation Resource Integrated Database (eGRID) regional. Canada-purchased electricity sources are based on Saskpower 2011 Annual Report. International facilities' power generation sources are based on the U.S. Energy Information Administration's national energy profiles.

As mentioned in EN3, Mosaic's Phosphate operations produce a significant amount of electrical power through steam turbine generation from waste heat generated in sulfuric acid production. Phosphate

crop nutrient manufacture requires the production and consumption of sulfuric acid to liberate crop nutrients (phosphorous) from raw material inputs. The manufacture of sulfuric acid is an exothermic process, generating excess waste heat. In 2013, Mosaic's Phosphate operations produced 5.17 million GJ of electricity through this process. Of this 5.17 million GJ, Mosaic consumed approximately 4.45 million GJ internally, offsetting the purchase of electricity from third-party utilities.

Mosaic continuously looks for opportunities to improve the efficiency of, and expand the electricity output of, our cogeneration assets. In 2013, Mosaic completed construction of a new interconnection station to transport cogenerated output for use at our largest phosphate mining facility at Four Corners.

### **EN5 Energy Saved Due to Conservation and Efficiency Improvements**

Mosaic emphasizes continuous energy improvements in our manufacturing facilities and support functions. This process is part of a broader strategic business plan designed to help Mosaic meet or exceed production and profitability requirements. This plan includes strategies for lowering purchased energy consumption through more efficient processes and maximizing use of energy generated through the crop nutrient manufacturing process.

To identify and capture potential energy opportunities, we have formed teams of energy representatives at our sites. These teams investigate a number of issues, such as improvements in natural gas use (e.g., efficiencies in boilers, dryers, mine air heating and cogeneration) and improvements in electrical systems (e.g., efficiencies in cogeneration systems and slurry pumping, including extensive use of variable speed drives, air compression, and heating and lighting systems).

In addition, Mosaic regularly conducts energy audits to help identify potential efficiency projects and assess major manufacturing processes such as combustion, general electrical, electric motor systems, compressed air systems and heating. We also have utility engineers assigned to individual facilities to help identify and execute energy efficiency initiatives. Projects are monitored and audited, and the resulting metrics are used to establish key performance indicators. These efforts reduce Mosaic's overall energy profile, operational costs and use of indirect natural resources.

Mosaic also emphasizes energy efficiency in our office facilities. In 2013, Mosaic's Florida Corporate Headquarters received ENERGY STAR certification. Mosaic's leased Regina, Canada, offices were built to LEED standards and included the purchase of interior design elements, furniture and products, as well as other energy efficiencies associated with LEED. Similarly, Mosaic's Colonsay Mill Dry building was designed and constructed according to LEED standards. The LEED certification process for both buildings is underway.

Due to conservation and efficiency improvement projects that were executed in 2013, Mosaic forecasts annual energy savings of approximately 120,000 GJ. Several examples of energy efficiency efforts by our operations are outlined below.

	Energy Efficiency Efforts by Operations					
GRI Reference	Activity Type	Location	Description of Activity	Estimated Annual Energy Savings (gigajoules)	Estimated Annual CO₂e Savings (metric tonnes)	
EN5	Energy efficiency- process	Fospar, Brazil	By revamping the exhaust system and increasing the flow of combustion air into the product drying furnace, the Fospar facility reduced its fuel oil consumption by 3.8 kg per metric tonne of finished product.	61,325.68	4,882.86	
EN5	Energy efficiency- process	Qinhuangd ao, China	By switching from forklift to truck and trailer to move bags of finished product, Mosaic's Qinhuangdao, China, facility saved .018 liters of fuel per ton of product. The improvement also resulted in annual maintenance cost savings.	9.96	0.10	
EN5	Energy efficiency- process	Bartow	A preheater installed at one of our Bartow facility's sulfuric acid plants recovers heat from the product acid stream by heating evaporator condensate, which is distributed to the system's water heaters. By eliminating the use of low pressure steam from existing equipment, the turbo generator can produce more power.	19,016.21	3,194.72	
EN5	Energy efficiency- process	Bartow	Re-rating of a turbine at the Bartow facility resulted in annual energy and CO <sub>2</sub> e savings.	28,382.40	4,768.24	
EN5	Energy efficiency- process	Four Corners	The Four Corners facility reduced the energy consumption associated with transporting tailings to reclamation sites by using fewer 1500 horsepower pumps when possible, while maintaining overall efficiency.	5,834.16	980.14	
EN5	Energy efficiency- process	Wingate	Replacing a motor on the tailings transportation system resulted in annual energy savings at Mosaic's Wingate facility.	4,635.79	778.81	
EN6	Energy efficiency- process	Belle Plaine	Through an agreement with an industrial partner in Saskatchewan, Mosaic's Belle Plaine facility sends water to be used in a cooling process at a nearby plant. The heated water returns to Mosaic's facility to be used as part of the potash production process. This synergy allows Mosaic to reduce the amount of energy that would have otherwise been spent on heating the water while allowing the industrial partner to avoid cooling costs.	665,760.00	34,488.26	
EN6	Low carbon energy installation	Uncle Sam	In February 2013, Mosaic began full operation of an 11 megawatt hour turbine generator for heat recovery cogeneration at the Uncle Sam sulfuric acid plant in Louisiana, which reduced the amount of electricity the plant purchased in 2013.	278,074.80	39,957.80	
EN6	Process emissions reductions	Four Corners	Mosaic's Four Corners facility used electric pumps run by cogenerated energy instead of diesel pumps to transport water from a clay settling area, saving approximately 20,000 gallons of diesel fuel and associated GHGs.	2,606.80	197.05	
EN6, EN7	Transportat ion: fleet	Phosphates operations	In 2013, Mosaic completed the conversion to a natural gas-powered truck fleet for raw materials and finished products in our Central Florida operations. The 50 trucks, operated by transportation partner Dillon Transport, have increased capacity and are powered by clean-burning CNG. Benefits of the conversion include	-	2,000.00	

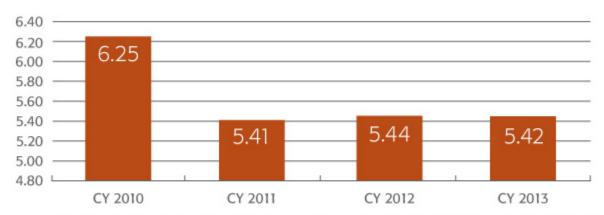
	significantly lower emissions of particulates and	
	nitrogen oxides.	

# EN6 Initiative to Provide Energy Efficient or Renewable Energy Based Products or Services, and Reductions in Energy Requirements as a Result of These Initiatives

### **Renewable Energy Based Products or Services**

Mosaic's three-pronged approach of energy management through cogeneration, conservation and greater efficiency aims to lead the industry in reducing the energy we use and maximizing the clean energy we generate. In <a href="Mosaic's Sustainability Goals">Mosaic's Sustainability Goals</a>, published in 2012, we iterate our commitment to evaluating alternative energy sources to satisfy Mosaic's energy requirements. Since 2008, we have improved our total energy per tonne of finished product by over 10%.

### TOTAL ENERGY PER TONNE FINISHED PRODUCT GJ/FINISHED PRODUCT TONNES



Notes: Total energy includes electricity, fuels, steam and energy from waste heat consumed by Mosaic operations including mines, manufacturing plants, distribution sites, offices, agricultural operations and our Streamsong resort.

Energy consumed in sinking the K3 shaft mine and the operation of our Streamsong resort are included since 2012 only.

A portion of the electricity required in Mosaic's operations is satisfied through internal generation of electricity. This process of waste heat recovery, called cogeneration, allows several of our plants and mines to significantly reduce the amount of third-party electricity required from utilities. In October 2005, the Florida state legislature formally recognized that cogenerated electricity is "renewable energy" under Florida statute 366.91. In 2013, Mosaic produced enough electricity in all business units – approximately 6.24 million GJ through cogeneration – to satisfy approximately 44% of our companywide electrical demand. Over 1 million GJ of this cogenerated electricity was sent for use at our mines.

### **Energy Efficient Based Products or Services**

Innovation is one of Mosaic's strategic priorities. Built on our industry-leading product, process and sustainability solutions, it shapes our long-term strategy as we seek to reduce energy use and GHG emissions while delivering unique value to our stakeholders. Mosaic has a vested interest in the success of our customers, for it is their efforts that provide the food that feeds the world. To this end, Mosaic has developed several products and services that enhance customers' productivity and positively impact their energy efficiency.

For example, in 2013, Mosaic continued full-scale production of Nexfos<sup>®</sup>, the next generation feed-grade phosphate that is characterized as being a combined source of highly available phosphorous, calcium and sodium. Not only is Nexfos the first innovation in feed-grade phosphate in 40 years, the product is helping Mosaic meet its commitment to sustainability by reducing its environmental footprint. The Nexfos production process has significantly reduced the carbon footprint associated with the production of comparable feed phosphates by requiring approximately 60% less water, 70% less natural gas and 55% less electricity per ton to produce. It also reduces purchasing, storing and handling costs for consumers.

In addition, Mosaic maintains active partnerships with industry-leading research centers, targeting agriculture efficiency and productivity improvements. For more information on our partnerships, please see EN26.

In 2013, energy efficient or renewable energy based initiatives resulted in approximately 950,000 GJ of energy savings. Please refer to the table in  $\underline{\mathsf{EN5}}$  for additional information on our efforts to provide energy efficient or renewable energy based products or services.

### **EN7** Initiatives to Reduce Indirect Energy Consumption and Reductions Achieved

Mosaic is concerned with the overall energy impact of our business, including effects outside our operational boundaries. We actively pursue opportunities with the potential to reduce our indirect energy consumption.

Energy efficiency savings are outlined in <u>EN5</u> and discussed in detail in the Energy Efficiency Efforts by Operations table. Some additional examples of our efforts related to indirect energy consumption reductions include:

In 2013, Mosaic completed the conversion to a natural gas-powered truck fleet for raw
materials and finished products in our Central Florida operations. The 50 trucks, operated by
transportation company Dillon Transport, have increased capacity and are powered by cleanburning compressed natural gas. Benefits of the conversion include significantly lower emissions
of particulates and nitrogen oxides (up to 50% lower) and GHGs (potentially up to 25% lower).

- Video Conferencing Systems Mosaic has invested capital into, and is currently commissioning video conferencing systems, for seven facilities within the Phosphates business unit. These systems will supplement the existing conferencing equipment located at Mosaic's worldwide facilities, including locations in Canada and South America. We believe that the technology of enterprise video conferencing systems has matured to the point that it can effectively offset a portion of domestic and international employee travel. By eliminating a portion of car and air travel with these conferencing systems, Mosaic's indirect energy consumption from travel is expected to decline.
- Alternative Work Schedules Several of Mosaic's Potash business unit locations implemented temporary or full-time alternative work schedules that have the potential to reduce employee commute time and expense. For example, the Belle Plaine site has implemented schedules where a portion of the workforce works a combination of four work days for 10 hours instead of the more traditional five days for eight hours. By reducing the work week by one day, participating employees lower their commute-related fuel consumption by 20% and, therefore, contribute to a decrease in Mosaic's overall indirect energy consumption.

### Water

### **EN8 Total Water Withdrawn by Source**

Global Water Withdrawals						
Total Water Used by Business Unit (All units ,000 m³)						
Business Unit	Business Unit CY 2010 CY 2011 CY 2012 CY 2013					
International/Distribution	350.70	265.36	266.60	162.75		
Groundwater	208.58	203.04	209.42	91.46		
Municipal	48.90	62.31	57.18	71.29		
Surface Water	93.22	0.00	0.00	0.00		
Phosphate - US	269,184.76	239,636.43	258,166.63	291,020.90		
Groundwater	52,761.75	47,632.02	60,642.80	57,819.68		
Municipal	63.21	31.94	60.57	62.03		
Surface Water*	215,646.58	191,238.25	196,588.17	232,202.84		
Wastewater	713.21	734.22	875.09	936.35		
Potash	19,181.63	28,861.51	29,840.64	27,820.41		
Groundwater	9,728.60	10,911.25	10,365.82	9,365.69		
Surface Water	9,269.04	17,713.26	19,265.60	18,224.33		
Wastewater	184.00	237.00	209.00	230.39		
Total	288,717.09	268,763.30	288,273.86	319,004.06		

Notes: (\*) Includes once-through cooling water. Approximately 49% of Phosphates business unit surface water withdrawals are used for once-through cooling.

The primary sources of water for operations are surface water, groundwater and rainwater. Secondary sources of water include water supplied by local authorities and partially treated industrial and domestic

wastewater, also supplied by local authorities. Surface water withdrawals include once-through cooling water used by facilities in Louisiana.

Mosaic operations capture rainfall, a portion of which is impounded and used in the various production processes, with some discharged through permitted outfalls at Phosphates facilities. Traditionally, Mosaic has considered captured rainfall use as an "alternative water supply," and it is used in part to estimate recycle/reuse water usage rates at Florida concentrate and minerals operations.

Mosaic's water withdrawals per tonne of dry product crop nutrient and animal feed production are as follows:

CY 2013 Water Withdrawals/Production Intensity				
m <sup>3</sup> per tonne of finished product				
Potash 3				
Phosphates	35.40*			
International	0.311			

Notes: Water intensity = Volume water used in making product (m<sup>3</sup>) per mass of product manufactured (metric tonnes), per business unit.

(\*) Includes once-through cooling water. Approximately 49% of Phosphates business unit surface water withdrawals are used for once-through cooling.

Production includes all crop nutrients, animal feed ingredients and co-products produced in the calendar year.

### **EN9 Water Sources Significantly Affected by Withdrawal of Water**

Mosaic's Central Florida fertilizer production facilities operate on more than 90% recycled water. Deep well pumping from the Floridian Aquifer is used as a supplemental water supply on an as-needed basis. Local regulations favor the use of available alternative water supplies, such as reclaimed water from municipalities, before groundwater use. Currently the city of Bowling Green delivers its reclaimed water to Mosaic's South Fort Meade Mine as a supplemental water supply to further reduce the need for groundwater.

Once water use permits are issued, permit holders must regularly evaluate and report to the Southwest Florida Water Management District on water conservation efforts to minimize groundwater use for processing needs. To demonstrate the substantial results achieved through water conservation efforts over time, in 1991, Mosaic's predecessors used approximately 1,000 gallons of water to process one ton of phosphate rock; currently the water demand has been reduced by 50% to about 500 gallons of water per ton of phosphate rock. Mosaic's water use permit also reflects this decrease in demand. In fact, the Integrated Water Use Permit was renewed in 2012 with an annual average permitted quantity of 69 million gallons per day (MGD) versus the previous permit for the same area authorizing water use of 99 MGD, representing a reduction of 30%.

In the Phosphates business unit, with respect to impacts on surface water sources and their associated ecological communities, active mining areas are surrounded by a protective recharge ditch and berm system to maintain the groundwater table elevation adjacent to the mining area and preclude adverse impacts to nearby wetlands and streams. In addition, the Phosphates business unit does not withdraw

water from rivers or lakes for water supply supplementation, further protecting ecological resources from undue stress.

The final Areawide Environmental Impact Statement (AEIS), a two-plus-year study released by the U.S. Army Corps of Engineers (ACOE) in April 2013 and supplemented in July 2013, evaluating the cumulative impacts of phosphate rock mining in Central Florida, concludes that the effects from mining on groundwater resources would be "minor" in magnitude and not "significant." A similar conclusion was reached for surface water resources in the July 2013 AEIS Addendum, which also indicates that surface water and ecological impacts would be "minor" and with mitigation would not be significant.

