



# It starts here.

2011 Sustainability Report



# Safe Harbor Statement

*This report 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 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 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 build-up of inventories in the distribution channels for crop nutrients; changes in foreign currency and exchange rates; international trade risks; changes in government policy; changes in environmental and other governmental regulation, including greenhouse gas regulation, and implementation of the U.S. Environmental Protection Agency's numeric water quality standards for the discharge of nutrients into Florida lakes and streams; further developments in the lawsuit involving the federal wetlands permit for the extension of the Company's South Fort Meade, Florida, mine into Hardee County, including orders, rulings, injunctions or other actions by the court or actions by the plaintiffs, the Army Corps of Engineers or others in relation to the lawsuit, or any actions the Company may identify and implement in an effort to mitigate the effects of the lawsuit; other difficulties or delays in receiving, or increased costs, or revocation, of, necessary governmental permits or approvals; further developments in the lawsuit involving the tolling agreement at the Company's Esterhazy, Saskatchewan, potash mine, including settlement or orders, rulings, injunctions or other actions by the court, the plaintiff or others in relation to the lawsuit; the effectiveness of our processes for managing our strategic priorities; adverse weather conditions affecting operations in Central Florida or the Gulf Coast of the United States, including potential hurricanes or excess rainfall; actual costs of various items differing from management's current estimates, including among others asset retirement, environmental remediation, reclamation or other environmental regulation, or Canadian resource taxes and royalties; accidents and other disruptions involving Mosaic's operations, including brine inflows at its Esterhazy, Saskatchewan potash mine and other 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.*



# contents

## **ABOUT US**

- Message From Our CEO 1
- Mosaic by the Numbers 3
- Our Mission and Values 4
- Our Operations 5

## **FOOD**

- Global Food Security 8
- Mosaic Villages Project 9
- Product and Services Innovation 16
- Micronutrient: Zinc 17

## **WATER**

- Water Management 19
- Product Stewardship 20
- Risks and Opportunities 22

## **LAND**

- Reclamation 24
- Biodiversity 26
- Solid Waste 28

## **ENERGY AND AIR**

- Energy 30
- Producing Renewable Energy 31
- Air Emissions: Greenhouse Gas Management 32
- Climate Change Risks and Opportunities 33
- Transportation 34

## **PEOPLE**

- The Relentless Pursuit of an Injury-Free Workplace 36
- Employees 38
- Stakeholder Engagement 40
- Economic Impact 42
- Supply Chain and Contractors 43
- Philanthropy and Community Investment 44
- Disaster Relief 51
- Governance and Accountability 52
- Management Systems 53
- Ethics and Transparency 54

## **GRI**

- GRI Index 55

# It starts with sustainability.

*With so many dimensions to the sustainability challenges facing our world, maximizing the impact Mosaic can have as a global corporate citizen demands a specific vision.*

Mosaic's mission is both simple and ambitious — we help the world grow the food it needs. We envision a world where a sustainable global agricultural system provides each person with the nourishment to survive and thrive. Realizing this vision literally starts here at Mosaic.

Crop nutrients are essential to achieving agricultural efficiency and higher output. Mosaic's agronomists work globally, advising retailers, distributors and farmers on the best ways to increase their agricultural yields sustainably. A balanced approach to crop nutrition requires that the right nutrients are applied at the right time, at the right rate and in the right place. This ensures the nutrients stay in the crop and increase yields.

We also partner widely with the brightest minds at top universities to advance our knowledge, and with NGOs and industry associations to share best management practices with farmers. As one of the world's leading crop nutrient companies, it's a privilege to play a fundamental role in agricultural advancements.

Of course, with privilege comes responsibility. Mosaic takes the profound sense of purpose that we derive from our mission and extends it to other aspects of corporate responsibility.

It all starts with Mosaic's employees and the relentless pursuit of an injury-free workplace. Since 2009, Mosaic's lost time incident frequency rate has decreased by 33 percent, to a rate of 0.18 per 200,000 hours worked. As the CEO of Mosaic, I am personally invested in the goal of ensuring that every one of our employees and contractors returns home safe at the end of each work day.

