

COMMUNITY

2016 Annual Sustainability Disclosure

Committed to Our Communities

G4-DMA: AT MOSAIC, WE UNDERSTAND THAT OUR BUSINESS AND OUR COMMUNITIES ARE INDELIBLY LINKED. Our operating communities are also our homes—where we live, work and raise children. We strive to be a thoughtful and engaged neighbor, investing carefully and generously as we seek long-term partnerships with organizations that are making a difference.

The Mosaic Company, The Mosaic Company Foundation and The Mosaic Institute in Brazil partner with industry associations, nonprofit groups and stakeholders focused on food, water and local initiatives. We are especially committed to the strength and prosperity of the communities where we have offices and operations, including North America, South America and Asia. Our financial support is magnified by employee volunteerism and community involvement.

INVESTING IN OUR COMMUNITIES

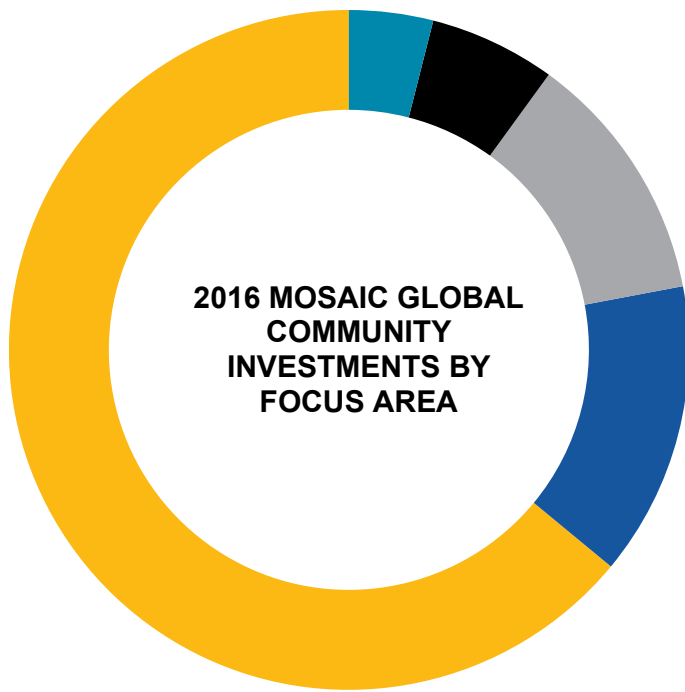
Our Indirect Economic Impacts

G4-EC7 Mosaic is dedicated to advancing the many ways that our business contributes to the development of the communities where we operate: investing in our communities; hiring employees and contracting vendors from local communities; offering competitive wages and benefits to our workforce; and developing our future workforce.

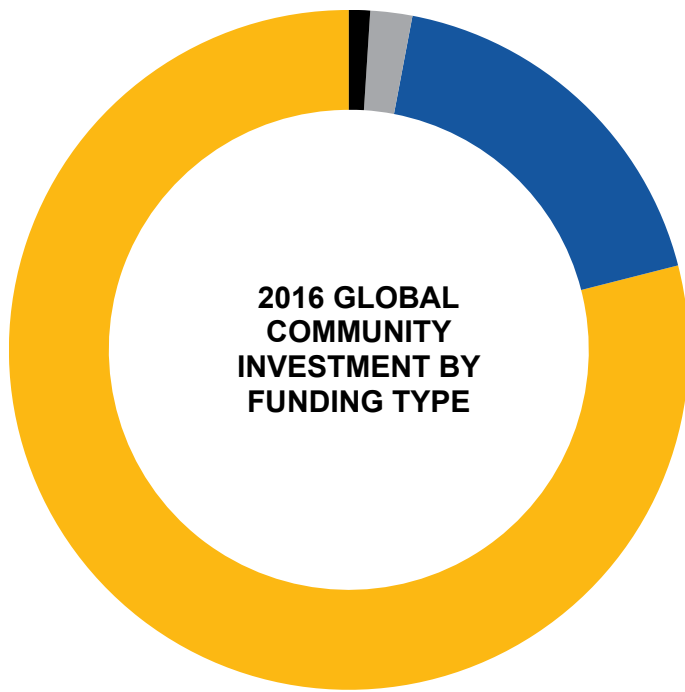
Investing in Our Local Communities

We focus our community investments in three core areas: Food, Water and Local. In 2016, 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 more than \$17 million.