As another example of our commitment to responsible water use, Mosaic has joined with Duke Energy to eliminate up to 4.6 million gallons per day of groundwater withdrawal in Polk County, Florida. In May 2012, Mosaic and Duke Energy commenced construction on pipelines that link Mosaic's Green Bay and Hookers Prairie facilities to Duke's Hines Energy Complex, which allows Mosaic to transfer treated water and storm water to the Hines Complex. The transfer alleviates the need for the Hines Station to pump groundwater.

### **EN10 Percentage and Total Volume of Water Recycled and Reused**

Responsible use of water is a fundamental component of Mosaic's global sustainability vision. Our water management programs involve facility-specific and business unit-wide initiatives to reduce our water footprint. Facilities continuously monitor and evaluate water use to ensure it is minimized, and water recycling and reuse are maximized. Recycle and reuse percentage rates for Mosaic's Potash and Phosphate operations are presented below. Rates and volume are based on total water used by facility, less freshwater withdrawals.

Recycle and Reuse Volume and Rate				
Business Unit	Recycle Volume (,000m³)	Recycle Rate		
Potash	155,385	87%		
Phosphates - Concentrates	319,024	95%		
Phosphates - Minerals	465,679	94%		

Notes: Carlsbad, NM, South Pierce, FL, and Faustina and Uncle Sam, LA are not included in respective business unit calculations. Belle Plaine and Hersey are solution mines and therefore, water use and methodology for recycle/reuse rate differs from shaft mining operations.

Mosaic operations capture rainfall, a portion of which is impounded and used in the various production processes, with some discharged through permitted outfalls at Phosphates facilities. Traditionally, Mosaic has considered captured rainfall use as an alternative water supply, and it is used in part to estimate recycle/reuse water usage rates at Florida concentrate and minerals operations.

### **Biodiversity**

# EN11 Location and Size of Land Owned, Leased, Managed in or Adjacent to Protected Areas and Areas of High Biodiversity Value Outside Protected Areas

As of December 31, 2013, Mosaic owned or controlled about 329,595 acres of land in Florida related to our Phosphates mining operations. Approximately 100,000 acres of Mosaic's land holdings in Florida are either in the mine permitting process or have not yet entered the permitting process. For each permit, Mosaic works with a team of professional biologists, hydrologists and other specialists, and in conjunction with as many as 12 local, regional, state and federal regulatory agencies to ensure that all mined areas can be successfully reclaimed and to identify areas of high environmental sensitivity that should be protected.

As of December 31, 2013, Mosaic owns more than 19,000 acres in Florida that are designated as non-impacted floodplain, preservation and granted conservation easements in order to ensure long-term protection of lands or waters of particular sensitivity.

We operate three Canadian Potash facilities, all located in the southern half of the province of Saskatchewan, including our solution mine at Belle Plaine, two interconnected mine shafts at our Esterhazy shaft mine and our shaft mine at Colonsay. Mosaic has mineral rights over approximately 500,000 acres in Saskatchewan for potash mining and surface rights to approximately 30,000 acres. Our U.S. Potash operations include a shaft mine in Carlsbad, New Mexico, and solution mine in Hersey, Michigan. We have mineral rights to approximately 65,000 acres in Carlsbad and 1,800 acres in Hersey for potash mining. Since shaft mining occurs at over 3,000 feet below surface and solution mining requires limited acreage for pipeline and cluster infrastructure, the only surface areas that are disturbed are the actual footprint of the mine shaft and the adjacent above-ground processing facilities.

# EN12 Description of Significant Impacts of Activities, Products and Services on Biodiversity in Protected Areas and Areas of High Biodiversity Value Outside Protected Areas

<u>Mining for phosphate</u> ore in Florida is primarily undertaken using surface mining techniques with large earthmoving equipment such as draglines. This is primarily because the ore body is overlaid by sandy soils with a high water table that is not conducive to underground mining. Due to its unique geology, a dredging technique is used at our Wingate mine.

Discussions regarding ecological resource preservation are held between Mosaic and the regulatory agencies during the permit application process. Preservation areas can include floodplains, as well as high-quality wetland or upland habitats and buffers. Such evaluations take into consideration the type

and quality of the habitat. Balancing the supply of phosphate, an important natural resource, against what is generally a temporary disturbance of ecological resources, is an essential consideration through this process.

During the phosphate mining process, parcels are directionally cleared for mining to allow highly mobile animals to move to adjacent undisturbed or preservation areas. In addition, Mosaic obtains permits to relocate specific species in compliance with federal and state laws. After permit approval, state law requires mining parcels to be recontoured and planted with vegetation within two years of the completion of mining activities; all wetlands are replaced acre for acre and type for type, with additional wetlands constructed as needed to meet mitigation requirements. Once a particular parcel is mined and reclaimed, many vertebrates and invertebrates will repopulate the site through migration from wildlife corridors and protected riverine systems. Such migration corridors generally receive permanent protection after mining, with perpetual conservation easements. To ensure biodiversity, Mosaic may also restock the areas with certain species, such as the gopher tortoise, that may have previously resided on the parcel but had been moved from the site prior to mining.

Phosphate mining in Florida, representing our largest phosphate reserve holdings, is heavily regulated by as many as 12 local, regional, state and federal permitting authorities. This robust regulatory oversight is combined with (a) areas that are set aside from mining, (b) reclamation practices that are best in class and (c) monitoring activities such as the Horse Creek Stewardship Program and Peace River Monitoring Programs, which are designed to monitor for and protect against significant impact on biodiversity either within or outside of our property boundaries.

Potash mining operations in Canada and the United States use shaft and solution mining techniques. Because of the limited footprint on surface features, impacts are highly localized to surface infrastructure. Therefore, the impacts to wildlife and habitats are similarly highly localized.

#### MM1 Amount of Land Disturbed and Rehabilitated

Mosaic reports our Florida mining and reclamation activities to the Florida Department of Environmental Protection (FDEP) Mining and Mitigation Program. As of the date of this publication's release, 2012's figures have not been deemed complete by the agency.

Amount of Land Disturbed and Reclaimed				
Phosphate Operations (Florida) 2011	Acres	Hectares		
Mined in 2011	2,255	912.57		
Reclaimed Through Vegetation in 2011	6,474	2,619.94		
Released in 2011	6,356	2,572.18		
1975 through 2010				
Mined 7/1/1975 through 12/31/2010	127,554	51,619.27		
Total Reclamation (Vegetated + Released)	87,490	35,405.95		
Reclaimed Land 1975 through 2010				
Reclaimed Through Vegetation or Under Industrial-use Criteria	46,649	18,878.18		
Reclaimed and Released	40,841	16,527.77		

Notes: Acres Released: Acreage on which reclamation has been performed and the area has been released from further reclamation obligation pursuant to Chapter 378, Florida Statutes (FS) and Chapter 62C-16, Florida Administrative Code (FAC). Acres Reclaimed through Vegetation or Under Industrial Use Criteria: Acreage on which contouring and final vegetation has been completed. Some of the acres include lands granted permission to allow reclamation of mandatory lands to an alternate use and have been reclaimed for their intended use.

Total Reclamation is the sum of Acres Reclaimed through Vegetation or Under Industrial Use Criteria and Acres Released. All data through December 31, 2010, was compiled from Florida Department of Environmental Protection's Bureau of Mining and Minerals 2010 Rate of Reclamation Report.

### **EN13 Habitats Protected or Restored**

In our Phosphate mining operations, we restore or reclaim every acre of land that is impacted by our activities, with certain areas of high environmental sensitivity set aside for preservation. Mined lands are reclaimed to land uses such as wetlands, uplands, wildlife habitats, parks, neighborhoods and agricultural lands. Much of this land is also suitable for future conventional development such as housing and commercial use.

Mosaic planted 1,389,416 trees in 2013, reclaiming uplands, significant upland habitats and wetlands that require, at a minimum, acre-for-acre and type-for-type per permitting requirements.

Additionally, Mosaic works closely with one of our primary regulators, the Florida Department of Environmental Protection (FDEP) Mining and Mitigation Program, to integrate habitat networks and wildlife corridors into our reclamation planning efforts. The FDEP created, implements and encourages permittees to participate in the development of an Integrated Habitat Network to benefit the water quality and quantity in the area, improve wildlife habitat, and serve as a connection between the mining region's rivers and significant environmental features outside the mining region.

Mosaic has fostered partnerships with, and funding for, a variety of NGOs and academic institutions to advance our understanding of the habitats we manage through reclamation. Examples of these groups include the Tampa Bay Watch, The Nature Conservancy and Audubon of Florida.

Mosaic's Potash Business Unit is similarly committed to habitat restoration. For example, Mosaic made a grant to Ducks Unlimited for \$2 million that will restore a minimum of 500 acres of wetlands over a 10-year period in Saskatchewan.

## **EN14 Strategies, Current Actions and Future Plans for Managing Impacts on Biodiversity**

Mosaic is committed to minimizing our impacts on the environment through responsible mine planning, permitting, operation and reclamation practices.

The Florida Department of Environmental Protection's Mining and Mitigation Program oversees mining operations in Florida. The mine permitting process includes performing extensive ecological, wildlife and hydrological surveys, leading to the establishment of boundaries for preservation of areas identified as having important ecological or hydrological value. In addition to the required state, federal and county

permits and approvals, FDEP requires the preparation of a Conceptual Reclamation Plan (CRP). The CRP is inclusive of the entire mine site, including the preserved areas outside the operational boundaries. The CRP compares the post-mining, or reclamation plan, to existing site conditions, evaluating site topography, surface water hydrology and impacts to habitats. The CRP also outlines the project schedule. With respect to water quality, the United States Environmental Protection Agency, through its delegation to the FDEP, oversees protection of water quality for storm water, groundwater and surface water originating from mined areas.

Phosphates and Potash operations' interaction with wildlife in the United States is regulated by state agencies and by the United States Fish and Wildlife Service (USFWS). These state and federal agencies maintain lists of species, and Mosaic develops species-specific habitat management plans to ensure species are properly protected. In addition, Mosaic works closely with regulators to fund and conduct research that promotes the goal of wildlife and habitat conservation.

Mosaic uses a combination of database searches and geographic information system (GIS) mapping in conjunction with field surveys to document the occurrence or potential for occurrence of state and federally listed floral and fauna species within operational areas. Mosaic evaluates potential impacts on plant and animal species based on those protected by applicable state and federal regulations and defines the appropriate protective measures in the habitat management plan. Wildlife surveys are performed prior to the submission of mine permit applications. Once approved, but prior to mining disturbance, additional surveys are performed to ensure the most up-to-date information is available in the event there has been wildlife immigration or changes to nesting/breeding areas. At that time, relocations or nest removal for certain species may occur with proper permits, while for other species protection zones and setbacks are established as required by law. Nest removals, regardless of the species, require all eggs to have hatched and that no flightless young be reliant on the nest.

Significant electrical infrastructure is required to support phosphate mining operations. For Mosaic, as for electrical utilities, electrical structures present a risk of avian injury or mortality. Consequently, Mosaic developed an Avian Electrocution Prevention Plan, submitted to the USFWS and the Florida Fish and Wildlife Conservation Commission. This plan, under which Mosaic currently operates, helps to identify high-risk structures and guide retrofitting lines and facilities that pose the greatest risk of electrocution or collision to large avian species. The plan is based on nesting and feeding sites and demonstrates and furthers Mosaic's long-standing corporate policy of wildlife protection and wildlife habitat management and restoration.

In our Potash facilities located in Saskatchewan, Canada, our approach to evaluating potential impacts to biodiversity includes biological assessments of proposed expansion sites. These assessments include field surveys to identify rare species of plants, birds, mammals, reptiles and amphibians of special concern that may be impacted. Survey methods follow those recommended by the Saskatchewan Conservation Data Centre. Biological assessments for the proposed Phase IV and V Brine Ponds at the Esterhazy K2 site, tailings expansion area at our Colonsay mine site, K1 Pond F expansion areas and the entire Esterhazy K3 mine site also followed this approach.

The potash mine in Carlsbad, New Mexico, has developed an Avian and Bat Protection Plan to minimize risks to migratory birds and bats that can be attracted to mining and milling areas. Mosaic has also partnered with the USFWS to study risks associated with migratory birds and bats in order to develop future strategies aimed at minimizing avian and bat mortality.

### MM2 The Number and Percentage of Total Sites Identified as Requiring Biodiversity Management Plans According to Stated Criteria, and the Number (Percentage) of Those Sites With Plans in Place

All active sites within the United States and Canada operate in compliance with federal, state/provincial and local regulations related to management of habitat and wildlife. Phosphate mining operations within the United States require extensive assessment of the proposed area of operation. Mosaic performs environmental site assessments, impact studies, hydrologic modeling and prepares conceptual reclamation plans prior to receiving a permit to operate on a parcel of land.

Biodiversity in flora and fauna is an important part of reclamation. Most mitigation plans have biodiversity requirements that must be monitored by qualified ecologists and reported to appropriate regulatory agencies as part of permit conditions or regulations. In fact, compliance with these biodiversity standards is a requirement that must be met before regulatory agencies will deem a site successfully reclaimed.

# EN15 Number of IUCN Red List Species and National Conservation List Species With Habitats in Areas Affected by Operations, by Level of Extinction Risk

Internatio	International Union for Conservation of Nature (IUCN) Red List of Species Possibly Affected by Operations					
IUCN Red List Designation	Phosphates Operations (Florida)	U.S. Potash Operations (New Mexico)	Canada Potash Operations (Saskatchewan)	Louisiana Operations		
Endangered	0	1 – Mexican Long-Nosed Bat	0	2 – Pallid Sturgeon, Alabama Heelsplitter		
Vulnerable	3 – Florida Mouse, Gopher Tortoise, Florida Scrub Jay	1 – Sagebrush Dune Lizard, Lesser Prairie Chicken, Lesser Long-Nosed Bat	0	3 – Alligator Snapping Turtle, Paddlefish, West Indian Manatee		
Near Threatened	2 – Gopher Frog, Short Tailed Snake	1 – Semipalmated Sandpiper	0	2 – Gulf Sturgeon, Southern Creekmussel		

Least	19 – Florida Bonneted Bat,	43 – American Avocet, American White	5 – Eastern	2 – Bald Eagle,
Concern	Burrowing Owl, Florida	Pelican, American Coot, American Wigeon,	Cottontail,	Long-tailed
	Black Bear, Sandhill Crane,	Aplomado Falcon, Bar-Tailed Godwit, Black-	Northern	Weasel
	Florida Pine Snake, Least	crowned Night Heron, Black-Necked Stilt,	Leopard Frog,	
	Tern, Limpkin, Little Blue	Blue-Winged Teal, Bufflehead, California	Turkey Vulture,	
	Heron, Osprey, SE	Gull, Canada Goose, Canvasback, Common	Bobolink, Red-	
	American Kestrel,	Goldeneye, Common Merganser, Double-	Headed	
	Sherman's Fox Squirrel,	Crested Cormorant, Eared Grebe, Franklin's	Woodpecker	
	Snowy Egret, Tricolored	Gull, Gadwall, Glossy Ibis, Great Blue Heron,		
	Heron, White Ibis, Wood	Greater Yellow Legs, Green Winged Deal,		
	Stork, Eastern Indigo	Killdeer, Lesser Sandpiper, Lesser Scaup,		
	Snake, Northern Crested	Long-Billed Curlew, Long-Billed Dowitcher,		
	Caracara, American	Marbled Godwit, Northern Pintail, Northern		
	Alligator, Bald Eagle	Shoveler, Red Breasted Merganser, Ring-		
		billed Gull, Ring Neck Duck, Ruddy Duck,		
		Sandhill Crane, Snowy Plover, Surf Scoter,		
		Western Sandpiper, White-Faced Ibis,		
		Willet, Wilson's Phalarope Least Tern,		
		Snowy Owl		

Notes: Avian species listed as affected or possibly affected by New Mexico operations are migratory species with potential migration patterns proximal to the Carlsbad, New Mexico, potash mine.