We are dedicated to being a good steward of the land, and before we mine we set aside sensitive areas for permanent protection. To date, we have proposed or placed approximately 21,000 acres of sensitive habitat into permanent conservation easement. Additionally, we reclaim at least every acre we mine. Last year alone Mosaic planted 1.3 million trees as part of our reclamation efforts.



“ We envision a world where a sustainable global agricultural system provides each person with the nourishment to survive and thrive. Realizing this vision literally starts here at Mosaic. ”

Reducing Mosaic’s water and carbon footprints are other key areas of focus. Today, approximately 90 percent of all the water we use in our North American mining and manufacturing operations is either reused or recycled. Through waste heat capture, we generate our own carbon emissions-free electricity. Since 2005, we have reduced direct energy consumption in our U.S. operations by approximately 21 percent and greenhouse gas emissions by 11 percent.

Finally, as a member of the global community, Mosaic strives to positively impact families around the world. More than one billion people work on smallholder farms worldwide — many of them barely growing enough food to survive. Through the Mosaic Villages Project, we bring our crop nutrients and expertise to local farmers in India, Guatemala and seven African countries. Farmers involved

in these projects have increased their yields three to five times over traditional farming practices, impacting hundreds of thousands of lives and moving families from despair to hope.

Mosaic’s second Sustainability Report conveys the tremendous pride we take in building sustainable practices into every aspect of how we operate our business. Our journey to a sustainable tomorrow starts here.

Sincerely,



**James T. Prokopanko**  
President and Chief Executive Officer



▶ **VIDEO: A MESSAGE FROM MOSAIC’S CEO**

Mosaic’s effectiveness as a business depends heavily on our relationships with our employees, customers, shareholders and the communities where we work and live.

# Mosaic by the Numbers

# 1.3 MIL

In 2010, Mosaic planted more than 1.3 million trees as part of our reclamation activities.

# 105,000

Mosaic donates 105,000 bags of fertilizer annually to the Millennium Villages in seven African countries.

# 95%

Mosaic reuses or recycles approximately 95% of all water used in our U.S. Phosphate operations and more than 80% in our Canadian Potash business unit.

# 2015

By 2015, Mosaic aims to complete implementation of a company-wide EHS management system, comprised of an ISO14001 EMS and an OHSAS18001 health and safety management system.

# 21%

Since 2005, our U.S. operations have reduced direct energy consumption by 21%, with a corresponding reduction in limited greenhouse gases of approximately 150,000 tonnes annually.

# 160,000 homes

In 2010, the electricity Mosaic produced through cogeneration — approximately 6.4 million gigajoules (GJ) — enough to power more than 160,000 homes for a year. Approximately 5.5 million GJ generated zero carbon emissions.

# 33%

Since fiscal 2009, our lost time incident frequency rate (LTIFR) has decreased by 33%, to 0.18 cases per 200,000 hours worked.

# 24.2 MIL

Mosaic's community investments in fiscal 2011 and formal commitments for future funding of multi-year agreements — \$11.6 million and \$12.6 million, respectively — totaled \$24.2 million.

# 18,000

In Florida, Mosaic works with Audubon of Florida to manage a barrier island sanctuary with nearly 18,000 pairs of nesting birds comprised of 16 species, of which eight are considered imperiled.

# 61% & 57%

In fiscal 2011, local vendors satisfied 61% of our supply chain needs in Phosphates and 57% in Potash.

Mosaic owns more than 21,000 acres on which it has proposed, committed or executed a conservation easement in order to ensure the long-term protection of lands or waters of particular sensitivity.

# 21,000 acres

# Our Mission and Values

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



## INTEGRITY

We are open, candid and professional with one another. We hold each other accountable in all we say and do, and we are committed to the highest ethical standards.

### HOW WE SUPPORT INTEGRITY

- Keeping our commitments.
- Doing the right thing, even when no one is looking.
- Being honest and open in our communications.
- Basing our decisions and actions on facts.
- Avoiding situations that result in a conflict of interest or call into question our trustworthiness.



## EXCELLENCE

We are relentless in the pursuit of our goals and strive to achieve a higher standard. We recognize we can always advance from "doing it right" to "doing it even better."