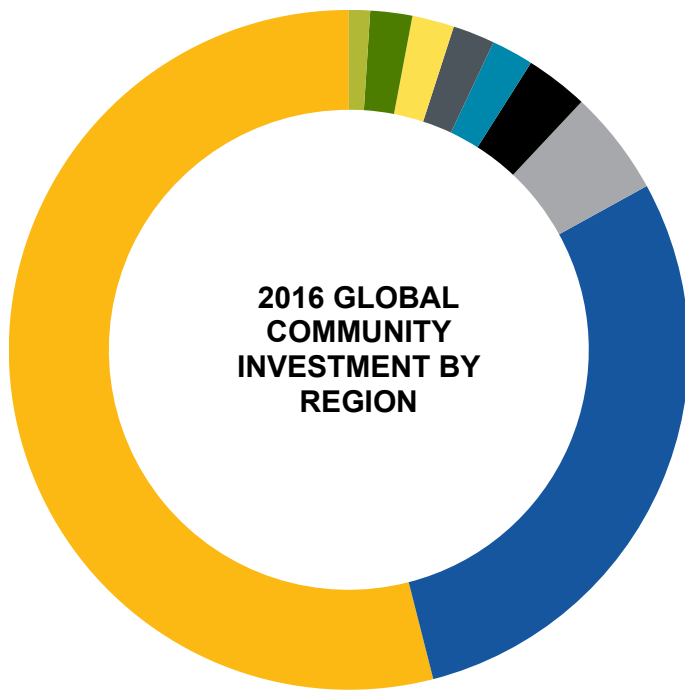
View our global and local community investments on [Mosaic's Giving Map](#)



Local 64%
Food 14%
Water 12%
United Way 6%
Admin 4%



The Mosaic Company 79%
The Mosaic Company Foundation 18%
In-Kind 2%
The Mosaic Institute 1%



- Canada** 54%
- Florida** 29%
- United States - National** 5%
- Villages - Guatemala** 3%
- Villages - India** 2%
- Louisiana** 2%
- Minnesota** 2%
- Brazil** 2%
- New Mexico** 1%

NOTE: Excludes administrative and program funding contributions.

Hiring Employees and Contracting Vendors From Local Communities

As a matter of practice, and in accordance with Mosaic's global job posting policies, we will "hire from within wherever possible." In addition, Mosaic initiates and conducts its search for qualified candidates locally, before the search is broadened. For more information, please see [G4-EC6](#).

Mosaic's mining and production operations take place in communities of varying size throughout North America. Mosaic does not have a written policy for giving preference to locally-based suppliers, but we do encourage and support local suppliers of all sizes. For more information, please see [G4-EC9](#). As a global company, the vendor screening process we have in place to ensure that we maintain strict ethics, quality and safety standards, can be challenging for small companies to meet. In an effort to support more local suppliers, we engage them, build partnerships and explore opportunities to build capacity.

Offering Competitive Wages and Benefits to Our Workforce

Our global talent investment philosophy is to provide competitive compensation and benefits, with flexibility to choose programs that best meet our employees' needs. In 2016, Mosaic had 8,341 regular employees globally, for whom wages and benefits totaled more than \$1.3 billion. For more information, view [G4-10](#), [G4-13](#).

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

Developing Our Future Workforce

Skilled labor is a key priority in the geographies where we operate. Working with the government to make immigration a priority, Mosaic has not only helped train skilled

labor in Saskatchewan, but has also assisted in building community infrastructure in the areas where we operate. Mosaic contributed to the creation of The Mosaic Academic Wing of the Trades & Technology Centre at Parkland College in Yorkton, Saskatchewan, which is expected to train 250 skilled graduates each year.

Mosaic donates scholarship funds to various college engineering programs around the country, including Virginia Tech, the University of Kentucky, Louisiana State University, the University of Florida and the University of South Florida.

As another example, in 2016, Mosaic announced a training partnership with Travis Career Center to provide current and future employees with relevant, skill-based training in the fields of Electrical Instrumentation and Automation and General Maintenance Mechanics. The partnership is helping Mosaic prepare for the generational transfer of knowledge required to support Mosaic's future workforce.