The table includes species and designations of the IUCN and not species and designations of federal or state/provincial agencies in the United States and Canada, by which Mosaic monitors threatened species.

Mosaic's Phosphates and Potash operations' interaction with wildlife in the United States is regulated by state agencies (Florida Fish and Wildlife Conservation Commission and New Mexico Game and Fish) and federally by the USFWS. These state and federal agencies have their own lists of species and management plans that vary by agency. Mosaic works closely with these regulators not only to ensure compliance with management plans, but also to fund and conduct research with the goal of conservation of wildlife and conservation of ecological habitats. Mosaic does not specifically track wildlife species per the IUCN Red List designations, but instead tracks species as designated by regulatory agencies with authority in the regions in which we operate.

For example, the area near our Florida Phosphate operations is home to species listed by federal or state authorities as endangered, threatened or of special concern. Potential impacts have been comprehensively evaluated for each potential mining area. Wildlife agencies have determined that operations would have no impact on those species, or that impacts could be mitigated by minimizing operations in sensitive habitats, creating new habitats for relocation and raising awareness of potential impacts among workers. In our Potash business unit, the rare and endangered species are evaluated as part of our biological assessments for expansion projects.

### **Emissions, Effluents and Waste**

## **EN16 Total Direct and Indirect Greenhouse Gas (GHG) Emissions by Weight**

Worldwide Greenhouse Gas Emissions						
(tonnes CO₂e)						
Business Unit		Calend	ar Year			
Emission Type	2010	2011	2012	2013		
International/Distribution	299,596	34,337	100,006	69,530		
Direct Emissions	32,698	21,047	78,263	59,039		
Indirect Emissions	266,898	13,290	21,743	10,491		
Phosphate	2,433,097	1,910,424	2,668,055	2,537,613		
Direct Emissions	1,657,887	1,177,986	1,786,223	1,804,960		
Indirect Emissions	775,210	732,438	881,832	732,653		
Potash	1,531,362 1,648,629 1,741,518 1,803,108					
Direct Emissions	889,467	943,567	1,039,710	929,949		
Indirect Emissions	641,895	705,062	701,808	873,159		
Grand Total	4,262,055	3,593,390	4,509,579	4,410,252		

Notes: Direct emissions include Mosaic's consumption of natural gas, diesel, other fuels, process related activities, water treatment and refrigerants.

Indirect emissions include electricity purchased from third-party utilities.

Mosaic uses guidance from the CDP for calculating and reporting carbon dioxide equivalence ( $CO_2e$ ).

Mosaic's reported 2013 direct and indirect CO₂e emissions data was reviewed and provided a statement of assurance by Trucost in accordance with AA1000AS standards.

In 2012, Mosaic returned to regular production levels at our Faustina ammonia plant, which resulted in increased emissions of CO<sub>2</sub>, the primary byproduct of anhydrous ammonia production. Emissions associated with purchased electricity also increased due to downtime of a turbo generator at our Uncle Sam plant. The 2012 emissions also included some areas not previously reported, including greenhouse gas (GHG) emissions from refrigeration units. Production levels between 2012 and 2013 remained fairly constant, resulting in a subtle year-over-year change in total emissions.

Mosaic has established targets for an overall 10% reduction of absolute GHG emissions and a 5% reduction in GHG emissions intensity per tonne of product produced for the Phosphates business unit, from 2005 levels by 2015. These targets exclude emissions associated with ammonia production and our Potash business unit. We have reduced the North American Phosphates business unit's absolute Scope 1 and Scope 2 (direct and indirect) GHG emissions by more than 21% since 2005. Mosaic's 2013 GHG emissions per tonne of dry product crop nutrient and animal feed production are as follows:

2013 GHG Emissions/Production Intensity				
Tonnes CO₂e per tonne of finished product				
Business Unit GHG Emission Intensity				
Potash	0.20			

Phosphates	0.31
International/Distribution	0.13

Note: Notes: Emissions intensity = Total  $CO_2$ e emissions generated in metric tonnes per mass of product manufactured in metric tonnes, per business unit.

Production includes all crop nutrients, animal feed ingredients and co-products produced in calendar year, per business unit.

### **EN17 Other Relevant Indirect Greenhouse Gas Emissions by Weight**

Mosaic has engaged upstream and downstream stakeholders in our supply chain to better quantify the impacts of our business. In 2013, Mosaic collaborated with vendors and contractors to quantify GHG emissions associated with business travel and rail transport of raw materials and finished products.

Scope 3 emissions from ammonia purchases, upstream transportation and business travel are reported below.

Other Indirect GHG Emissions (tonnes CO₂e)								
	2011 2012 2013							
Ammonia Purchases	2,877,787	2,133,499	2,120,201					
Rail Transport (Florida)	9,788	9,397	10,037					
<b>Business Travel</b> 5,557 5,335 5,140								
Total	2,893,132	2,148,231	2,135,378					

Notes: Ammonia purchases depicted in table above are for production of crop nutrients in Phosphates business unit only. Factor for purchased ammonia revised for 2013 and prior years per IPPC 2013 guidance for ammonia production with modern, natural gas ammonia plants.

We continue to evaluate additional sources of Scope 3 emissions and anticipate expanding the scope of our reporting to include additional sources in the near future.

### **EN18** Initiatives to Reduce Greenhouse Gas Emissions and Reductions Achieved

Mosaic is taking a proactive approach to reductions in emissions, with particular emphasis on improving energy efficiency and waste management. Mosaic's Sustainability Goals, published in 2012, outline our target to reduce Mosaic's absolute Greenhouse Gas emissions by 10% and our GHG intensity by 5% in our North American Phosphates business unit from 2005 levels by 2015. (Intensity per tonne of product and GHG targets exclude ammonia production due to pending decision on capacity expansion.) We have reduced the North American Phosphates business unit's Scope 1 and Scope 2 (direct and indirect) GHG emissions by more than 13% since 2005.

Mosaic has implemented innovative efficiency programs in our Phosphates facilities and Potash facilities to target improving energy efficiencies. With dedicated budgets and staff allocation, the goal of these programs, collectively, is to make our businesses more efficient and effective by growing value, increasing our return, transforming business practices, reinventing our culture and promoting accountability. Focus areas to date are procurement optimization (bidding, consolidation of vendors and

materials, and consumption of process chemicals); maintenance workflow or execution efficiency, which translates into reduced use of third-party contractors, overtime and Mosaic personnel; energy and operations effectiveness through the understanding of our organization's "health" or readiness to change and execute change; implementation of a performance management process (metrics-driven top to bottom, along with a cadence of effective discussions and action over those metrics); and OEE, or asset utilization optimization (downtime and utilization improvements to increase production where needed, or decrease emergency downtime, assets needed, etc.).

Greenhouse gas emission reductions resulting from voluntary initiatives reported in EN5, EN6 and EN7 equal approximately 93,000 tonnes of CO<sub>2</sub>e.

For more information on Mosaic's efforts to reduce GHG emissions and address climate change, please see our 2013 Carbon Disclosure Project Response.

### **EN19 Emissions of Ozone-Depleting Substances by Weight**

Mosaic does not produce CFCs, HCFCs, halon or methyl bromide in any of our operations. Refrigerants used in air conditioning units at our offices and production facilities represent a nominal quantity and only appropriate outside firms or certified internal technicians maintain these units. Air conditioning systems on some vehicles and equipment are maintained by Mosaic personnel. Ozone-depleting substances are phased out as required when units are replaced. In 2012, Mosaic inventoried refrigeration units in over half of its worldwide facilities for potential emissions related to global warming potential and ozone depleting potential (OZP). Mosaic has targeted the remaining facilities, including acquisitions, to be inventoried in 2014. Potential GHGs from refrigerants, expressed in  $CO_2e$ , are included in EN16.

# EN20 NOx, SOx and Other Significant Air Emissions by Type and Weight

Mosaic recognizes the importance of careful air emissions management and proactive reduction of these emissions from our operations. We use published emission factors and engineering estimates, as well as analytical stack sampling results, to calculate the following criteria air and other pollutants emissions for Phosphates and Potash operations. Due to regulatory reporting timelines, 2013's data was unavailable at the time of this publication's release; we expect to publish 2013 data here after June 2014.

Criteria Air and Other Pollutants (in ,000 tonnes)							
2009 2010 2011 2012							
NOx	2.26	2.70	3.54	4.56			
СО	0.70	0.85	0.94	1.77			
PM 2.10 3.73 3.96 3.6							
SO <sub>2</sub>	17.32	22.70	16.94	13.11			

VOC	1.64	1.29	1.32	2.61
NH <sub>3</sub>	1.01	0.77	0.63	1.10
FL	0.08	0.15	0.16	0.15
H <sub>2</sub> S	0.004	0.014	0.015	0.11
SAM	0.07	0.14	0.14	0.12
HF	0.13	0.38	0.47	0.45

Mosaic's significant air emissions per tonne of dry product crop nutrient and animal feed production are as follows:

Normalized Air Emissions CY 2012				
Emissions per	Metric Tonnes of Finished Product			
NOx	0.25			
СО	0.10			
PM	0.20			
SO <sub>2</sub>	0.71			
VOC	0.14			
NH <sub>3</sub>	0.06			
FL	0.01			
H <sub>2</sub> S	0.01			
SAM	0.01			
HF	0.02			
Notes: All business units included				
Emissions based on stack test and emission factors	S			

### **EN21 Total Water Discharge by Quality and Destination**

Discharges from Mosaic's U.S. operations to nearby water bodies are highly regulated through federal National Pollutant Discharge Elimination System (NPDES) permits (developed by the state and approved by the EPA), which require ongoing demonstration of compliance with effluent limitations. These limitations are based on the water quality standards applicable to the receiving water body for that discharge and are set at levels that protect the designated uses of that water body, as defined by state environmental regulatory agencies. As an overarching principle, water that falls within the active, operational footprint at Mosaic's mining and fertilizer production facilities is actively managed, treated if necessary and discharged only through outfalls, whose locations are permitted through the NPDES program. Discharges are monitored, sampled and analyzed regularly by Mosaic, and reported to these regulatory agencies to demonstrate ongoing compliance with these permit limitations. By maintaining compliance with all NPDES permits, Mosaic ensures that its discharges meet existing regulations.

In 2013, Mosaic's Canadian Potash facilities helped preserve water quality off-site by maintaining a zero-discharge approach, with the capture of surface water runoff from the sites. In certain circumstances of high precipitation events, off-site discharges of surface water runoff are warranted and are approved in advance by the Ministry of Environment. There were no such instances in 2013.

A significant percentage of the total outfall from Phosphate operations is from rainwater, and discharge rates can vary year to year according to levels of precipitation. In Florida, our operations occur in the

following river basins: Alafia River, Little Manatee River, Myakka River and Peace River, with one fertilizer manufacturing facility's outfalls directing water to Tampa Bay. Mosaic's Phosphates facilities in Louisiana have permitted outfalls that discharge water to the Mississippi River. The following table summarizes the total surface water discharge from our Phosphate operations in Florida and Louisiana combined.

Data on outfall volumes and nutrient loadings for 2013 were not available when this report was released.

Total Water Discharge of Mosaic Phosphate Business Unit								
Units 2010 2011 2012								
Phosphates Business Unit Annual Outfall Discharges	,000m <sup>3</sup>	404,148.99	178,793.26	321,317.86				
Phosphates Outfall Discharge Annual Phosphorous Loadings	Tonnes	2,216	1,785	2,465				
Phosphates Outfall Discharge Annual Nitrogen Loadings	Tonnes	228	123	115				
Phosphates Outfall Discharge Annual TSS Loadings Tonnes 9,129 6,388 4,86								
Phosphates Outfall Discharge Annual Sulfates Loadings Tonnes 27,119 20,872 23,208								
Note: Outfall gallons and loading data for 2010 revised upon receipt of additional data.								

### **EN22 Total Weight of Waste by Type and Disposal Method**

Wastes generated as part of the mining and processing of potash and phosphate are reported under MM3.

Mosaic's operations generate a variety of nonhazardous solid wastes, including domestic refuse, construction and demolition debris, waste lubricants and spent sandblast media. Mosaic has placed an emphasis on reducing and/or eliminating waste and our recycling program seeks to identify materials that can be diverted from landfills and recycled or reused. The following table summarizes materials recycled or reused in 2013.

2013 Recycled Wastes (Tonnes)						
	Phosphates	Potash	International/ Distribution			
Aerosol Cans	0.28	0.00	0.00			
Antifreeze	0.85	1.99	0.00			
Compostable Waste	2.36	0.00	0.00			
Construction and Demolition Debris	0.00	0.00	671.97			
E-waste and Appliances	8.37	5.35	0.00			
Glass Waste	0.00	0.00	0.91			
Hazardous Waste	1.58	0.00	0.00			
Metals	5182.69	1886.97	386.87			
Miscellaneous and Special Wastes	0.00	0.00	9.55			
Oil and Oil Contaminated Items	163.26	83.22	7.47			
Paper and Cardboard	63.92	0.44	15.17			
Plastics	0.00	11.60	148.70			
Rubber	0.00	0.00	22.40			
Single Stream Recycling	23.23	0.00	0.00			
Universal Wastes	11.18	15.56	1.35			
Total Tonnes	5457.72	2005.13	1264.39			

Mosaic's waste management program provides assurance that all Mosaic locations have a process in place to minimize waste generation and that waste management practices do not adversely affect the environment or health and safety of employees and the public. Mosaic is in the process of developing an updated, comprehensive waste management strategy that complies with Resource Conservation and Recovery Act (RCRA) legal requirements and conforms to the International Standards Organization (ISO) 14001 Standard. Below are examples of hazardous and nonhazardous wastes generated by disposal methods at Phosphates, Potash and international facilities. We anticipate expanding the scope of our reporting for this indicator to include data for all facilities in the near future.

Waste Generated by Disposal Method 2013							
(tonnes)							
Hazardous Nonhazardous Grand Total							
	FishHawk – Office						
Incineration	0	113.35	113.35				
Recycle	0.80	45.90	46.70				
	Faustina – Pl	hosphate Production					
Incineration	0.82	0	0.82				
Landfill	0	902.70	902.70				
Recycle	1.57	315.38	316.96				
	Uncle Sam – F	Phosphate Production					
Incineration	2.39	0	2.39				
Landfill	56.66	369.35	426.01				
Recycle	0.16	335.35	335.51				
	Hersey – F	Potash Production					
Incineration	0.14	0	0.14				
Landfill	0	162.15	162.15				
Recycle	0	9.31	9.31				
Brazil*							
Co-Processing	16.78	0.00	16.78				
Landfill	49.09	1599.34	1648.43				
Recycle	18.36	1246.02	1264.39				
Treatment/Other	59.32	0.00	59.32				

Notes: Weights may have been estimated or inadvertently excluded from this list; therefore, the totals are approximations only. (\*) Brazil includes Alto Araguaia (warehouse and blender), Campo Grande (warehouse and blender), Candeias (warehouse and blender), Fospar (port), Paranagua (warehouse, blender and production), Rio Verde (warehouse and blender), Sorriso (warehouse and blender) and Uberaba (warehouse and blender) facilities.