### HOW WE SUPPORT EXCELLENCE

- Pursuing our goals ethically and in compliance with the law — always.
- Adhering to the highest safety standards.
- Showing zero tolerance for unnecessary risks.
- Striving to make decisions and act in ways that show the very best of us.
- Setting the best possible example for others.



## SUSTAINABILITY

Lasting success comes from making smart choices about our stewardship of the environment, how we engage our people and the way we manage our resources.

### HOW WE SUPPORT SUSTAINABILITY

- Building our business on real value and tangible benefits to our customers, shareholders and other stakeholders.
- Valuing the contributions of our people and investing in their development.
- Minimizing our environmental footprint.
- Making disciplined and principled decisions.
- Considering the future consequences of what we say and do.



## CONNECTIVITY

We are better together as a team than as individuals. By working together across mines, facilities and offices, we will enhance our performance — both individually and collectively.

### HOW WE SUPPORT CONNECTIVITY

- Recognizing that ethical and legally compliant business conduct is everyone's responsibility.
- Guiding and supporting our coworkers and direct reports in identifying and appropriately addressing business conduct issues.
- Valuing the diversity of people and ideas and leveraging it through effective collaboration.

# Our Operations

*Mosaic is one of the world's leading producers of concentrated phosphate and potash crop nutrients. The experience and market strength of an industry veteran, the energy of a young enterprise — this duality is unique in our sector and allows Mosaic flexibility for innovation in an established industry.*

Our world-class mining and processing operations produce more than 10 percent of the world's potash and phosphate supplies. We move these products through the value chain to wholesalers and retailers through our extensive global distribution system. We have key distribution facilities in eight countries, serving wholesalers, retail dealers and individual growers in approximately 40 countries. 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. We have a rich legacy of experience and innovation, producing a line of premium products that offers greater nutrient delivery with lower application rates.

With unique products and services, facilities around the world, and a diverse customer base, we are truly helping the world grow the food it needs.

## PHOSPHATES:

 [Phosphate Fact Sheet](#)

Mosaic is the world's largest producer of finished phosphate products, with an annual capacity of 9.7 million tonnes. Our principal phosphate production facilities are located in Florida and Louisiana. We operate four mines and three

concentrates plants in Florida that produce phosphate fertilizer and animal feed products, as well as a concentrates plant in Louisiana that produces phosphate fertilizer.