HIGHLIGHT

Innovative Social Impact Bond Demonstrates Mosaic's Commitment to Communities

Innovation at Mosaic comes in many forms, including our approach to supporting the social organizations making a difference in our communities. In Regina, Saskatchewan, our support of the Mother Teresa Middle School and its economically disadvantaged students—of which approximately 70 percent are First Nations or Métis—represents how we collaboratively tackle complex social issues.

Mosaic funded a \$1 million CAD Social Impact Bond aimed at improving the school's performance and graduation rates over the next five years. Social Impact Bonds are not bonds in the traditional sense. Investors are repaid based on the receiving organization's level of success. Currently, only about 48 percent of students with similar demographics as the school's students graduate on time. If the school achieves an 82 percent Grade 12 graduation rate for its students, the provincial government will repay Mosaic the principal and interest equal to 1.3 percent annually. With a 75 percent graduation rate, three quarters of the principal is repaid, without interest. Below 75 percent, no repayment is made.

In addition to providing life-changing education and opportunities to these vulnerable students, the projected reduction in health and social service costs over five years and increased earning potential over the students' lifetimes can potentially save taxpayers up to \$1.7 million CAD.

Indirect Economic Impacts of Our Operations

G4-EC8 Mosaic has diverse and varied indirect economic effects on communities across the world. Our community investments in 2016 totaled more than \$17 million. Due to the complex nature of the business and philanthropic activities in which Mosaic engages, we do not attempt to estimate our full 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 ongoing innovation. Today's crop nutrients are responsible for 40 percent to 60 percent of global crop yields, and Mosaic's products play a crucial role in meeting the global demand for food.

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.

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. 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 non-governmental organization partner programs globally.

Port of Tampa indirect economic impact

- 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
- Created more than half of the 10,573 direct jobs at the port

The 2013 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 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. A 2015 economic study by The Fertilizer Institute estimates that the United States fertilizer industry contributes \$162 billion to the United States economy. The study goes on to estimate that fertilizer producers, wholesalers and retailers, and the businesses that serve them, support 519,900 United States jobs with total annual compensation of \$36 billion.

Additionally, many of Mosaic's partnerships with community organizations continue to support positive healthcare, education, housing and recreational opportunities for our neighbors. Please see [G4-EC7](#) and [Mosaic's Giving Map](#) for more information.

Our Local Spending & Hiring

G4-EC9 Mosaic does not have a written policy for preferring locally based suppliers, but we do encourage and support spend with local suppliers. We report on purchases in the United States, Canada and Brazil. For the purposes of this indicator, operations in these areas are considered “significant” since they are in key geographies where most of our supply chain activities take place.



Mosaic encourages and supports spending with local suppliers.

LOCAL SUPPLY CHAIN

Operational Locations	2016
All Phosphate (United States only)*	76%
All Potash (Canada and United States)*	62%
Offshore-Fospar, Brazil**	100%

*Excludes governmental, raw materials, clubs and organizations, and employee related and freight spend. Includes as locals in the Phosphates segment all vendors with addresses in Louisiana and Florida, and in the Potash segment all vendors with addresses in New Mexico, Saskatchewan and Manitoba.

**Brazil figures are based on all spend and consider as local vendors all of those whose addresses are within the country. Total excludes raw materials.

G4-EC6 As a matter of practice, and in accordance with Mosaic’s global job posting policies, we will “hire from within wherever possible.” For senior leader roles, if no internal candidates are identified, a search will be conducted externally to find the best candidate for the leader 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.

In 2016, our North America and Brazil operations did not have any external hires in that group.

For the purpose of this indicator, “significant locations of operation” refers to United States, Canada and Brazil. “Senior leader” is defined as those individuals who are responsible for a business unit, corporate function, business unit function, country or operations site. These employees represent less than 1 percent of our total workforce.

HUMAN RIGHTS

Committed to Human Rights

G4-DMA: AS A SIGNATORY TO THE UNITED NATIONS GLOBAL COMPACT, THE MOSAIC COMPANY IS COMMITTED TO THE PROTECTION AND ADVANCEMENT OF HUMAN RIGHTS. Mosaic’s [Code of Business Conduct and Ethics](#) forms the basis of our [Commitment to Human Rights](#).

