



# Our Sustainability Goals and Progress

May 2014

The development of Mosaic’s first set of sustainability goals in June 2012 was an important milestone—and much has changed since then. Several of the goals have been achieved, and we are reporting on those that are still active. In our ongoing effort to understand and prioritize issues material to our stakeholders, Mosaic worked with a third-party auditor to analyze how we define significant economic, environmental and social impacts, engage stakeholders, prioritize and manage issues, and develop targets by which we measure and report our progress. Building on this work, Mosaic aims to finalize our materiality assessment and publish updated goals in 2015.

At Mosaic, we’re proud of what we’ve accomplished so far in our evolution as a sustainable, responsible business. We are committed to progress against our goals and will work to evaluate future areas for improvement.

MOSAIC SUSTAINABILITY GOALS – ESTABLISHED JUNE 2012	STATUS	PROGRESS – AS OF DECEMBER 2013
<b>Food</b>		
<ul style="list-style-type: none"> <li>▶ Continue to invest in smallholder agriculture globally through The Mosaic Villages Project.               <ul style="list-style-type: none"> <li>— Increase the number of villages under management in the India projects from 5 to 15.</li> <li>— Increase average crop yields in the Guatemala projects 3 to 5 times over traditional farmer practice.</li> </ul> </li> </ul>	✓	In collaboration with Institute for Rural Research and Development, Mosaic has successfully scaled the total number of villages to at least 15 in both the Kharif and Rabi seasons while also expanding the crop varieties to best support farmer market economics.
	✓	In collaboration with HELPS International, Guatemalan farmers participating in the projects have seen a threefold increase in average crop yields on a six-year average, with some reaching a fivefold increase in select years. Yields for farmers in the Corn Program remain stable, an indicator of continued best practices; the yields of non-program neighbors’ fields are realizing increases by copying many of the best practices and narrowing the gap—an unanticipated program expansion.
▶ Expand total Potash operational capacity to 15.0 million tonnes by 2021.	▶	Our current potash annualized operational capacity totals 10.7 million tonnes of product per year and accounts for approximately 13% of world annual capacity and 37% of North American annual capacity.
▶ Expand production capacity of MicroEssentials by 40% from 2010 levels to 2.3 million tonnes.	✓	We met this 2.3 million tonnes of MicroEssentials® capacity goal, thanks in part to completion of a MicroEssentials expansion project at our Faustina, Louisiana facility. And we’re expanding beyond this goal with a planned conversion to MicroEssentials production at one of our Central Florida phosphate facilities.
▶ Work with farmers, researchers and agronomists to increase yields for customers while managing crop nutrient products responsibly through Mosaic’s <a href="#">Pursuit of 300</a> initiative and <a href="#">4Rs Nutrient Stewardship</a> .	▶	<p>Since 2012, six farmers in six states—Minnesota, Illinois, Indiana, Iowa, Nebraska and Kansas—have worked with a Mosaic agronomist and their retail partners to develop specific plans for their Pursuit fields, of which at least 100 acres are dedicated to new agronomy practices to increase yields and maximize efficiency. Each program incorporates 4Rs Nutrient Stewardship principles.</p> <p>Mosaic also works 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) and the Ag Retailers Association (ARA), which promote and provide information on technology and sustainable agricultural systems.</p> <p>The Mosaic Company and The Mosaic Company Foundation also provide financial support to programs promoting conservation agriculture, fertilizer best practices, and the 4Rs in watersheds where we have facilities, offices and other key stakeholder relationships. Programs include: American Farmland Trust, Conservation Technology Information Center (CTIC), Field to Market, Freshwater Society, University of Minnesota’s Institute on the Environment, Grazing Lands Conservation Initiative, Illinois Foundation for Agronomic Excellence: “Keep It for the Crop by 2025,” National Future Farmers of America, Florida Farm Bureau, The Nature Conservancy, University of Florida – IFAS, University of Minnesota – CFANS and University of Illinois.</p>
<b>Environment</b>		
▶ Continue commitment to water stewardship companywide and establish site specific goals to drive water conservation at the facility level.	✓	<p>Water stewardship remains a priority. Mosaic has partnered with local governments and industries at several sites to use alternative water sources that reduce fresh water withdrawals. Recent projects include:</p> <ul style="list-style-type: none"> <li>• An agreement with Duke Energy in central Florida that will avoid up to 4 million gallons per day of groundwater withdrawal.</li> <li>• The Bartow fertilizer plant in Florida has increased use of treated process water in operations, reducing groundwater withdrawal by 10 percent since 2009.</li> </ul>
<b>KEY</b>	✓ = Complete	▶ = Work in progress/active