## WHY CROPS NEED PHOSPHATE

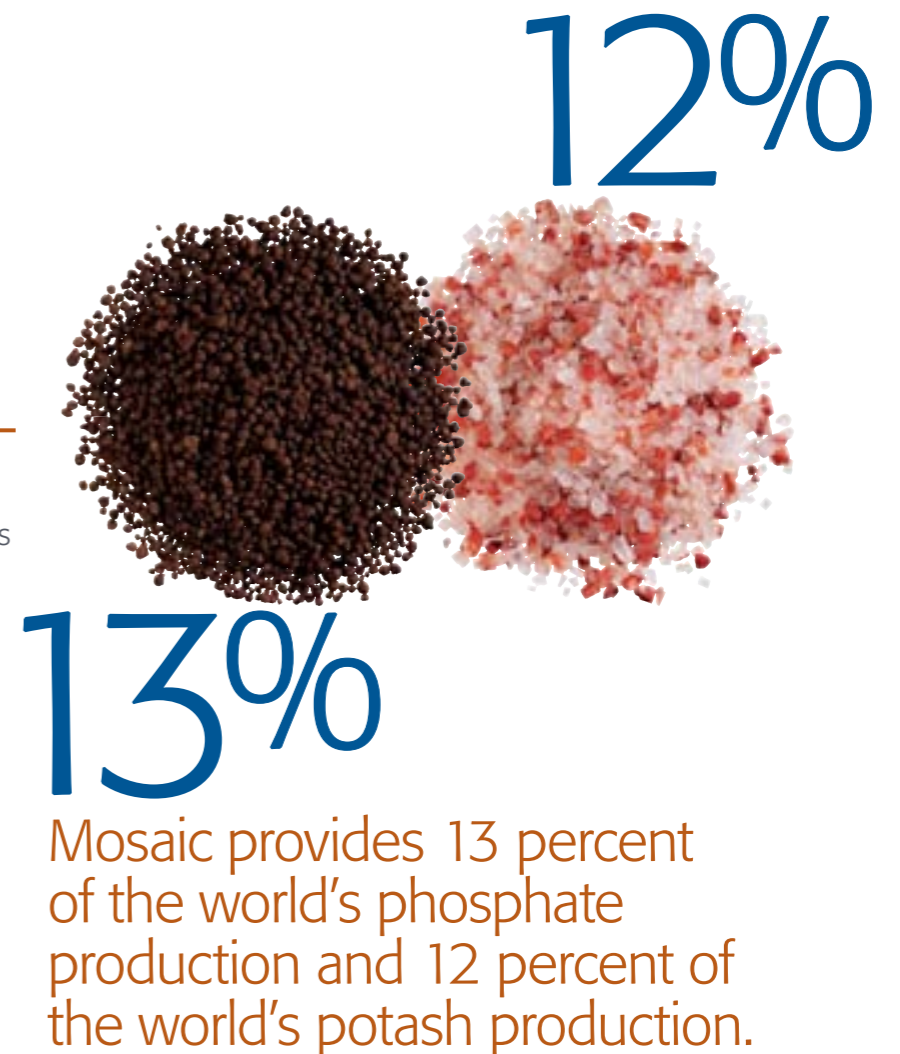
Phosphate, or phosphorus, is known as "the energizer" in crop nutrients, playing a key role in photosynthesis and providing the following benefits to growing plants:

- Improves root growth
- Advances maturity; lowers grain moisture at harvest
- Leads to higher crop quality
- Increases water use efficiency
- Increases yields

## POTASH:

 [Potash Fact Sheet](#)

Mosaic's potash production capabilities are the third largest in the world, with an annual peaking capacity of 10.3 million tonnes. Our principal Potash operations are located in Canada and the United States. We operate three mines in Saskatchewan, Canada, including the world's largest potash mine in Esterhazy, as well as mines in New Mexico and Michigan.