Non-discrimination

G4-HR3 In 2016, only two internal reports of discrimination were substantiated and those matters resulted in the termination of employment of the subject of the reports.

The following complaints of discrimination were filed in 2016:

- five discrimination complaints filed with the United States Equal Employment Opportunity Commission-EEOC—(two dismissed, three pending);
- one complaint filed with the Saskatchewan Human Rights Commission in 2015 is still pending;
- one complaint filed with the Saskatchewan Occupational Health and Safety Division that was found for Mosaic and appealed by complainant; and
- 20 internal complaints have been investigated and closed; only two reports were substantiated, resulting in termination of employment for the subjects of the complaints

G4-HR4 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 Universal Declaration of Human Rights (UDHR), the most widely recognized definition of human rights and the responsibilities of national governments; the International Labour Organization (ILO) Declarations on Fundamental Principles and Rights at Work; and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. Per our Commitment to Human Rights, Mosaic aims to strengthen and enforce human rights in our policies and operations globally, including in our supply chain.

We strive to be a thoughtful and engaged neighbor, investing carefully and generously as we seek long-term partnerships with organizations that are making a difference

Child Labor and Compulsory Labor

G4-HR5, G4-HR6 Mosaic does not have any operations that are identified as a significant risk for child labor or forced or compulsory labor practices. Mosaic abides by all applicable child labor laws, as well as our global hiring and employment policies. In the United States and Canada we do not employ anyone under the age of 18. We do not tolerate forced or compulsory labor. 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. Per our Commitment to Human Rights, Mosaic expects all of our business partners to comply with labor and employment laws in the countries where we operate, including laws pertaining to child labor and forced labor.

Indigenous Rights

G4-MM5, G4-HR8 Although Mosaic has no operations located on a reserve, we are adjacent to parcels of First Nations land. Further, Mosaic had no reported incidents related to violations involving rights of indigenous people for the period covered in this report.

Human Rights and Labor Grievance Mechanisms

G4-HR12, G4-LA16 In 2016, Mosaic identified no grievances related to human rights. Mosaic identified one grievance related to labor practices that was initiated and resolved in 2016.

LOCAL COMMUNITIES

Adhering to Our Principles

G4-DMA: OUR LOCAL COMMUNITIES ARE OUR HOMES, AND WE HAVE A VESTED INTEREST IN THEIR SUSTAINABILITY. We understand that for Mosaic to prosper, so must our communities. We support formal and informal communication channels to connect our employees, communities, partners and customers. Examples include our Community Advisory Panels (CAPs) in Central Florida, as well as regional and international microsities intended as open lines of communication between Mosaic and local communities.

G4-SO1 In alignment with Mosaic's Environment, Health and Safety policies, we are 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.

Our guiding principles—which state that we are responsible, innovative, collaborative and driven—define how we conduct business, how we interact with colleagues, and how we treat our communities and planet. Accordingly, 100 percent of our operations have impact assessment and development programs. We employ a variety of approaches to systematically assess and manage the diverse impacts of industry on the various communities in which we operate.

Sustaining Our Global and Local Operations

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 and New Mexico. We have other production, blending or distribution operations in Brazil, China, India and Paraguay, as well as strategic equity investments in a phosphate rock mine in the Bayovar region in Peru and a joint venture formed to develop a phosphate rock mine and chemical complexes in the Kingdom of Saudi Arabia. View a list of [our locations](#) (55 as of the date of this report).

Our global footprint

7 facility types
40 countries served
55 locations

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 in the United States, 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 CAPs, 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.

Assessing Our Environmental Impact

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 U.S. Army Corps of Engineers (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.

Our 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

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 segment 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 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 K3 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.

Developing and Consulting in Our Communities

Each year, Mosaic targets investing 1 percent of profits 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 2016 reached more than \$17 million.

In 2016, Mosaic operations in Florida committed more than \$4.5 million, and operations in Saskatchewan committed more than \$9 million to enrich and improve communities where we have offices and operations.