## MM3 Total Amounts of Overburden, Tailings and Sludges, and Their Associated Risks

Mining and Mineral Processing Waste Generated and Disposal Method							
(in tonnes)							
Material	2010	2011	2012	2013	Disposal Method		
			Phosphate	•			
Overburden	133,634,000	163,931,613	162,012,906	146,522,396	Used for Reclamation		
Tailings	38,655,000	30,885,900	37,459,212	34,442,381	Used for Reclamation		
Clay	11,949,000	12,798,551	14,315,162	15,786,278	Dried in Surface Impoundment		
Phosphogypsum	19,381,000	20,134,000	21,543,380	20,602,936	Managed in Permitted Phosphogypsum		
					Stack Systems		
	Potash						
Tailings (Salt)	10,122,250	12,004,876	12,868,386	12,166,694	Storage or Recycled for Commercial Use		
Brine	4,651,714	5,722,629	4,775,705	4,408,041	Deep Well Injection or Evaporation		
Notes: Overburder	Notes: Overburden is stored in piles until used for reclamation. Clay is pumped wet to surface impoundments. The drying						

Notes: Overburden is stored in piles until used for reclamation. Clay is pumped wet to surface impoundments. The drying process for clay takes many years.

Mosaic uses best industry practices to manage overburden, tailings and byproducts associated with our mining and production. In addition, Mosaic complies with federal, state and local regulations related to these materials.

Mining and processing of potash and phosphate generate residual materials that must be managed both during the operation of a facility and upon a facility's closure. Potash tailings, consisting primarily of salt and clay, are stored in tailings management areas. Portions of excess salt generated from potash mining is processed and then used for commercial purposes, including road salt, water softener salt, and use in food grade products and industrial uses. Phosphate clay residuals from mining are deposited in clay settling ponds. Certain solid wastes generated by our phosphate operations may be subject to regulation under RCRA and related state laws. The EPA rules exempt "extraction" and "beneficiation" wastes, as well as 20 specified "mineral processing" wastes, from the hazardous waste management requirements of the Resource Conservation and Recovery Act (RCRA). Accordingly, certain residual materials which our phosphate operations generate, like phosphogypsum, as well as process wastewater from phosphoric acid production, are exempt from RCRA regulation.

### **EN23 Significant Spills**

Environmental Releases							
Number of Significant Reportable Releases							
Mosaic Business Unit FY 2011 FY 2012 FY 2013 CY 2013							
Potash	10	8	12	10			
Phosphates	4	2	3	4			
Distribution	0	0	0	0			
International 0 0 0 0							
Total Significant Releases	14	10	15	14			

Notes: Table includes environmental releases equal to or greater than 2,000 gallons. They were not significant enough to report in our financial statements.

Such releases identified for Potash facilities involved brine, dedusting agent, calcium chloride and finished product; and for Phosphates facilities involved storm water, sulfuric acid, waste clay and process water.

### EN24 Weight of Transported, Imported, Exported or Treated Waste Deemed Hazardous

Mosaic facilities generate hazardous waste during production and maintenance operations. In the United States, Mosaic's Phosphates and Potash facilities are typically either categorized as Small Quantity or Conditionally Exempt Small Quantity Generators (which generate less than 2,200 pounds of hazardous waste per month). The four concentrate facilities in the Phosphates business unit are designated as Large Quantity Generators (which generate more than 2,200 pounds of hazardous waste per month). Canadian facilities comply with all national regulations regarding these materials.

The types of hazardous waste generated at Mosaic's U.S. facilities typically include spent cleaning solvents, paint-related wastes and some spent laboratory chemicals. At concentrate facilities, wastes generated during production and maintenance operations include waste that is characteristically hazardous for corrosivity and/or toxicity (e.g., low pH and/or metals content). Each location has an appropriate hazardous waste management system to ensure that the waste is properly and safely disposed. No hazardous wastes are shipped internationally for disposal.

# EN25 Identity, Size, Protected Status and Biodiversity Value of Water Bodies, and Related Habitats Significantly Affected by the Reporting Organization's Discharge of Water and Runoff

The discharge of water and runoff from Mosaic's mining and fertilizer manufacturing is a highly regulated activity that has stringent reporting and compliance requirements. The release of water via storm water or discharge must comply with these requirements. The standards enforced by the regulatory authorities are designed to protect water bodies and associated habitats from degradation and secondary environmental impacts. None of the points of discharge releases water directly into a designated protected area.

The four riverine basins in which Mosaic operates in Florida include the Peace, Alafia, Little Manatee and the Myakka Rivers. These riverine systems vary in size, as indicated below.

Florida Riverine Basins Where Mosaic Operates		
Water body/basin	Basin size (hectares)	River length (km)
Peace River	608,000	169
Alafia River	109,000	38
Little Manatee River	58,000	58
Myakka River	155,000	106

#### Some key examples at our major facilities:

- Any releases are subject to water constituent limitations designed to be protective of downstream biological communities. The final AEIS released by the U.S. Army Corps of Engineers in April 2013 and supplemented in July 2013, which provides a comprehensive two-plus-year study on the direct, indirect and cumulative impacts of proposed and reasonably foreseeable phosphate mining projects in the Central Florida Phosphate District, concludes that the effects of mining will not have a significant water quality impact, in part, because the proposed projects are not expected to cause violations of water quality standards. While NPDES-permitted discharges associated with the proposed alternatives may add some authorized quantities of certain regulated or targeted constituents to receiving waters, the anticipated, resulting levels of these parameters would not constitute health risk nor present an unacceptable risk to stream biota.
- In Louisiana, our Faustina and Uncle Sam plants intake and outfall to the Mississippi River. This process is highly regulated by the state to ensure that gross contaminant levels are acceptable.
- For our Canadian Potash operations, we have no off-site releases of water or runoff as part of normal operations. See EN21 for additional context.

#### **Products and Services**

### **EN26 Initiatives to Mitigate Environmental Impacts of Products and Services**

Mosaic has a dedicated agronomy team that conducts field trials to evaluate the performance of our products and develop recommendations to mitigate any potential environmental impact. In 2013, we conducted 435 small-plot trials in Argentina, Brazil, Chile, China, Canada, India, Northern Latin America (Mexico to Peru) and the United States. These trials were conducted by highly regarded private researchers and universities that follow rigorous scientific standards. In addition, more than 65 demonstration plots were conducted in the same countries via collaborations with customers and growers. In total, nearly 500 plots of research were established in 2013.

Mosaic continues its collaboration with a highly regarded crop sciences professor and researcher at the University of Illinois to develop advanced agronomic systems aimed at sustainably increasing corn productivity by combining fertilizer best management practices with other agronomic technologies. This research evaluates nutrient requirements of modern corn hybrids and soybean varieties under different field conditions. A complete understanding of field conditions is a precondition of a balanced crop nutrition program.

#### **Educational Tools**

Mosaic will continue to support a new educational initiative to help the industry understand fertilizer best management practices as a way of reducing environmental impact.

<u>CropNutrition.com</u> is a resource for retailers, growers and media members seeking to better understand soil science, grow crops that are stronger, and increase productivity and yield in a sustainable manner. By simplifying highly technical and agronomic information, CropNutrition.com is an approachable and digestible digital hub of soil fertility and balanced crop nutrition information.

<u>CropNutrition.com</u> provides a wealth of information in various ways, including:

- Interactive and dynamic content
- The Agronomy Resource Center, featuring expertise from members of the Mosaic Agronomy Team and timely regional updates
- Timely and topical blog posts shared on the Agronomy Blog
- An interactive periodic table of crop nutrients, highlighting each nutrient's role in plant health and photos to identify nutrient deficiencies
- Monthly Fertility Facts videos
- Quarterly AgriSight<sup>™</sup> fact sheets highlighting the latest research and industry trends

The CropNutrition initiative is an integrated effort to inform growers and retailers. Through various vehicles, such as print, radio and digital advertisements, as well as social media channels, Mosaic will provide a consistent flow of information around the topics and trends that contribute up to 60% of farmers' yields.

CropNutrition will give unprecedented access to information and expertise from within the walls of a leading agriculture company and its industry-leading partners. Retailers and growers will benefit from Mosaic sharing information that will allow them to think progressively about crop fertility.

#### **Industry Initiatives**

<u>The Nutrient Use Geographic Information System</u> (NuGIS) is a Web-based application developed by IPNI that integrates multiple tabular and spatial datasets to create county-level estimates of nutrients applied in fertilizer and livestock manure, nutrients removed by harvested agricultural crops, and the resulting balance. Mosaic's membership in the IPNI helps fund this North American database. We have leveraged this information by providing reports specifically for our customers to help them assess nutrient use efficiency and balance.

4R Nutrient Stewardship (4Rs) is about doing everything "right" in regard to fertilizer application and effectively reducing agriculture's potential for negative externalities. The 4Rs is an innovative and science-based approach that when applied offers enhanced environmental protection, increased production, increased farmer profitability and improved sustainability. The concept is to use the Right fertilizer source, at the Right rate, at the Right time, in the Right place. For fertilizer use to be sustainable, it must support cropping systems that provide economic, social and environmental benefits. Because the 4Rs is critical for sustainability, Mosaic's goal is to partner with the fertilizer industry to enhance understanding, adoption and promotion of 4R Nutrient Stewardship among stakeholders.

To help address this challenge, TFI has been working collaboratively with the IFA, the IPNI and the CFI to advance the <u>4R Nutrient Stewardship</u> initiative. Two goals of the initiative include establishing 4Rs as a recognizable strategy for economic, social and environmental sustainability, and expanding the adoption of 4R Nutrient Stewardship globally.

#### **Partnerships**

Mosaic established and continues to fund the <u>Mosaic Fertilizer Technology and Research Centre</u> initiative at the University of Adelaide, Australia. The centre focuses on soil chemistry and fertilizer technology, and uses the latest technology to develop innovative fertilizer formulations to improve nutrient use efficiency.

Mosaic also has a long-term partnership with a globally recognized plant nutrition expert at Sabanci University in Turkey, whose research focus is balanced crop nutrition and nutrient interactions conducted through greenhouse experiments.

The Mosaic Company partners with The Nature Conservancy as it conducts a three-year conservation pilot in three watersheds in the Upper Mississippi River basin, including the Root River in southeastern Minnesota, the Boone River in northern Iowa and the Mackinaw River in central Illinois. The Conservancy works with local partners, including farmers, in those watersheds to implement and study conservation techniques that best lower nutrient and sediment concentrations by reducing runoff from agricultural landscapes. Through this project, the Conservancy seeks to determine which tools work best in a larger, sub-watershed system, and will then communicate findings to crop producers to guide their farm stewardship decisions.

### **EN27** Percentage of Products Sold and Their Packing Materials That Are Reclaimed by Category

Mosaic products, predominantly fertilizer and animal feed ingredients, are used in various stages of agricultural operations with multiple steps and biological processes. To the extent possible, bulk transport is used to minimize the need for extensive packaging throughout the supply chain. Agricultural operation processes are not within Mosaic's purview to control; however, the nutrient elements of our products often are recycled into these or other agricultural systems. Examples of these systems include:

- Fertilizer is applied to the soil and then taken up by plants; the plants can be used for human or animal food. This food is processed and excreted by humans and animals as manure or biosolids, which may be recycled and used as nutrients similar to fertilizers, depending on infrastructure (e.g., publicly owned treatment works reuse water distribution systems).
- Animal feed materials are taken up by animals as food and excreted as manure. These materials
  may be recycled and used as nutrients similar to fertilizers, depending on infrastructure (e.g.,
  feed lot versus free-range grazing).

To further encourage stewardship of our products, Mosaic has formed a product stewardship team from various disciplines and is pursuing opportunities to cooperate with supply chain and logistical partners to identify and implement stewardship enhancements on a global basis.

A reclaimed product example is our use of sulfur, which is a co-product of the petroleum industry and is reclaimed from the crude oil desulfurization process. Our use of this product prevents an excess of sulfur that otherwise could be disposed of in landfills.

Finally, Mosaic supports and helps promote TFI's Bulk Blend Workshops and Manual, which eliminates the need for packaging of major raw materials or the final product. This process completely eliminates the need for bags, as the product is transferred from dealer to farmer. Because of the sizing and blending capabilities of our bulk materials, we encourage the use of the bulk blending and delivery system in farming operations.

### **Compliance**

## **EN28 Monetary Value of Significant Fines and Total Number of Nonmonetary Sanctions for Noncompliance With Environmental Laws and Regulations**

In Form 10-K and Form 10-Qs, Mosaic reports any environmental fine or sanction that it has identified as potentially material to investors, or if not potentially material, as potentially meeting or exceeding a significance threshold of \$100,000. In 2013, Mosaic paid a penalty of \$245,000 in connection with a settlement of alleged Clean Air Act violations at our Riverview, New Wales, Bartow, South Pierce and Green Bay facilities.

### **Transport**

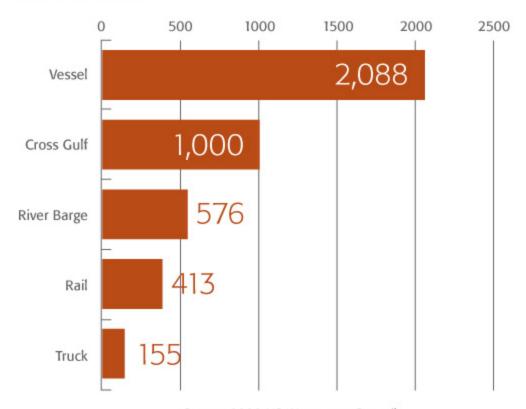
EN29 Significant Environmental Impacts of Transporting Products and Other Goods and Materials Used for the Organization's Operations, and Transporting Members of the Workforce

In 2013, Mosaic moved approximately 58 million short tons of raw materials, work-in-progress and finished products. To compare fuel efficiency, the industry standard is to measure ton-miles per gallon (ton/miles/gallon).

The following chart compares the efficiency of the various modes of transportation that Mosaic uses to move our raw materials, work-in-progress and finished goods.

#### **FUEL EFFICIENCY ANALYSIS**

TONS/MILES/GALLON

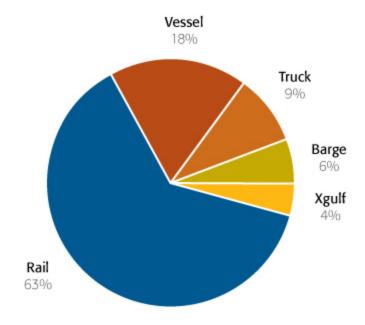


Source: 2008 US Waterways Council.

The most fuel efficient transport is by Panamax vessels, which carry approximately 66,000 tons of cargo great distances. In North America, cross-Gulf (Gulf of Mexico) barges are quite efficient. Conversely, trucks can carry approximately 25 tons and yield approximately 155 tons/miles/gallon.

For 2013, our spending on North American transport of materials and products was divided across modes as follows.

#### TRANSPORT COSTS BY MODE 2013



Notes: Chart based on actual costs incurred by Mosaic per transport mode.

Does not include transport of materials and product from all international
distribution facilities.

The following table summarizes the amount of material transported and number of North American shipments.

Transport Mode and Weight CY 2013					
Mode	Tons	% by Weight			
Vessel and XGULF	13,403,602	23%			
River Barge	6,898,620	12%			
Rail (Cars)	25,672,589	44%			
Truck	11,140,013	19%			
Pipeline	1,236,899	2%			
Total	58,351,723	100%			

Notes: This table includes shipments of raw materials and finished product from origin to final destination that originated or ended in North America.