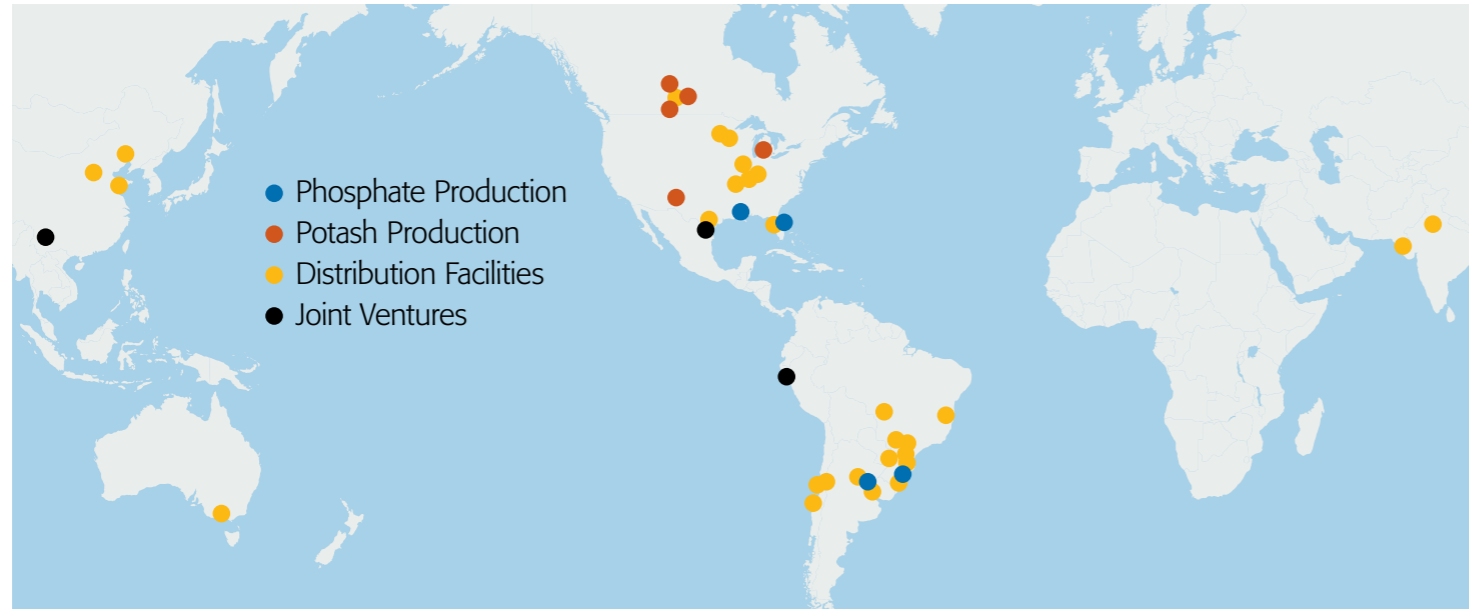
## WHY CROPS NEED POTASH

Potash, or potassium, is known as "the regulator" of crop nutrients and provides the following benefits to growing plants:

- Leads to the formation of a larger and deeper root system
- Reduces water loss and wilting
- Regulates nitrogen uptake
- Increases protein content in some crops
- Reduces lodging caused by weak stalks

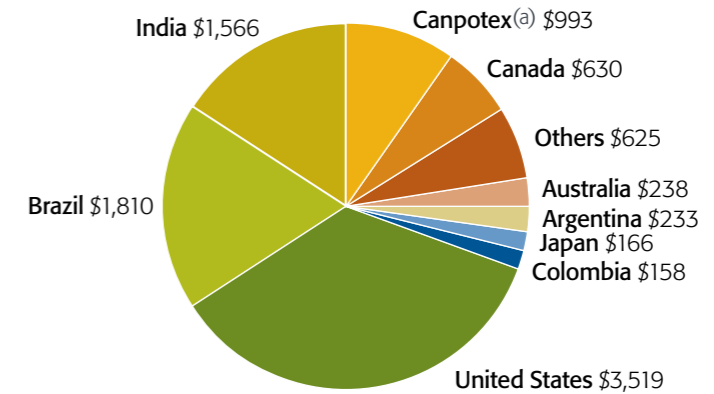


### MOSAIC'S GLOBAL FOOTPRINT



### FISCAL 2011 SALES BY COUNTRY

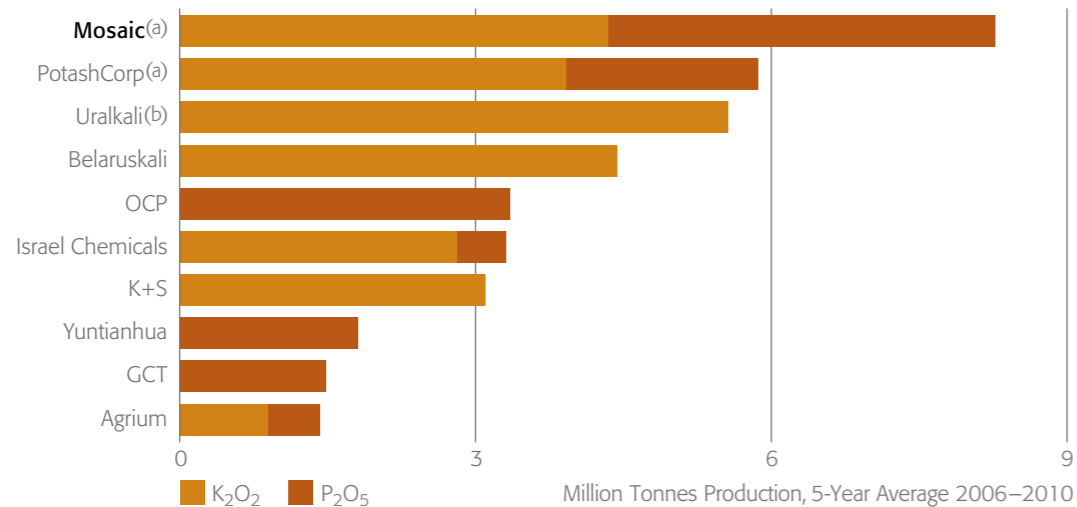
\$ in millions



(a) Export association of the Saskatchewan potash producers.