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<b>Environment (continued)</b>		
<ul style="list-style-type: none"> <li>▶ By 2015, reduce Mosaic's absolute Greenhouse Gas (GHG) emissions by 10% and our GHG intensity by 5% in our North American Phosphate Business Unit from 2005 levels. (Intensity per tonne of product, GHG targets exclude ammonia production due to pending decision on capacity expansion).</li> </ul>	✓	<p>We are on track to outperform our goals. As of the end of 2013, Mosaic's Phosphate Business Unit had reduced annual absolute Scope 1 and 2 GHG emissions by 21 percent since 2005 (excluding ammonia). Emissions intensity for the same period had decreased by over 15 percent. Mosaic's recent acquisition of CF Industries' Florida phosphate operations will increase absolute emissions, beginning in CY 2014. Impacts of the acquisition on intensity will be evaluated following calendar year 2014.</p>
<ul style="list-style-type: none"> <li>▶ Increase electricity produced internally from waste heat capture (cogeneration) for the Phosphate Business Unit.</li> </ul>	✓	<p>We remain on track to increase our internal production of electricity in the Phosphate Business Unit. We completed repairs of a turbo generator at Uncle Sam in 2013, and installation of a new turbogenerator at our New Wales facility is underway, slated for completion in 2014.</p> <p>More importantly, the utilization of cogenerated electricity has increased due to investments in transmission infrastructure. In 2014, Mosaic is positioned to transmit more cogenerated electricity to three of our Florida mine operations—Hooker's Prairie, South Fort Meade and Four Corners—than in previous years.</p>
<ul style="list-style-type: none"> <li>▶ Evaluate alternative energy sources to satisfy Mosaic's energy requirements to lower costs and reduce the company's environmental footprint.</li> </ul>	▶	<p>Through a three-pronged approach to energy management through cogeneration, conservation and greater efficiency, we aim to lead the industry in reducing the energy we use and maximizing the clean energy we generate. Since 2008, Mosaic has improved our total energy per tonne of finished product by more than 10 percent.</p> <p>We continue to research and conduct field testing of alternative fuels for cost and environmental performance. We are currently evaluating ethanol, biodiesel and natural gas in operational environments. We are pursuing opportunities to improve the efficiency and expand the electricity output of our waste heat 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. Belle Plaine uses waste heat from neighboring industries to avoid using natural gas as a thermal input, avoiding energy costs and CO<sub>2</sub>e emissions.</p>
<b>People</b>		
<ul style="list-style-type: none"> <li>▶ Maintain industry top quartile safety rankings, and continually improve recordable injury frequency rate and lost-time injury safety performance.</li> </ul>	▶	<p>During 2013, Mosaic made continued progress in improving our best-in-class, safe working environment for employees and contractors. From January through December, Mosaic employees and contractors experienced 13 percent fewer injuries than the prior fiscal year and recorded our best safety performance ever.</p> <p>Our 2013 safety performance was in line with our goals:</p> <ul style="list-style-type: none"> <li>• Recordable Injury Frequency Rate = 1.11 (CY)</li> <li>• Lost Time Injury Frequency Rate = 0.091 (CY)</li> </ul>
<b>Community</b>		
<ul style="list-style-type: none"> <li>▶ Donate 1 percent of earnings on a three-year rolling average to our communities in the focus areas of food, water and local communities.</li> </ul>	✓	<p>The Mosaic Company, The Mosaic Company Foundation and The Mosaic Institute in Brazil donated a combined \$27.16 million to achieve the 1 percent of EBIT target. With thousands of community partners globally, Mosaic has continued its food, water and local community investment focus areas.</p>
<ul style="list-style-type: none"> <li>▶ Participate in the World Economic Forum (WEF) as a Dual Industry Partner, with engagement at Davos and the regional summits in India and South America. Engage in three project boards: New Vision for Agriculture, Water 2.0 and Resource Scarcity.</li> </ul>	✓	<p>Mosaic's participation in the World Economic Forum (WEF) in both the Consumer and the Mining &amp; Metals sectors provided an opportunity to engage with stakeholders and contribute to best practices across the entire food value chain. Mosaic contributed key input to the Global Agenda Council on Natural Capital and the New Vision for Agriculture's environmental working group. As of 2014, we are withdrawing from WEF to focus our engagement on issues that have a direct impact on Mosaic's business strategy.</p>
<b>Company</b>		
<ul style="list-style-type: none"> <li>▶ Implement EHS Management System at Mosaic production facilities, which conforms to OHSAS 18001 and ISO 14001 standards.</li> </ul>	▶	<p>As of December 2013, 12 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 be implemented at all material Mosaic operations worldwide.</p>
<ul style="list-style-type: none"> <li>▶ We are committed to generating total shareholder returns in the top three of our peer companies.</li> </ul>	▶	<p>Mosaic's stock price performance has lagged some our peers', primarily due to our business mix and external factors beyond our control. We returned significant capital to shareholders in 2013 and early 2014, through our \$1.00-per-share dividend and our stock repurchases following the expiration of restrictions on such repurchases. In total, Mosaic has repurchased or committed to repurchase approximately 52 million shares, 12 percent of year-end 2013 shares outstanding.</p>
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