**Energy Use and Emissions** – Because diesel or a heating oil derivative fuels most of the transportation, the lowest-cost option for the customer is often the option that uses the least fuel and has the lowest potential environmental impact. The vast majority of our truck shipments occur within Florida and are associated with time-sensitive intra-company shipments of sulfur, sulfuric acid and phosphate rock. In addition, the distance traveled in most cases is less than 50 miles, making trucks a generally less expensive and more reliable solution.

Environmental impacts of transporting our materials are primarily related to GHG emissions. When distance traveled is less than 50 miles, trucking is generally the most reliable and cost-effective mode of transport.

During the 2013 reporting period, Mosaic and its transportation partners used various fuel and GHG emission-saving initiatives, including:

- Mosaic created the PhosPro Initiative to improve our handling raw materials that travel by rail.
   Consisting of cross-functional teams at Mosaic and CSX, the PhosPro initiative focuses on increasing efficiencies and reducing costs for both companies. Mosaic anticipates benefits such as moving more finished products upstream by rail instead of truck, which will result in improved fuel efficiency and lower GHG emissions.
- As part of our commitment to sustainability, Mosaic uses RightShip, a vetting service that allows
  the supply chain team to select vessels that meet certain safety and environmental criteria,
  including energy efficiency and GHG emissions performance. By chartering the most efficient
  vessels available in terms of fuel consumption, we are reducing the environmental impact
  associated with transportation of materials.
- In 2013, Mosaic completed the conversion to a natural gas-powered truck fleet for raw materials and finished products in our Central Florida operations. The 50 trucks, operated by transportation partner Dillon Transport, have increased capacity and are powered by clean-burning CNG. Benefits of the conversion include significantly lower emissions of particulates and nitrogen oxides (up to 50% lower) and GHGs (potentially up to 25% lower). Based on forecasted shipping volumes, we estimate that this change will save at least \$1 million annually.
- Mosaic, along with our trucking partners, has implemented a number of fuel-saving initiatives, such as automatic engine shutoffs and reduced intra-company truck scaling. We have also invested in faster loading processes to both reduce fuel consumption and total trucks deployed.
- Mosaic uses specialized Saddleback trailers to increase backhaul usage to reduce "dead head,"
  or empty loads. These unique trailers can transport molten sulfur from the Port of Tampa to our
  production facilities and return to the port with a load of our finished product for shipment to
  customers.
- An N-ViroMotive locomotive, used at our South Fort Meade mine, uses approximately 57% less fuel and emits approximately 80% fewer GHGs than single-engine diesel locomotives.

**Waste** – Mosaic has funded and promoted the TFI Bulk Blend Workshops and Manual. Transporting and distributing our crop nutrient products in bulk greatly reduces the amount of packaging required to deliver our products to consumers. Most of our crop nutrient products are transported from production facilities to consumers in bulk quantities. Therefore, environmental impacts associated with packaging are eliminated. In some areas where small-scale farmers purchase our products, bulk distribution is not possible.

### **Overall**

### **EN30 Total Environmental Protection Expenditures and Investments** by Type

Mosaic has expended, and anticipates that we will continue to expend substantial financial and managerial resources to comply with EHS standards, and continue to improve our environmental stewardship.

In the seven months ended December 31, 2013 and in fiscal 2013, we spent approximately \$130 and \$230 million, respectively, for environmental capital expenditures, land reclamation activities, gypstack closure and water treatment activities.

### **Human Rights**

#### **Investment and Procurement Practices**

### HR1 Percentage and Total Number of Significant Investment Agreements That Include Human Rights Clauses

Mosaic defines "significant acquisition" to mean an investment that moved Mosaic into a position of majority ownership in another entity. All potential acquisition or investment opportunities include an evaluation of country risk. As a signatory to the United Nations Global Compact, Mosaic is developing explicit human rights criteria for screening any potential acquisitions. Mosaic's commitment to Human Rights is guided by the Universal Declaration of Human Rights (UDHR), the most widely recognized definition of human rights and the responsibilities of national governments; the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work; and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

### HR2 Percentage of Significant Suppliers and Contractors Screened on Human Rights

In 2013, 100% of Mosaic's suppliers certified compliance with Mosaic's Code of Supplier Business Ethics and Conduct. We seek to do business only with suppliers who operate ethically and in a manner consistent with our own standards, including treating each other with respect, promoting a safe and healthy workplace, and promoting fair employment practices. Mosaic feels a responsibility to actively engage our suppliers and contractors around issues of sustainability, and is undertaking efforts to monitor our contractors' performance and compliance with Mosaic's safety policies through screening and audit processes.

## HR3 Total Hours of Employees Trained on Policies and Procedures Concerning Aspects of Human Rights, Including Percentage of Employees Trained

All employees receive Mosaic's Code of Business Conduct and Ethics, which addresses Mosaic's equal treatment rights of similarly situated employees and its intolerance to discrimination of any type. Related matters are overseen by a corporate vice president. Ultimately, Mosaic's success as one of the world's leading crop nutrition companies depends on sustaining a safe, supportive and respectful work environment in which all our people can fully contribute their knowledge, talents and energy. Mosaic

employees receive training on a range of issues that may directly or indirectly impact human rights, including the following.

Training Hours on Business Conduct and Ethics				
Course Title	Time			
2013 Mosaic Annual Code Certification	322 hours 20 minutes			
FCPA: Part 1 – Understanding the Law	83 hours 3 minutes			
Harassment in the Workplace	36 hours 42 minutes			
Insider Trading	311 hours 4 minutes			
Mosaic Antitrust Compliance	113 hours 52 minutes			
Mosaic Code of Business Conduct & Ethics	101 hours 40 minutes			
Professional Conduct	404 hours 50 minutes			
Records and Information Management	550 hours 6 minutes			
Short Takes: Anti-corruption: Making the Deal Happen	107 hours 7 minutes			

### **Nondiscrimination**

#### **HR4 Total Number of Incidents of Discrimination**

Mosaic has had no founded incidents of discrimination for the period covered in this report. The chart below details the number of discrimination allegations from January through December 2013.

Discrimination Alleged January 2013 - December 2013 (North America only)								
Туре	National Origin	Race	Wrongful Termination	Gender	Disability	Other	Closed	Pending
Number of Claims	0	7	1	0	0	1	7	2

Mosaic is vigorously defending itself in the pending cases, which the Company believes are without merit.

### Freedom of Association and Collective Bargaining

### HR5 Operations Identified in Which the Right to Exercise Freedom of Association and Collective Bargaining may Be a Significant Risk

Mosaic does not have any operations in which the right to exercise freedom of association and collaborative bargaining are identified as a significant risk. Mosaic does not discriminate based on association, per our Commitment to Human Rights, which is guided by the UDHR, the most widely recognized definition of human rights and the responsibilities of national governments; the ILO Declaration on Fundamental Principles and Rights at Work; and the OECD Guidelines for Multinational Enterprises.

# MM5 Total Number of Operations Taking Place in or Adjacent to Indigenous People's Territories, and Number and Percentage of Operations or Sites Where There Are Formal Agreements With Indigenous People's Communities

Mosaic has no operations that take place directly adjacent to indigenous people's territories. There are no Mosaic operations or sites that have formal agreements with indigenous people's communities.

#### **Child Labor**

### HR6 Operations Identified as Having Significant Risk for Incidents of Child Labor

Mosaic does not have any operations that are identified as a significant risk for child labor practices. Mosaic abides by all applicable child labor laws. In the United States and Canada we do not employ anyone under the age of 18. Mosaic complies with all statutory requirements in the locations where we operate, as well as our own employment policies, including our Commitment to Human Rights, which is guided by the UDHR, the most widely recognized definition of human rights and the responsibilities of national governments; the ILO Declaration on Fundamental Principles and Rights at Work; and the OECD Guidelines for Multinational Enterprises.

### **Forced or Compulsory Labor**

### HR7 Operations Identified as Having Significant Risk for Incidents of Forced or Compulsory Labor

Mosaic does not have any operations at risk regarding forced or compulsory labor practices. Mosaic adheres to all immigration laws, as well as our global hiring and employment policies. Mosaic does not tolerate forced or compulsory labor, per our Commitment to Human Rights, which is guided by the UDHR, the most widely recognized definition of human rights and the responsibilities of national governments; the ILO Declaration on Fundamental Principles and Rights at Work; and the OECD Guidelines for Multinational Enterprises.

### **Security Practices**

## HR8 Security Personnel Trained in the Organization's Policies or Procedures Concerning Aspects of Human Rights That Are Relevant to Operations

Our corporate security is designed to protect our employees, contractors, guests and neighbors, as well as the environment. Mosaic has hired third-party security firms in many of our significant operations. We have 100% training compliance with all security personnel regarding Mosaic's policies as they relate to the security and safety of our significant operations and the people there.

### **Indigenous Rights**

### HR9 Total Number of Incidents of Violations Involving Rights of Indigenous People

Mosaic has had no reported incidents related to violations involving rights of indigenous people for the period covered in this report.

### HR10 Percent and Total Number of Operations That Have Been Subject to Human Rights Reviews and/or Impact Assessments

Although Mosaic has not conducted a formal human rights review, our Commitment to Human Rights applies to all operations. Our commitment is guided by the UDHR, the most widely recognized definition of human rights and the responsibilities of national governments; the ILO Declaration on Fundamental Principles and Rights at Work; and the OECD Guidelines for Multinational Enterprises.

#### HR11 Number of Grievances Related to Human Rights Filed, Addressed and Resolved Through Formal Grievance Mechanisms

Mosaic has had no founded grievances related to human rights.

### Society

### **Community**

### SO1 Percentage of Operations With Implemented Local Community Engagement, Impact Assessments and Development Programs

In alignment with Mosaic's Environment, Health and Safety policies, Mosaic is committed to conducting all business activities in a manner that protects the environment and the health and safety of our employees, our contractors, our customers and the public. Mosaic's core values of integrity, excellence, sustainability and connectivity define how we conduct business, how we interact with colleagues, and how we treat our communities and planet. As such, 100% of Mosaic operations have impact assessment and development programs. Mosaic employs a variety of approaches to systematically assess and manage the diverse impacts of industry on the various communities in which we operate.

Across the globe, our employees adhere to the same companywide values. This common sense of purpose and responsibility ensures that we approach our work with a shared goal. Mosaic has key distribution facilities in eight countries, serving customers in approximately 40 countries around the world. In Central Florida, where Mosaic mines phosphate rock and manufactures phosphate fertilizers and animal feed ingredients (AFI), the company owns seven mining and finishing facilities. The company also mines potash from five mines in North America, primarily in Saskatchewan. Additionally, Mosaic owns 12 facilities in Brazil, which is an important region for future growth. Although Mosaic continues to refine and adapt community investment programs throughout South America and Asia, due to the nature of our business and potential impact, this report heavily emphasizes Central Florida, Saskatchewan, Canada and Brazil.

Our operations in Saskatchewan, Central Florida and Brazil work diligently to engage local communities. Mosaic's engagement within local communities includes monthly meetings with a series of community advisory panels, civic organizations, elected officials, civil servants and other opinion leaders. Mosaic reaches the broader community through print, broadcast, billboard and digital ads, news and social media outlets, direct mail, and public education initiatives. When the business plans to expand operations, we host community forums and participate in public hearings convened by local and regional governments.

Mosaic is committed to conducting and reporting the results of environmental impact assessments. In April 2013, the final Areawide Environmental Impact Statement (AEIS) on Phosphate Mining in the Central Florida District was released by the ACOE for public review. In August 2013, the AEIS for continued phosphate mining in the Central Florida Phosphate District was finalized. Administered by the ACOE in compliance with the National Environmental Policy Act, this process analyzed the

environmental scope and potential impacts of phosphate mining in Central Florida. Additionally, as it becomes available, information about our permit applications is posted online on microsites targeted to each permitting county in Central Florida. This transparency provides the public with a clearer view of the regulatory process for permitting and gives local residents the ability to communicate directly with the experts overseeing a given project.

The Mosaic Potash business unit conducts regular environmental impact assessments, reporting the findings to the Saskatchewan Ministry of Environment. All environmental impact assessments have been submitted and approved to date. Additionally, the Mosaic Potash facilities in Saskatchewan, Canada, conduct thorough biological assessments of proposed expansion sites, such as the assessments for the tailing expansion at the Colonsay and Esterhazy mines, as well as the new K3 mine shaft site at Esterhazy. Each of these assessments includes field surveys to identify rare species of plants and animals of special concern to identify if mitigation programs are required.

#### **Community Development and Consultation**

Each year, Mosaic aims to invest 1% of earnings before interest and taxes (EBIT) over a three-year rolling average into our communities. The Mosaic Company, The Mosaic Company Foundation and The Mosaic Institute in Brazil make investments in our global communities through philanthropic grants, employee engagement and in-kind donations. Combined contributions in 2013 reached \$27.16 million.

In 2013, Mosaic operations in Florida committed more than \$10 million, and operations in Saskatchewan committed more than \$5 million to enrich and improve communities where we have offices and operations. Mosaic employs regional, full-time public affairs (PA) staff to support all communities where we have an operating footprint. Mosaic PA staff is committed to maintaining an open dialogue with the people in our communities, assessing local needs and building partnerships designed to improve community vibrancy for local residents. Independent Community Advisory Panels (CAPs) help facilitate this work. Underwritten by Mosaic, CAPs serve as a forum for open discussion among representatives of the local community, and provide a place for companies to discuss community response to industry developments and plans.

In some locations, there are cultural implications to our business that Mosaic addresses through community engagement. Through the efforts of the manager of Aboriginal Engagement in Canada and Mosaic's Representative Workforce Strategy, Mosaic continues to build a more inclusive workforce by working with various provincial tribal councils. Mosaic recognizes the significance of building relationships with educational institutions throughout Saskatchewan, as well as other First Nation and Metis organizations that serve the career development needs of aboriginal people in Saskatchewan. For example, Mosaic partners with the Saskatchewan Indian Institute of Technologies' Mining Industry Prep Programs, which are based in Saskatoon, Yorkton and Regina, to prepare the aboriginal workforce for careers in mining.

#### **Stakeholder Engagement**

Mosaic is committed to stakeholder engagement and public outreach efforts. Through face-to-face meetings, social media, government relations, facility tours and more, Mosaic connects with stakeholders to keep them well informed and engaged with our mission to help the world grow the food it needs.

- Mosaic employees conduct tours of mines and manufacturing facilities for local, state and federal elected officials and staff, customers, investors, students, community leaders, the media, and nonprofit and civic groups throughout the year.
- Mosaic has an engaged social media presence (Twitter, Facebook, YouTube). These media
  enable us to share information with the general public and engage in conversations about our
  business, making thousands of impressions on users and community members.
- Additionally, Mosaic manages micro Web sites in support of future permitting, with the goal of being transparent with the general public. These sites invite the public to be engaged with the permitting process, review maps of the proposed mining areas, ask an expert and submit questions about our activities in and around their communities.
- In 2013, The Mosaic Express an educational exhibit on wheels about phosphate traveled across the United States sharing with more than 15,000 people in Florida, South Dakota, Alabama and Minnesota information about our business, nutrient stewardship and the role of fertilizer in food production.
- Mosaic is committed to being an engaged business partner. In the past year, Mosaic held meetings inviting current and potential vendors to discuss our corporate values and how we interact with other companies and our communities. Mosaic also regularly engages its customers in crop nutrient education and business management principles through various events, such as Mosaic's AgCollege, which hosts 250 of Mosaic's strategic customers from the U.S., Canada, Mexico, Argentina, Brazil, Australia, Chile, China and India for the premier education, personal growth and leadership development event for fertilizer retailers.
- As a member of The Fertilizer Institute, the Canadian Fertilizer Institute, the Saskatchewan
  Mining Association and the Saskatchewan Potash Producers Association, Mosaic presents
  important information to government groups and decision-makers who directly impact
  operations, our current expansions and our investments in our communities.
- Individually, Mosaic participates in ongoing consultation with both the provincial government of Saskatchewan and the federal government of Canada. Topics presented to key stakeholders include energy – particularly the high cost of natural gas in Saskatchewan, including the need for new exploration and sources to sustain potash mining and future industry. Other topics include air emissions and the ability to work in partnership with the government to approach environmental sustainability.
- Mosaic has plans to expand in various geographies, and skilled labor is a key priority. Working
  with the government to make immigration a priority, Mosaic has not only helped bring new
  skilled labor to Saskatchewan, but has also assisted in building community infrastructure in the

areas where we operate. In 2013, Mosaic donated scholarship funds to various college engineering programs such as Virginia Tech, the University of Kentucky, Louisiana State University, the University of Florida and the University of South Florida. Additionally, the Mosaic Phosphates business unit in Florida operates an apprenticeship/internship program.