### WORLD'S LARGEST P+K COMPANIES

Source: IFA, company reports and Mosaic estimate



(a) Mosaic K<sub>2</sub>O production includes production, mined, milled and shipped by Mosaic under the tolling agreement with PotashCorp production statistics.

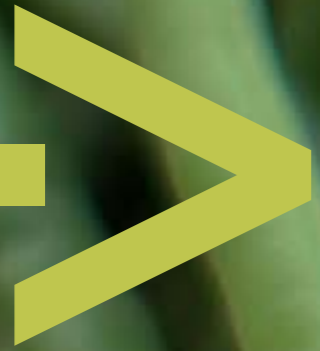
(b) Reflects combined Uralkali and Silvinit production over the period.

### FINANCIAL HIGHLIGHTS

Fiscal year in millions, except per share amounts

	2011	2010	2009
Net Sales	\$ 9,937.8	\$ 6,759.1	\$10,298.0
Gross Margin	3,121.8	1,693.3	2,766.7
Operating Earnings	2,664.2	1,270.8	2,400.9
Net Earnings Attributable to Mosaic	2,514.6	827.1	2,350.2
Diluted Net Earnings Per Share	5.62	1.85	5.27
Cash and Cash Equivalents	3,906.4	2,523.0	2,703.2
Total Assets	15,786.9	12,707.7	12,676.2
Total Long-Term Debt (Including Current Maturities)	809.3	1,260.8	1,299.8
Total Equity	11,661.9	8,748.4	8,515.2
Net Cash Provided by Operating Activities	2,426.7	1,356.0	1,242.6
Capital Expenditures	1,263.2	910.6	781.1
Dividends Per Share on Common Stock	0.20	1.50 <sup>(a)</sup>	0.20

(a) Includes \$1.30 special dividend.



It starts  
with food.

# Global Food Security

*Agriculture today faces the dual challenge of becoming more environmentally sustainable, while feeding a growing population. Global food security is one of the greatest sustainable challenges of our time.*

Agriculture is the platform on which human development and social welfare are built, and is the basic foundation for any thriving economy. It feeds every person on the planet, while providing 40 percent of the world's jobs, but it also accounts for 70 percent of global water withdrawals and 30 percent of greenhouse gas emissions.

Nearly one billion people are hungry today, half of them farmers. Yet by 2050, the world's population is expected to grow by three billion to reach nine billion in total, with much of this growth in regions of the world currently most susceptible to food insecurity. To meet this demand, world food production must double and possibly even triple if the growing global middle class continues to demand higher quality proteins in their diets. To put this in perspective, in order to feed the world, we need to match the last 10,000 years of agricultural production improvements in the next 40 years.

We can't simply convert new land to agriculture. We need to retain the world's current forest footprint. Our forests naturally sequester carbon and are a major asset in mitigating the potential negative effects of a changing climate. Between 1961 and 2005, higher net crop yields on existing agricultural land, driven by seed, fertilizer and better management practices, avoided the emission

of approximately 161 gigatons of carbon by preventing deforestation. Compared with the baseline technology in 1961, every additional dollar invested in agricultural yields has resulted in 68 fewer kilograms of carbon emitted. Balanced soil fertilization, improved seed varieties and better crop management are far more effective and more ecologically sound ways of increasing food supply than converting more land to agriculture.

Fertilizers are already responsible for 40 to 60 percent of crop yields. Although impressive, we have to do even better. All farms, whether large or small, must employ best management practices to ensure demand is met. Education is the key to ensure farmers pair the right crops with the right soils, choose the most productive seed varieties, fertilize with a balanced supply of nutrients at the right rate, place and time, and establish efficient market mechanisms to get the food to the consumer at the lowest possible cost. Proper use of fertilizers is also essential to protect water supplies and water habitats, while at the same time increasing farm incomes. With better management practices, production can increase without an environmental compromise.