Mosaic is committed to giving back to the community

- Each year, Mosaic targets investing 1% of profits over a three-year rolling average into our communities
- In 2016, Mosaic operations in Florida committed more than \$4.5 million to enrich communities where we have offices and operations
- Operations in Saskatchewan committed more than \$9 million in 2016 to improve surrounding communities

Mosaic employs regional, full-time public affairs (PA) staff to support all communities where we have an operating footprint. Mosaic PA staff are 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 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.

Recognizing Indigenous Rights

In some locations, there are cultural implications to our business that Mosaic addresses through community engagement. Mosaic recognizes the significance of building relationships with First Nation and Métis organizations throughout 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 Saskatchewan's Indigenous workforce for careers in mining. We strive to be a thoughtful and engaged neighbor who invests carefully and generously, and, through working with First Nations and Métis communities, we identify strategic opportunities to target grant funding to initiatives and projects that are important to the growth and sustainability in the areas where we operate. In 2016, the potash business segment realigned aboriginal engagement internally by merging the function within Public Affairs in order to create a more holistic outreach approach. Today, our engagement with aboriginal communities blends community investment initiatives with information on career opportunities, environmental responsibility, and opportunities for suppliers by

connecting one-on-one with aboriginal communities and organizations, ensuring the right connections within Mosaic are made.

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

Engaging Our Stakeholders

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 websites 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 Canada, Mosaic is engaging the public in education on the importance of potash mining, fertilizer and global food security. In partnership with Saskatchewan Association of Ag Societies and Exhibitions, Mosaic is part of

the “Food for Saskatchewan – Food for the World” educational display that tours the province. Mosaic’s own educational display was launched in 2014 and features interactive learning on Mosaic’s role in contributing to the province’s economy and the larger role of potash in feeding the world.



Mosaic regularly engages its customers in crop nutrient education and business management principles through various events.

- Mosaic is committed to being an engaged business partner. Mosaic 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 United States, 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, Fertilizer Canada, 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. For example, we have joined with The Fertilizer Institute and the Agriculture Retailers Association in support of the [ResponsibleAg](#) initiative, which will facilitate fertilizer retailers’ compliance with federal safety and security regulations and provide access to comprehensive inspections. Mosaic has registered eight of our facilities in Florida, Texas, Kentucky, Illinois and Minnesota for this program, committing to the principles of responsible storage and transportation of our products.

- Individually, Mosaic participates in ongoing consultation with both the provincial Government of Saskatchewan and the federal Government of Canada. Topics discussed with key stakeholders include the need for transportation infrastructure, regular consistency surrounding tax and the ability to work in partnership with the government to approach environmental sustainability.
- Stakeholders may reach Mosaic in several different ways:
 - Send comments or questions regarding this report to: mosaic.sustainability@mosaicco.com
 - Contact our Board of Directors via written communication in care of the General Counsel at the address of the Company's executive offices, or by e-mail: directors@mosaicco.com

The AEIS noted that Mosaic's mining operations, as forecast for 2011 to 2050, will have a net positive economic impact on the local economy

G4-SO2 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 and potash to meet the global demand for mineral fertilizer has the potential to cause environmental impacts. One such impact is the loss of farm output due to farmland being used for mining. The AEIS noted that Mosaic's mining operations, as forecast for 2011 to 2050, will have a net positive economic impact on the local economy. Any economic effects from losses in farm output would be more than made up for by higher paying employment and economic activity resulting from mining.

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 more information on actual or potential impacts, please see the discussion of risk factors in our [10-K Report](#), page 21.

Resettlements, Closures and Disputes

G4-MM10 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. View [Land & Reclamation](#) for specific details of our efforts.

Mine sites go through a detailed permitting process that involves determination and approval of ultimate closure, post-closure care and/or reclamation of our facilities

Mosaic has plans in place as required by governmental regulations for the closure and post-closure care of our phosphogypsum management systems at eight 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 all its Carlsbad and Saskatchewan mining operations.

For specific details on our estimated asset retirement obligations, refer to our [10-K Report](#) (F-20).

Communicating with Our Stakeholders

G4-MM9 Mosaic's potash and phosphate operations are well established mining regions with 50-plus years of operations. Mosaic purchased private properties in the vicinity of our operations in 2016, but no resettlements of communities took place. 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. Our Potash segment'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.

G4-MM6, G4-MM7 There were no disputes related to the land use or customary rights of local communities and indigenous people in 2016. 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.