### SO9 Operations With Significant Potential or Actual Negative Impacts on Local Communities

Mosaic provides a great number of economic and social benefits to the local communities in which it operates. However, as with all mining activities, the extraction and beneficiation of phosphate rock and potash to meet the global demand for mineral fertilizer has the potential to cause environmental impacts. Mosaic operates in a highly regulated and monitored industry. We work closely with state/provincial and federal officials on operations, expansions and sales to ascertain the environmental impact of industry activities on local communities. Through this collaboration, Mosaic has identified and implemented mitigation opportunities that safeguard local communities from potential negative impact. For information on actual or potential impacts, please see the discussion of risk factors in our 10-K Report (Pages 25-47).

#### SO10 Prevention and Mitigation Measures Implemented in Operations With Significant Potential or Actual Negative Impacts on Local Communities

Mosaic is committed to conducting business in a manner that protects the health and safety of our employees, contractors, customers and communities. In order to assess and ensure the safety of our operations and communities, Mosaic instituted the Risk-Based Inspection Mechanical Integrity program, which was launched in 2010 at our Esterhazy operations in Saskatchewan and New Wales plant in Florida. The program provides an industry-leading process to proactively identify risk and prevent failure of assets at our mines and facilities by giving employees the information and resources they need to:

- Assess the condition of all stationary assets at a specific location
- Develop an inspection plan that will prevent mechanical failure
- Help to ensure action is taken to correct any and all deficiencies

Mosaic was one of the first companies in the industry to take a look at this approach, demonstrating our commitment to continuously improving the way we operate and ensuring the safety of our facilities and local communities.

Additionally, a cross-functional team comprising of representatives from EHS, Operations and Public Affairs has identified 12 scenarios that would have the most dramatic impact on the company's brand, reputation or financial well-being. The team built a crisis and critical issues program that tests and drills employees on their preparedness for various issues. These drills have been completed at all major

facilities across the company. The next step in Mosaic's crisis-management preparation will build on the coordination facilities already have with local first-responders and community leaders.

Environmental impact is an increasingly important issue against which all human activities must be weighed. Mosaic has been a leader in habitat conservation, land reclamation projects for previously mined land and water conservation, which mitigate potential environmental impacts on the communities in which we operate.

In April 2013, the final AEIS on Phosphate Mining in the Central Florida District was released by the ACOE for public review. Administered by the ACOE in compliance with the National Environmental Policy Act, this process analyzed the environmental scope and potential direct, indirect and cumulative impacts of proposed and reasonably foreseeable phosphate mining projects in the Central Florida Phosphates District. Among the report's noteworthy conclusions was that with mitigation, there will not be any significant adverse impacts on wetlands and wildlife habitat from proposed future Mosaic mining activities.

### MM6 Number and Description of Significant Disputes Relating to Land Use, Customary Rights of Local Communities and Indigenous Peoples

In 2013, Mosaic had no disputes to report relating to land use, customary rights of local communities and indigenous peoples.

MM7 The Extent to Which Grievance Mechanisms Were Used to Resolve Disputes Relating to Land Use, Customary Rights of Local Communities and Indigenous Peoples, and the Outcomes; Includes Use and Outcome of Any Grievance Procedures

There were no such disputes in 2013.

Before concerns or disputes arise, Mosaic strives to engage in an interactive dialogue with stakeholders, including local communities and interest groups, through means such as our Internet site and community microsites, tours of plants and mines, community advisory panels, town halls, and/or open houses.

MM8 Number (and Percentage) of Company Operating Sites Where Artisanal and Small-Scale Mining (ASM) Takes Place on, or Adjacent to, the Site; the Associated Risks and the Actions Taken to Manage and Mitigate These Risks

In 2013, no artisanal or small-scale phosphate or potash mining took place on, or adjacent to any Mosaic site. Mosaic's mining operations encompass potash and phosphate ores, which are less suited to

artisanal or small-scale mining (as compared to precious metals, for example). Our mine operations are capital intensive, and therefore, risks are required to be defined and managed well before any mining occurs.

## MM9 Sites Where Resettlements Took Place, the Number of Households Resettled in Each and How Their Livelihoods Were Affected in the Process

Mosaic's Potash and Phosphate operations are well established mining regions with 50-plus years of operations. Mosaic has community relations managers who ensure potential impacts from our operations are communicated effectively to community associations. Community relations managers also work in conjunction with our land management office to address any questions or concerns raised by the community. The Potash Business Unit's Land and Minerals Department works with individual landowners to ensure the appropriate level of consultation is employed, as is required by provincial legislation and internal policy.

Mosaic recently participated in an AEIS, a two-year study by the ACOE, evaluating the cumulative impacts of phosphate rock mining in Central Florida. The study involved extensive community consultation, and the final report was issued in June 2013.

#### **MM10 Number and Percentage of Operations With Closure Plans**

Mosaic's phosphate mining is a land intensive operation. As such, our mine sites have to go through a detailed permitting process that involves determination and approval of ultimate closure, post-closure care and/or reclamation of our facilities. Please refer to <a href="MM1">MM1</a>, <a href="EN14">EN13</a> and <a href="EN14">EN14</a> for specific details of our reclamation efforts.

Mosaic has plans in place as required by governmental regulations for the closure and post closure care of our phosphogypsum management systems at seven former and current phosphoric acid manufacturing plants in Florida and Louisiana. Similarly, Mosaic has plans in place as required by governmental regulations for the closure and post-closure care of its Carlsbad and Saskatchewan mining operations. For specific details on our estimated asset retirement obligations (ARO), please refer to our 10-K (pages 34, F-29, F-33, F-36, F-84-85).

Similarly, Mosaic has plans in place as required by governmental regulations for the closure and post-closure care of its Carlsbad and Saskatchewan mining operations. For specific details of our estimated AROs, please refer to our 10-K.

### Corruption

#### **SO2** Business Units Analyzed for Risks Related to Corruption

Mosaic's Code of Business Conduct and Ethics demands strict compliance from our employees and requires any employees who have been assigned a company computer user id – which is approximately 3,500 employees – to complete online code of conduct training and certify compliance with the code annually. Mosaic also maintains a 24-hour independently administered confidential and anonymous incident reporting hotline for all Mosaic employees. In addition, Mosaic conducts a robust risk assessment to identify risks related to the U.S. Foreign Corrupt Practices Act (FCPA). A robust fraud risk assessment is also completed in the Sarbanes-Oxley compliance efforts.

Mosaic recognizes the importance of the FCPA and has established a <u>Worldwide Anti-corruption Policy</u>. Mosaic conducts periodic FCPA audits of selected various geographic locations and respective individuals – including but not limited to country managers, sales representatives, accounting/finance personnel and supply chain – whose job responsibilities require a keen awareness of and compliance with the FCPA.

The total number of business units analyzed for risks related to corruption: three (Potash, Phosphates and Corporate). The percentage of business units analyzed for risks related to corruption: 100% (all three business units, which is our total population of business units). We also review select joint ventures including Miski Mayo in Peru.

### **SO3 Employees Trained in Organization's Anti-corruption Policies and Procedures**

Mosaic requires all salaried employees (which includes all management employees) to complete online training regarding the FCPA, and since May 2009, over 5,200 Mosaic employees have completed such training. In addition to the online training, instructor-led training is also provided to certain employees, based on their location and job responsibilities. As part of our Code of Business Conduct and Ethics certification process, which is required annually of all salaried employees, employees are specifically asked to certify as to their compliance with the FCPA.

#### **SO4** Actions Taken in Response to Incidents of Corruption

Mosaic has not had any incidents of corruption during the life of our company. Accordingly, we have not dismissed or disciplined any employee for corruption, nor have we declined to renew a contract with a business partner due to violations related to corruption.

### **Public Policy**

#### **SO5 Public Policy Position**

As one of the world's leading crop nutrient companies, Mosaic has a responsibility to be actively engaged in the promotion of sound and sustainable public policies. We are proactive in educating government officials and staff at all levels on our company's operations, the key issues our company faces, our company's importance to local communities and the critical role we play in the world's food supply. Mosaic supports elected officials who are supportive of Mosaic's mission and share our views on important issues, such as maintaining a strong American manufacturing and mining base, recognizing the importance of crop nutrients in maintaining domestic food security, and supporting reasonable science-based regulation with responsible environmental stewardship.

Our primary public policy activities this reporting period have focused on:

- Water quality. We continue to advocate in the United States for science-based policies that are protective of precious water resources in the communities in which we live and operate, while also allowing for the continued growth of job-creating businesses and the local and regional economies. Specifically, Mosaic supported the legislative and administrative codification of the landmark agreement between the Florida Department of Environmental Protection and the U.S. Environmental Protection Agency (EPA) that details how numeric nutrient criteria water quality standards will be implemented in Florida standards that are the strongest and most comprehensive in the nation. In addition, we have filed comments with EPA on proposed regulations for water quality standards that would pose burdens on our ability to obtain mining permits.
- Taxes. We have advocated in the United States for the passage of state and federal tax policies that encourage the continued viability of the manufacturing sector, including the passage of a Florida manufacturing-related sales tax and corporate income tax that allows companies to make significant capital investments without incurring additional tax burdens. In Canada, we have advocated for a resource-based tax structure that allows us to be competitive within the global potash industry. We have also received tax reductions through the recognition of our capital expansion plans in the province of Saskatchewan.
- Electricity cogeneration from waste heat. It is Mosaic's belief that the generation of electrical
  energy from cogeneration sources should be considered a renewable energy source. We have
  advocated in the United States for comprehensive, rational renewable energy and tax policies
  that would incentivize and expand the generation and use of existing, low-cost renewables—
  such as non-GHG-emitting waste heat electricity generated from industrial operations—and
  promote fairer pricing for third-party renewable producers when selling power to the electrical
  grid.

- Transportation infrastructure investment. We have advocated in the United States for investment in transportation infrastructure, particularly at the Port of Tampa in Florida and in the Central Florida region.
- Growth/land use. We have advocated in the United States for balanced growth and land use
  policies that would maintain and ensure the continued extensive local, state and federal reviews
  of our mining activities, while streamlining areas that have become unnecessarily redundant and
  costly.
- Mine Safety & Health. Mosaic is committed to conducting all business activities in a manner
  that protects the health and safety of our employees, contractors, customers and communities.
  We have advocated for policies that recognize the latest technological advancements for the
  protection of our miners.
- International Trade. As a company that sells its products around the world, Mosaic continues to advocate for policies that promote free and fair trade. Fertilizer companies are currently placed at a major disadvantage in the European market due to the high tariff rates of 6.5% that are imposed on U.S. produced fertilizer products. As the United States and Europe negotiate a Free Trade Agreement, we have urged officials to level the playing field for U.S. companies that export to the EU by eliminating these unfair import duties currently placed on our industry.

### SO6 Value of Financial and In-Kind Contributions to Political Parties, Politicians and Related Institutions by Country

Amounts are reported based on when Mosaic wrote the check, which in some cases may be in a different fiscal year than when the check was delivered and reported by the receiving candidate or organization. Contribution levels vary in accordance with election cycles in local and regional communities where we operate.

Political Contributions (\$ U.S.)							
	CY 2010	CY 2011	FY 2012	CY 2013			
U.S.	\$174,500	\$146,250	\$350,500	\$195,423			
Canada	\$7,500	\$42,000	\$4,000	\$5,800			

Note: U.S. political contributions include both "hard" and "soft" money donations, with contributions made from Mosaic PAC included in the U.S. total.

### **Anti-Competitive Behavior**

### SO7 Legal Actions for Anti-competitive Behavior, Antitrust, and Monopoly Practices

The settlement of a civil lawsuit filed in 2008 was approved by the court in 2013. The suit against Mosaic and other potash companies alleged that the defendants conspired to fix prices of potash sold in the

United States. The settlement was made to avoid the expense and uncertainty associated with such litigation, and as part of the settlement Mosaic expressly denied any wrongdoing.

### **Compliance**

**SO8 Significant Fines and Total Sanctions for Noncompliance With Laws and Regulations not Covered by EN28 and PR9** 

In 2013, Mosaic did not have any fines or non-monetary sanctions other than as described in <u>EN28</u> or <u>PR9</u>.

### **Product Responsibility**

### **Material Stewardship**

#### MM11 Programs and Progress Relating to Materials Stewardship

Mosaic has established programs that address materials stewardship elements. Most recently, Mosaic participated in the certification process for the International Fertilizer Association's (IFA) Protect & Sustain Product Stewardship program, beginning with a single production facility. Mosaic received the Product Steward Excellence rating and is addressing improvement recommendation items identified by the third-party assessor, specifically tying together existing risk assessments and closing gaps to assemble a risk assessment across the products/materials life-cycle.

This assessment covered communications, EHS reviews, and collaboration with regulators, NGOs, trade associations, researchers, and business partners to address EHS, security, efficiency and sustainable practices. Communications are directed up and down the value chain, such as Supplier Certification requirements as part of sourcing and procurement of inputs, (Material) Safety Data Sheets (M/SDS), labels, registrations, quality/traceability information, training and educational materials. Mosaic's R&D processes include internal and external research and science-based data generation to advance product advocacy and customer results. Finally, process improvements include ISO 14001/OHSAS 18001 certification and EHS management system (EHSMS) processes, enterprise mechanical integrity programs and contractor accountability programs.

Mosaic's phosphate is among the most responsibly sourced in the world, and we're committed to the sustainable production and use of our products. Crop nutrients must be applied sustainably to mitigate potentially negative environmental impacts stemming from improper use. Among industry organizations to which we belong and the farmers who use our products, we encourage the adoption of the 4Rs of nutrient stewardship: Right source, Right rate, Right time and Right place.

### **Customer Health and Safety**

### PR1 Life-Cycle Stages in Which Health and Safety Impacts of Products and Services Are Assessed for Improvement

Mosaic's principal products are crop nutrients that we continually evaluate and monitor for quality, effectiveness and compliance. Our quality policy states that our intent is to lead the industry in delivering a superior quality experience for our customers, stakeholders, neighbors and environment. Mosaic is committed to supplying high-quality products that meet or exceed customer expectations. Our

process for developing such products is driven by sharing best practices, innovation and partnering with our customers to excel in the global marketplace. Mosaic's Environmental, Health & Safety (EHS) policy stresses commitment to protect the environment and health and safety of employees, contractors, customers, and communities as we conduct our business activities. It is manifested in multifaceted risk identification and reduction/elimination processes. As our business activities traverse the product life cycle – from sourcing and R&D to manufacturing, supply-chain, and point-of-use advising – these health and safety practices also apply the product life-cycle.