Most importantly, we must all recognize the problem and work together to find solutions. Mosaic aims to be



actively involved in the dialogue, ensuring increased awareness of all parties: farmers, growers associations and cooperatives, trade associations, businesses, non-governmental organizations (NGOs), universities, governments, and consumers. These disparate groups, united by a common cause, must work together to create an effective series of widely used sustainable models to help the world grow the food it needs.

# 10,000 years

We need to match the last 10,000 years of agricultural production improvements in the next 40 years.

# Mosaic Villages Project: Fertilizer as Capital

*In rural agrarian economies, the targeted use of mineral fertilizer generates an immediate return on investment.*

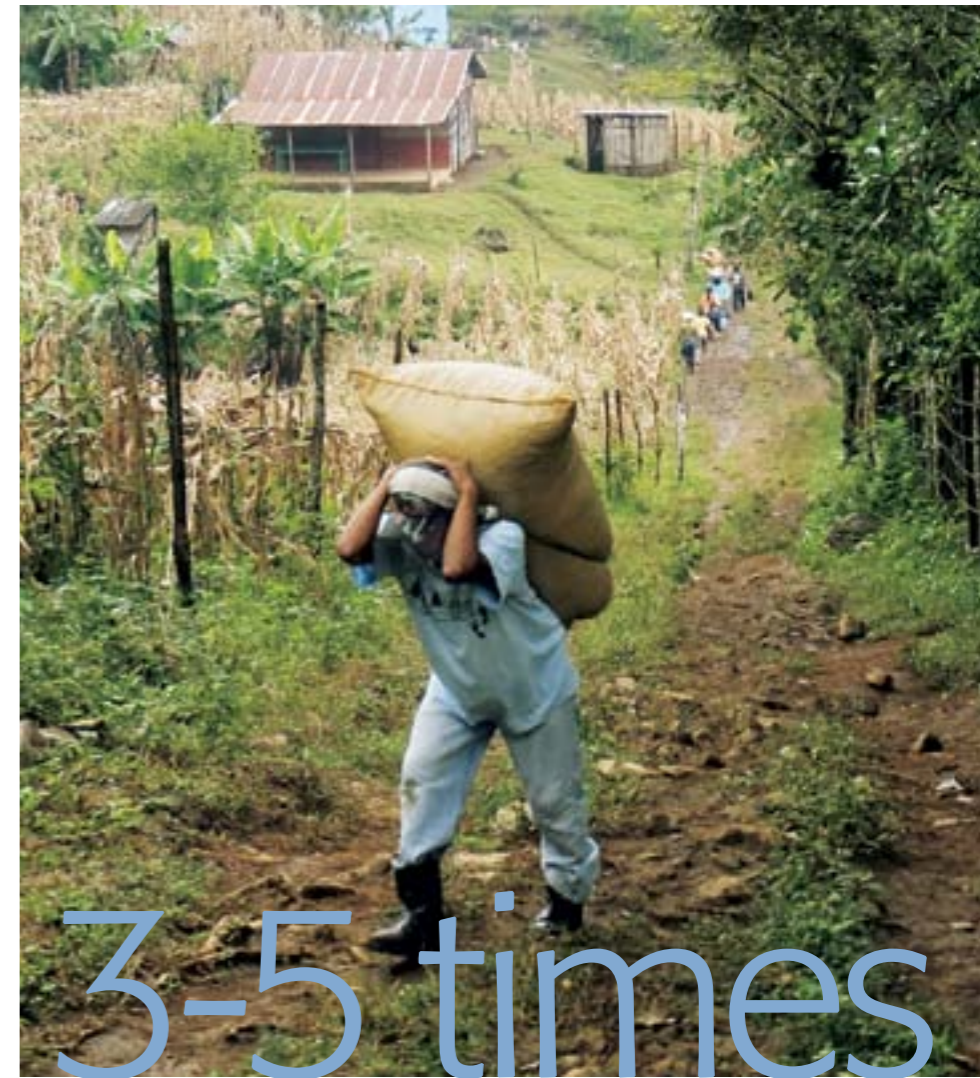
Smallhold farmers in many areas of the world are trapped in a cycle of poverty. Generally living on one acre of land or less, they often struggle simply to feed themselves — much less generate a surplus of food. With the world's ever-growing population, helping farms become more productive is imperative.