Mosaic complies with industry standards and regulations issued by various nongovernmental and governmental organizations that set policies and standards. Mosaic ensures that our products are continuously monitored to ensure regulatory compliance and are reviewed for health and safety impacts to identify opportunities for improvement. Mosaic promotes use of TFI's Bulk Blend Manual and Bulk Blend Workshops that include health, safety and environmental educational segments. The Association of American Plant Food Control Officials (AAPFCO) is a body representing state fertilizer control officials; Mosaic complies with their policies and programs regarding proper labeling, health, safety and environmental communication to users.

Mosaic facilities meet Customs-Trade Partnership Against Terrorism (C-TPAT) certifications. C-TPAT improves overall international supply chain and U.S. border security, and is widely recognized as one of the most effective means of providing the highest level of cargo security. Based on the United Nations Globally Harmonized System for Classification and Labeling of Chemicals (UN GHS), we certify that our internationally shipped products are not harmful to the marine environment (non-HME) as recognized by the International Convention for the Prevention of Pollution from Ships.

Mosaic's animal feed ingredients require a heightened level of attention to health and safety. We have adopted a relevant stringent product safety policy. It is Mosaic's policy that our products be manufactured, stored and delivered to our customers in a manner complying with all applicable regulatory programs and industry best practices. In addition, Mosaic complies with the Food and Drug Administration (FDA) Regulation 21 CFR 589.2000, "Animal Proteins Prohibited in Ruminant Feed," to protect the feed and animal industries as well as consumers.

Our Animal Feed monitoring programs are based on principles of Quality Assurance Management using Hazard Analysis & Critical Control Points (HACCP) and meet United States Department of Agriculture (USDA), Canadian Food Inspection Agency (CFIA), FDA and state regulations. These principles assure production, management, handling and delivery of our products to minimize tampering or other actions impacting their quality and safety. Our warehouses and production facilities handling animal feeds are certified Safe Feed/Safe Food by the American Feed Industry Association (AFIA).

New product development follows the Stage-Gate Business System Product Innovation System process. Mosaic has customized the system to include specific EHS review prompts for innovators to engage with EHS professionals as the project progresses and to include future life-cycle stages in these reviews. We currently have over 20 potential products in various stages of this process.

Mosaic has implemented an EHS Management System (EHSMS), specifically focused at the manufacturing stage of the life cycle, but whose benefits extend across activities for all life cycle stages. As examples, Mosaic's supplier certification and chemical review and data management processes assure inputs and raw materials are evaluated for health and safety impacts for our customers as well as Mosaic employees and the environment. Mosaic self-audits for EHS elements across its business activities and is assessed by various third parties. Mosaic received International Fertilizer Association (IFA) Product Steward Excellence rating at its inaugural site evaluation. These include systems to maintain integrity and provide for recovery of intermediates and products for their successful reprocessing, reuse or recycling. As well, these practices and assessments address proper disposal.

## PR2 Incidents of Noncompliance With Regulations and Voluntary Codes Concerning the Health and Safety Impacts of Products and Services During Their Life Cycles

Mosaic has automated systems to manage, track and monitor incidents related to the health and safety impacts of products and services. Mosaic had no significant reported incidents of noncompliance with regulations or voluntary codes concerning the health and safety impacts of our products and services.

### **Product and Service Labeling**

#### **PR3 Product and Service Information Required**

Mosaic sells and distributes fertilizer, animal feed and industrial products in many countries around the world. Mosaic complies with all safety, environmental, labeling and registration requirements of the local governments. In addition, where U.S. standards are more stringent, we follow those more rigorous standards on the products that we produce both in the United States and for export.

Mosaic provides the required country, state and local product documentation for all shipments. This includes detailed labels, data specification sheets and a Safety Data Sheet (SDS) for all products. These documents provide information about proper product handling, safety precautions and guaranteed analysis. Situations requiring disposal are also addressed in the SDS. For product undergoing vessel transport, the SDS includes certification that the discharge of cargo hold rinsate is not harmful to the marine environment. Though not addressed in typical labeling, Mosaic promotes customer education following the 4R principles of Nutrient Stewardship (4Rs): the Right product, applied at the Right rate, at the Right time and at the Right place. Mosaic agronomists share this message worldwide.

## PR4 Total Number of Incidents of Noncompliance With Regulations and Voluntary Codes Concerning Product and Service Information and Labeling

Mosaic has automated systems to manage, track and monitor incidents related to noncompliance with regulations and voluntary codes concerning product and service information and labeling. Mosaic had no significant incidents of noncompliance with regulations or voluntary codes concerning labeling of our products and material services.

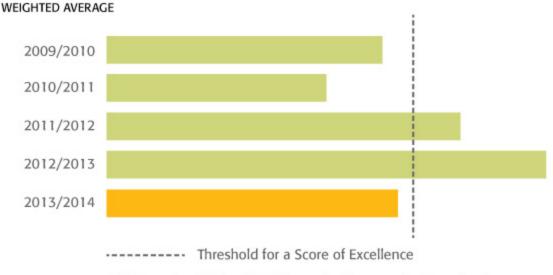
### PR5 Practices Related to Customer Satisfaction, Including Results of Surveys Measuring Customer Satisfaction

At Mosaic, customer satisfaction and loyalty are paramount to sustaining and growing our world-class organization. On an annual basis, we adhere to a trusted feedback methodology to measure satisfaction levels of our crop nutrition, animal feed and industrial businesses. This global feedback system also allows us to monitor recent performance and to identify which performance factors likely have the biggest impact on customer loyalty, either positively or negatively.

We use the same methodology to better understand customer satisfaction throughout Mosaic's global operations. The survey results are shared with our customer service team, as well as with our key customers around the world. In 2013, Mosaic earned a score of 8 on a scale of 0 to 10. This score is described as "Quite Satisfied."

Our key customer loyalty metric – Net Promoter Score (NPS) – is a standard index across a variety of industries around the world. We use this metric to benchmark our results against others', allowing us to identify and target areas that are opportunities for improvement. Year over year, we work to improve our performance by providing quality products and ensuring on-time delivery and logistical support. In 2013, Mosaic earned an NPS score of almost 50%. A 50% score is widely considered to be the threshold NPS for high performing companies.

#### MOSAIC GLOBAL NET PROMOTER SCORES



Net Promoter, NPS and Net Promoter Score are trademarks of Satmetrix Systems, Inc., Bain & Company and Fred Reichheld.

Notes: Mosaic uses a metric called Net Promoter Score to measure customer loyalty. In 2012, Mosaic achieved a score of excellent from our fertilizer importers, animal feed customers and industrial products customers.

### **Marketing Communications**

#### PR6 Programs for Adherence to Laws, Standards and Voluntary Codes Related to Marketing Communications, Including Advertising, Promotion and Sponsorship

Mosaic adheres to a cross-functional review process for all marketing communications in the United States and abroad to ensure legal compliance, technical accuracy and brand standard consistency. Mosaic has also developed guidelines for industry partners to follow when implementing co-branded marketing communications. This includes advertising (television, print, digital, outdoor and social media), as well as promotional materials and sales collateral. It is important that we follow legal requirements and brand standards in all communications to not only protect Mosaic's intellectual property but to further Mosaic's commitment to ethical corporate stewardship.

Mosaic also partners with the agriculture community and other stakeholders, such as the International Plant Nutrition Institute (IPNI), the Canadian Fertilizer Institute (CFI), the International Fertilizer Association (IFA), The Fertilizer Institute (TFI), Ag Retailers Association (ARA) and the Conservation

Technology Information Center (CTIC), which promotes and provides information on technology and sustainable agricultural systems. Along with these organizations, we support the 4R Nutrient Stewardship program, an industry-wide initiative to improve fertilizer management practices.

Mosaic seeks guidance and best practices from these third-party partners as needed to ensure understanding and compliance with industry standards.

### PR7 Total Number of Incidents of Noncompliance With Regulations and Voluntary Codes Concerning Marketing Communications

Mosaic had no significant incidents related to noncompliance with regulations or voluntary codes related to marketing communications.

### **Customer Privacy**

### PR8 Total Number of Substantiated Complaints Regarding Breaches of Customer Privacy and Losses of Customer Data

Mosaic has had no substantiated complaints regarding breaches of customer privacy or losses of customer data in 2013.

### Compliance

## PR9 Monetary Value of Significant Fines for Noncompliance With Laws and Regulations Concerning the Provision and Use of Products and Services

Mosaic has automated systems to manage, track and monitor incidents related to fines for noncompliance with laws and regulations concerning the provision and use of products and services. Further, Mosaic uses a risk assessment matrix – to evaluate incidents and noncompliance events – that has categories for financial and reputational impacts. Mosaic had no significant fines for noncompliance with laws or regulations concerning the provision and use of our products and services.

### Labor

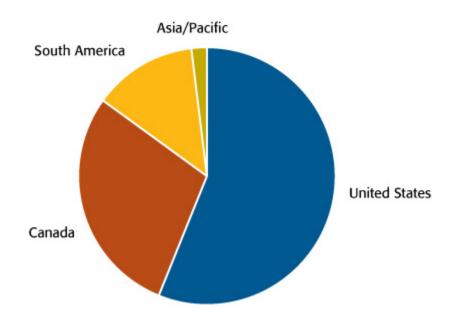
### **Employment**

As of December 31, 2013, Mosaic employed 8,402 regular employees. Mosaic aims to be the employer of choice for a diverse and inclusive workforce. This includes the representation of women, which can be challenging in the agriculture and mining industries. Our global philosophy is to provide competitive compensation and benefits, with flexibility to choose programs that best meet our employees' needs. Mosaic provides health, welfare and retirement benefits to all full-time employees and eligible dependents. We attract employees through methods including, but not limited to, job boards, social media, diversity career fairs, veterans career fairs and college job fairs.

In addition to our regular workforce, individual business units retain contract workers and interns. Our robust student hiring programs provide a work opportunity to summer, co-op and intern students in Canada, the United States, Argentina and Brazil. Individual business units track contract workers by hours worked and in compliance with relevant local legislation, but additional data aggregation and demographic analysis is not currently possible at the group level.

### LA1 Total Workforce by Employment Type, Employment Contract and Region, Broken Down by Gender

#### WORKFORCE BY REGION



	Workforce by Employment Type, Region and Gender									
	FT Salar	y (Graded)	FT Hourly (	Non-Graded)	PT*		PT* Total			
Country	Male	Female	Male	Female	Male	Female	Male	Female		
Argentina	54	24	26	0	0	0	80	24		
Australia	1	0	0	0	0	1	1	1		
Brazil	379	138	358	18	0	0	737	156		
Canada	601	228	1389	118	0	0	1990	346		
Chile	29	15	0	0	0	0	29	15		
China	45	34	27	2	0	0	72	36		
India	39	4	0	0-	0	0	39	4		
United	1385	534	2457	152	1	2	3826	688		
State of										
America										
Subtotals	2516	977	4257	290	1	2	6774	1270		
Totals	3	493	4	257		4	8044			

Notes: Excludes Apprentice (Brazil), Bridge to Retirement, Expat, Fixed Term Contract, Interns/Co-op, Retiree, Spouse of Retiree, Surviving Spouse, Temporary/Seasonal, 17 Leave Types (Including: Long term, work comp, extended short term, extended disability, Carlsbad union disability, Brazil long term sickness, extended leave/no benefits).

Mosaic does not track individual contract worker counts or demographics.

16% of Mosaic's total workforce is female.

Mosaic recognizes that women are most underrepresented across the mining and metals industry.

<sup>(\*)</sup> Defined as less than 35 hours per week.

Women make up 16% of our company's total workforce. In the face of challenging and persistent perceptions that our sector is traditionally "male" Mosaic strives to improve the number of women we recruit and retain.

### LA2 Total Number and Rate of Employee Turnover by Age Group, Gender and Region

Total Employees by Age Group, Gender and Region									
		30	30-			50		tal	<b>Grand Total</b>
Region	Male	Female	Male	Female	Male	Female	Male	Female	
U.S.	404	76	1573	329	1849	283	3826	688	4514
Canada	328	83	1037	206	625	57	1990	346	2336
South America	256	63	518	123	72	9	846	195	1041
Asia/Pacific	25	6	81	34	6	1	112	41	153
Subtotals	1013	228	3209	692	2552	347	6774	1270	8044
Totals	12	41	39	01	28	99	80	44	
		New Hi	res by A	ge Grou	p, Gende	er and Re	gion		
	<	<30 30		30–50		>50		Totals	
Region	Male	Female	Male	Female	Male	Female	Male	Female	
U.S.	112	23	143	42	39	8	294	73	367
Canada	52	22	70	20	15	2	137	44	181
South America	74	19	54	19	3	1	131	39	170
Asia/Pacific	4	2	3	1	-	-	7	3	10
Subtotals	242	66	270	82	57	11	569	159	728
Totals	30	08	35	52	6	8	72	28	
	Em	ployee T	urnover	by Age (	Group, G	ender ar	nd Regio	n	
	<	30	30-	-50	>5	50	Tot	tals	<b>Grand Total</b>
Region	Male	Female	Male	Female	Male	Female	Male	Female	
U.S.	41	5	102	37	102	22	245	64	309
Canada	24	4	52	9	51	7	127	20	147
South America	45	16	80	18	8	2	133	36	169
Asia/Pacific	3	1	6	6	-	-	9	7	16
Subtotals	113	26	240	70	161	31	514	127	641
Totals	13	39	31	LO	19	92	641		

In 2013, overall employee turnover totaled 8%. Mosaic measures employee satisfaction biannually in a comprehensive survey of employee engagement, an indicator of productivity and a force that drives business outcomes. For the fiscal 2012 survey, Mosaic's overall employee engagement level increased to 62%, up from 60% in fiscal 2010. The average engagement score in our industry is 55%. Our survey response rate was 82.9%, which is far above the industry average of 60%. This means that the majority of our employees describe Mosaic as a good place to work, want to stay with the organization and strive to exceed expectations in their daily roles.

## LA3 Benefits Provided to Full-Time Employees that are Not Provided to Temporary or Part-Time Employees, by Significant Locations of Operation

Within each of the countries in which Mosaic operates, benefits provided or offered to our full-time employees may differ for various reasons, including:

- State or country mandated benefit laws that apply to Mosaic employees in a specific geography
- Labor agreements between Mosaic and labor organizations acting on behalf of represented employees
- Market-specific benefit programs or practices that exist within an area that Mosaic competes for labor
- The impact to employees of local or national tax laws regarding the treatment of companysponsored benefits

Employee Benefits						
Type of Benefit	North America	South America	Asia/Pacific			
Health care	Yes	Yes	Yes			
Life insurance	Yes	Yes	Yes			
AD&D insurance	Yes	Yes	Yes			
Disability coverage	Yes	Yes	Yes			
Employee assistance program	Yes	No	No			
Defined-benefit plan	Yes	Yes	No			
Defined-contribution savings plan	Yes	Yes	No			
Annual profit sharing	Yes	Yes	No			
Maternity leave	Yes	Yes	Yes			
Paternity leave	Yes	Yes	Yes			
Sickness leave	Yes	Yes	Yes			
Deferred bonus & deferred pay	Yes	No	No			
Long-term incentives	Yes	Yes	Yes			
Stock ownership	Yes	No	No			

Mosaic provides competitive compensation and bonus opportunities for jobs in all disciplines and geographic markets based on company and individual performance. Additionally, Mosaic contributes toward retirement income benefits, which may include defined-benefit pension plans, defined-contribution plans or any other supplemental retirement plans across our locations and countries. The majority of administrative, insurance and other costs associated with Mosaic-sponsored health and welfare plans is borne by us. The U.S. plans are fully funded, while the Canadian plans are approximately 90% funded. Information on small plans in Brazil or Argentina was unavailable at the time of reporting. Brazil's is a legacy Cargill plan covering approximately 250 people, while the Argentina plan covers only four people. Participation in the retirement plans is automatic in the United States and Canada. The defined-contribution plan is open to all, but it is not mandatory to participate. The Argentina plan is by grade level.

### LA15 Return-to-Work and Retention Rates After Parental Leave, by Gender

Parental leave is offered to employees in North America, South America and Asia. As parental leaves vary in accordance with local laws and customs across the regions where we operate, Mosaic is unable to track retention rates of employees returning from parental leave. For example, in the United States, parental leave is undistinguished from broader reporting on the Family and Medical Leave Act, as well as state laws.

### **Labor/Management Relations**

Mosaic values collective bargaining as an important form of collaborative employee engagement. In addition, Mosaic is sensitive to the needs of its employees, and much consideration is placed on applicable notice periods for any such changes that may impact employees. Freedom of association and the right to collective bargaining is respected in all of Mosaic's operations per our Commitment to Human Rights, which is guided by the Universal Declaration of Human Rights (UDHR), the most widely recognized definition of human rights and the responsibilities of national governments; the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work; and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

### LA4 Percentage of Employees Covered by Collective Bargaining Agreements

<b>Employees Covered by Collective Bargaining Agreements</b>				
Total Worldwide Employees	8,044			
Total Employees Represented by a Union	4,601			
Percentage Represented	57.2%			

### LA5 Minimum Notice Period(s) Regarding Significant Operational Changes, Including Whether It Is Specified in Collective Agreements

Some of Mosaic's labor agreements contain provisions of advance notice periods with respect to significant operational changes that impact employees. In the United States, we adhere to federal and state WARN (The Worker Adjustment and Retraining Notification Act) laws that requires a 60-day notification of plant closings and mass layoffs. We provide the minimum notice required, which varies by local legislation and collective bargaining agreements in the regions where we operate.

### MM4Number of Strikes and Lockouts Exceeding One Week's Duration, by Country

Mosaic has not been subject to organized labor actions, including strikes or lockouts of any duration, at any of its locations in the 2013 reporting period. Moreover, we have not had a strike by or lockout of our employees in facilities where Mosaic is the majority owner since our formation in 2004.

### **Occupational Health and Safety**

## LA7 Rates of Injury, Occupational Diseases, Lost Days and Absenteeism, and Total Number of Work-Related Fatalities, by Regions and by Gender

There were no work-related fatalities at Mosaic in 2013. Mosaic follows U.S. Occupational Safety and Health Administration (OSHA) standards to calculate recordable injury frequency rates (RIFR) on a global basis. An OSHA recordable injury is an occupational injury or illness that requires medical treatment that is more than simple first aid. Lost day frequency rate (LDFR) calculates the frequency rate of calendar days lost. Lost days begin the day after the lost time occurs and calendar days are counted, with no exception for weekends, holidays, vacation or scheduled time off.

Twelve Mosaic facilities have received ISO 14001 (Environmental Management System) and OHSAS 18001 (Occupational Health and Safety Management System) certification. The Mosaic Environmental, Health and Safety Management System will ultimately be implemented at all material Mosaic operations worldwide.

Recordable Injury Frequency Rate (RIFR) CY 2013						
	Employee	Contractor	Total			
U.S.	1.14	1.11	1.13			
Canada	1.76	1.15	1.46			
International	0.12	0.82	0.3			
Total	1.11	1.1	1.11			
Notes: Mosaic does not track R	IFR or Lost Day Rate specifically b	y gender.				
	Lost Day Frequency	Rate (LDFR) CY 2013				
	Employee	Contractor	Total			
U.S.	0.08	0.12	0.10			
Canada	0.21	0.00	0.11			
International 0.00 0.16 0.						
Total	0.10	0.80	0.09			
Notes: Mosaic does not track R	ecordable Injury Frequency Rate (	or Lost Day Rate specifically by g	ender.			

Injury Count by Gender CY 2013					
Employee/Supervised Contractors	Male	Female	Total		
U.S.	54	5	59		
Canada	41	1	42		
	95	6	101		
Non-supervised Contractors	Male	Female	Total		
U.S.	33	3	36		
Canada	26	0	26		
	59	3	62		
Total	Male	Female			
U.S.	87	8	95		
Canada	67	1	68		
Absen	teeism Rates FY 2013	3 (%)			
Phosphates*			2.96%		
Potash**			4.84%		
Argentina and Chile			3.54%		
Brazil***			4.02%		
India****			0.00%		
China****			0.00%		

Notes: (\*) Data for hourly and salary nonexempt employees only.

## LA8 Education, Training, Counseling, Prevention and Risk-Control Programs in Place to Assist Workforce Members and Their Families or Community Members Regarding Serious Diseases

Mosaic promotes the well-being of employees through a variety of programs. Preventive services provided include health risk and biometric assessments, as well as programs for health-related issues such as diabetes, cancer, heart disease and physical fitness. Where possible, we partner with our health-care providers, who provide education on health-related issues.

We provide on-site occupational health services in various global locations. Mosaic also has a companywide pandemic preparedness policy.

Mosaic offers these assistance programs to employees in North America, Latin America and the Asia Pacific.

Assistance Programs			
Program	Availability		
Education and Training for Workers	Yes		
Education and Training for Worker Families	Yes		
Counseling for Workers	Yes		
Counseling for Worker Families	Yes		
Measures to Limit Exposure and Transmission of Disease Among Workers	Yes		
Measures to Limit Exposure and Transmission of Disease Among Families	Yes		
Treatment Provided to Workers	Yes		

<sup>(\*\*)</sup> Except for Colonsay, Potash's data is for hourly employees only.

<sup>(\*\*\*)</sup> Due to a system change mid-year, Brazil's absenteeism data is for July-December 2013.

<sup>(\*\*\*\*)</sup> In China and India, all full-time Mosaic employees are salaried, and absenteeism is accounted for per their respective HR policies.

Treatment Provided to Families	Yes
Community Programs	No

### LA9 Health and Safety Topics Covered in Formal Agreements With Trade Unions

Mosaic is committed to conducting business activities in a manner that protects the health and safety of its employees, contractors, customers and communities. In addition to health and safety topics being covered in the majority of our union contracts, the relentless pursuit of an injury-free workplace is the top priority of Mosaic.

### **Training and Education**

### LA10 Average Hours of Training per Year per Employee, by Gender and by Employee Category

Mosaic is expanding its Learning Management System for improved companywide reporting in 2014. Currently the company does not track employee training and education specifically by employee category or gender.

Training and Education						
Course Title	Time					
Growing U	34,975 hours					
Topics in Business Conduct and Ethics	2,031 hours					
Phosphates: Environment and Safety	260,933 hours					
Potash: Environment and Safety	185,846 hours					
Argentina and Chile: Environment and Safety	6,787 hours					
China: Environment and Safety	4,167 hours					
India: Environment and Safety	393 hours					
Brazil: Environment and Safety	57,970 hours					
Enterprise IT Training	2,892 hours					
Notes: All Growing U numbers are for salaried employees.						
Topics in Business Conduct and Ethics reflects only online training hours and does not include in-person training sessions.						

### LA11 Programs for Skills Management and Lifelong Learning That Support the Continued Employability of Employees and Assist Them in Managing Career Endings

In Mosaic's global operations, employees are encouraged to continuously learn and improve their skills. With management support, Mosaic offers an educational reimbursement program for employees in all countries to better meet current job responsibilities and prepare for future opportunities within Mosaic. The reimbursement program's stated purpose is to "strengthen employee skills and invest in people by providing financial reimbursement to employees who continue their education." Mosaic also provides

retirement tools and services through third-party vendors. This would include online resources such as, but not limited to retirement planning tools, calculators, articles, videos and Webcasts.

### LA12 Percentage of Employees Receiving Regular Performance and Career Development Reviews, by Gender

As part of our strategic priority of Investing in People, we have a performance management process called EDGE – Evaluating, Developing and Growing Excellence. Our performance management process has evolved to include scaled competencies, goal alignment and an emphasis on employee and career development.

Percentage of Employees Receiving Regular Performance and Career Development Reviews,							
by Gender							
	Male	Female	Total				
Full Time Salaried Population (Launched Forms)	2516	977	3493				
Performance Reviews Given	2361	929	3290				
% of Reviews Received	93.80%	95.10%	94.20%				

### **Diversity and Equal Opportunity**

## LA13 Composition of Governance Bodies and Breakdown of Employees per Category According to Gender, Age Group, Minority Group Membership, etc.

Mosaic's Equal Employment Opportunity and Nondiscrimination Policy provides equal employment opportunities to all Mosaic employees and other qualified persons without regard to race, religion, color, gender, national origin, age, disability, marital status, citizenship status, military or veteran status, sexual orientation, gender identity, genetic information, or any other legally protected status under applicable laws in countries where Mosaic employees work. The policy also provides that Mosaic is committed to maintaining a work environment free of discrimination. Mosaic's commitment applies to all terms and conditions of employment, including, but not limited to:

- Recruiting and hiring
- Training and promotion
- Compensation and benefits
- Performance assessments
- Transfer
- Terminations
- Layoff or recall from layoff
- Leaves of absence
- Company-sponsored training and education

Retaliation or reprisal toward an employee who has exercised their rights under this policy is strictly prohibited. Mosaic's Code of Business Conduct and Ethics reinforces this policy.

Mosaic tracks ethnicity only in the United States. Diversity indicators include White, Black/African American, Native Hawaiian or Pacific Islander, Asian, American Indian or Alaskan Native, Two or More Races, and Hispanic or Latino.

			Et	hnicity b	y Gender	•			
Ethnicity		Males	Males %	Males % Females		Females %	Total	Total %	
White		2733	71.4	13%	496	72.09%	3229	71.50%	
Black/African		573	14.98%		118	17.15%	691	15.30%	
American									
Hawaiin/Pacific		5	0.1	0.13%		0.15%	6	0.10%	
Islander									
Asian		42		1.10%		2.03%	56	1.20%	
American Indian		30	0.7	0.78% 5		0.73%	35	0.80%	
or Alaskan									
Hispanic or Latino	)	422	11.0		52	7.56%	474	10.50%	
Two or More		21	0.5	0.55% 2		0.29%	23	0.50%	
Races									
Grand Total		3826	84.8		688	15.20%	4514		
Note: Includes Un		tates, active emplo				•			
	Т	otal Managen	nent Wo	rkforce V	Vorldwid	le by Gender	and Age		
		<30	30-	-50	>50		Total		
Gender		%		%		%		%	
Male	52	4.57%	608	53.38%	479	42.05%	1139	84.43%	
Female	17	8.10%	137	65.24%	56	26.67%	210	15.57%	
Total	69		745		535		1349		
		Total U.	S. Mana	gement \	Workford	e by Ethnicity	<b>y</b>		
	Ethni	city		Total Management		Pero	Percentage of Management		
White			639		39	85.31%			
Black or	Africa	n American	ican 5		51	6.81%			
Hawaiia	Hawaiian/Pacific Islander			1 0.3		0.13%			
Asian				15 2			2.00%		
American Indian or Alaskan			1			0.13%			
Hisp	anic o	r Latino		37		37	4.94%		
Two or More Races				5 0			0.67%		
Grand Total				749 100.00%					

#### LA14 Ratio of Basic Salary and Remuneration of Women to Men by Employee Category, by Significant Locations of Operation

Note: Includes United States, active employees, regular employees and employees on a leave of absence.

One of Mosaic's strategic priorities is to Invest in People, and we are committed to providing the environment, development and compensation to ensure that Mosaic is a company where employees want to work and grow.

We are an equal opportunity employer, and our recruiting practices focus on matching the best possible candidate to the position. Mosaic uses salary ranges that are competitive with market pay ranges for

positions of comparable responsibility, functional knowledge, impact and other compensable factors. Each salary range has a minimum or threshold salary for a new hire, although Mosaic typically sets the actual salary above this minimum.

While our processes ensure Mosaic's compensation is competitive and equitable, we also take steps to understand how our employees perceive their pay. In three consecutive bi-annual engagement surveys – administered globally to all Mosaic employees – we asked for responses to the following statement: I am paid fairly for the contributions I make to the company's success. Both women and men have continued to respond favorably to this question, with 56% and 55%, respectively, either strongly agreeing or agreeing.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about the acquisition and assumption of certain related liabilities of the Florida phosphate assets of CF Industries, Inc. ("CF") and the ammonia supply agreements with CF; the benefits of the transactions with CF; repurchases of stock; other proposed or pending future transactions or strategic plans and other statements about future financial and operating results. Such statements are based upon the current beliefs and expectations of The Mosaic Company's management and are subject to significant risks and uncertainties. These risks and uncertainties include but are not limited to risks and uncertainties arising from difficulties with realization of the benefits of the transactions with CF, including the risks that the acquired assets may not be integrated successfully or that the cost or capital savings from the transactions may not be fully realized or may take longer to realize than expected, or the price of natural gas or ammonia changes to a level at which the natural gas based pricing under one of the long term ammonia supply agreements with CF becomes disadvantageous to Mosaic; customer defaults; the effects of Mosaic's decisions to exit business operations or locations; the predictability and volatility of, and customer expectations about, agriculture, fertilizer, raw material, energy and transportation markets that are subject to competitive and other pressures and economic and credit market conditions; the level of inventories in the distribution channels for crop nutrients; changes in foreign currency and exchange rates; international trade risks and other risks associated with Mosaic's international operations and those of joint ventures in which Mosaic participates, including the risk that protests against natural resource companies in Peru extend to or impact the Miski Mayo mine; changes in qovernment policy; changes in environmental and other governmental regulation, including greenhouse gas regulation, implementation of numeric water quality standards for the discharge of nutrients into Florida waterways or possible efforts to reduce the flow of excess nutrients into the Mississippi River basin or the Gulf of Mexico; further developments in judicial or administrative proceedings, or complaints that Mosaic's operations are adversely impacting nearby farms, business operations or properties; difficulties or delays in receiving, increased costs of or challenges to necessary governmental permits or approvals or increased financial assurance requirements; resolution of global tax audit activity; the effectiveness of the Company's processes for managing its strategic priorities; the ability of the Northern Promise joint venture among Mosaic, Ma'aden and SABIC to obtain project financing in acceptable amounts and upon acceptable terms, the future success of current plans for the joint venture and any future changes in those plans; adverse weather conditions affecting operations in Central Florida, the Mississippi River basin, the Gulf Coast of the United States or Canada, and including potential hurricanes, excess heat, cold, snow, rainfall or drought; actual costs of various items differing from management's current estimates, including, among others, asset retirement, environmental remediation, reclamation or other environmental regulation, Canadian resources taxes and royalties, the liabilities Mosaic assumed in the Florida phosphate assets acquisition or the cost of Mosaic's commitments to repurchase its stock; reduction of Mosaic's available cash and liquidity, and increased leverage, due to its use of cash and/or available debt capacity to fund share repurchases, financial assurance requirements and strategic investments; brine inflows at Mosaic's Esterhazy, Saskatchewan, potash mine or other potash shaft mines; other accidents and disruptions involving Mosaic's operations, including potential mine fires, floods, explosions, seismic events or releases of hazardous or volatile chemicals, as well as other risks and uncertainties reported from time to time in The Mosaic Company's reports filed with the Securities and Exchange Commission. Actual results may differ from those set forth in the forward-looking statements.