Since 2008, The Mosaic Company and The Mosaic Company Foundation have invested in programs in Guatemala, India, Mali, Nigeria, Malawi, Kenya, Uganda, Tanzania and Ethiopia, along with our partners, HELPS International, the Sehgal Foundation and Millennium Promise. The results to date are promising: crop yields increased on average three to five times over traditional farming practices, and the farmers involved in the programs moved from not having enough food to eat to producing a surplus. In effect, fertilizer acts like an injection of capital into the local economy, and returns are realized through a food surplus. This surplus is sold at market, and revenues help farmers buy basic necessities, such as a new roof for their house or school books for their children, creating a diversified local economy.

This is a hand-up, not a hand-out. Farmers receive no-interest loans to buy fertilizer at planting, repaid through the sale of surplus yield at harvest. Loan repayment rates run higher than 90 percent; many farmers now no longer need loans, and purchase farm inputs with accumulated savings.

Agronomic training is essential for these farmers to reach their full potential, as they suffer from depleted soils and the lack of land-management knowledge necessary to farm productively and sustainably. Our agronomists teach them modern methods: to plant seeds in tighter rows, not to burn the previous crop residue away (so as to increase organic matter in the soil), and how and when to apply the correct amount of fertilizer — education that increases yields and protects the local ecosystem.

Mosaic and our partners hope to eventually blueprint the success of these programs so that they may be recreated elsewhere. It's a physical manifestation of Mosaic's stated mission to help the world grow the food it needs.



Farmers in the Mosaic Villages Project report that crop yields have increased on average three to five times over traditional farming practices.

## MOSAIC VILLAGES PROJECT

# Guatemala

*In Guatemala, Mosaic and our partners are moving smallholders from subsistence farming to a surplus through a replicable development model centered on high-quality farm inputs, agronomic expertise and financial assistance.*

Mosaic has partnered with our customer, Disagro, and HELPS International since 2008, assisting farmers, their families and their communities by increasing corn yields. HELPS is a non-governmental organization that addresses economic development, health and education issues by teaching people ways to become self-sufficient. Together, we developed and implemented the "Corn Program" in the Guatemalan province of Alta Verapaz.

Mosaic contributes its agronomic expertise and more than \$350,000 annually to support the purchase of fertilizer and the installation of water filters to reduce water-borne diseases, energy-efficient stoves and solar lights, while enabling HELPS to provide no-interest loans to the participants. Farmers sell surplus corn at local markets, repay their loan and use the remainder to care for their families.

This is, first and foremost, a partnership. Understanding the cultural sensitivities of the local people is paramount to success. For example, farmers prefer traditional seed varieties over modern hybrids, as corn is sacred to the Maya, and they prefer the taste of the Mayan black corn to the more productive white corn. Farmers are encouraged

to join the program, not pressured. Some farmers are early adopters, eager to accept the opportunity, while others are more cautious and wait for their neighbors' results before committing.

More than 90 percent of farmers who entered the program in 2008 generated enough capital to no longer need loans to buy inputs. They graduated and now act as mentors for new farmers joining the program. With the high loan repayment rate, the program naturally expands as these repaid monies are reinvested.

The benefit this brings to the overall health of the community is immeasurable. Before intervention, farmers struggled to grow enough corn to meet the needs of their families. They would travel to other parts of Guatemala, Central America or even the United States to find work, which divided families and often left the farmers susceptible to danger. With no access to capital and no credit history, the cycle of poverty was nearly impossible to break. Post-assistance, the farmers produce enough to eat, plus a surplus to sell at market, and can now consider using some of their land for cash crops to further increase income. In 2011, we will serve 1,000 farm families, spanning 50 villages in Alta Verapaz.



▶ VIDEO: MOSAIC VILLAGES PROJECT GUATEMALA

More than 90 percent of farmers who entered the program in 2008 have generated enough capital to no longer need loans to buy inputs.

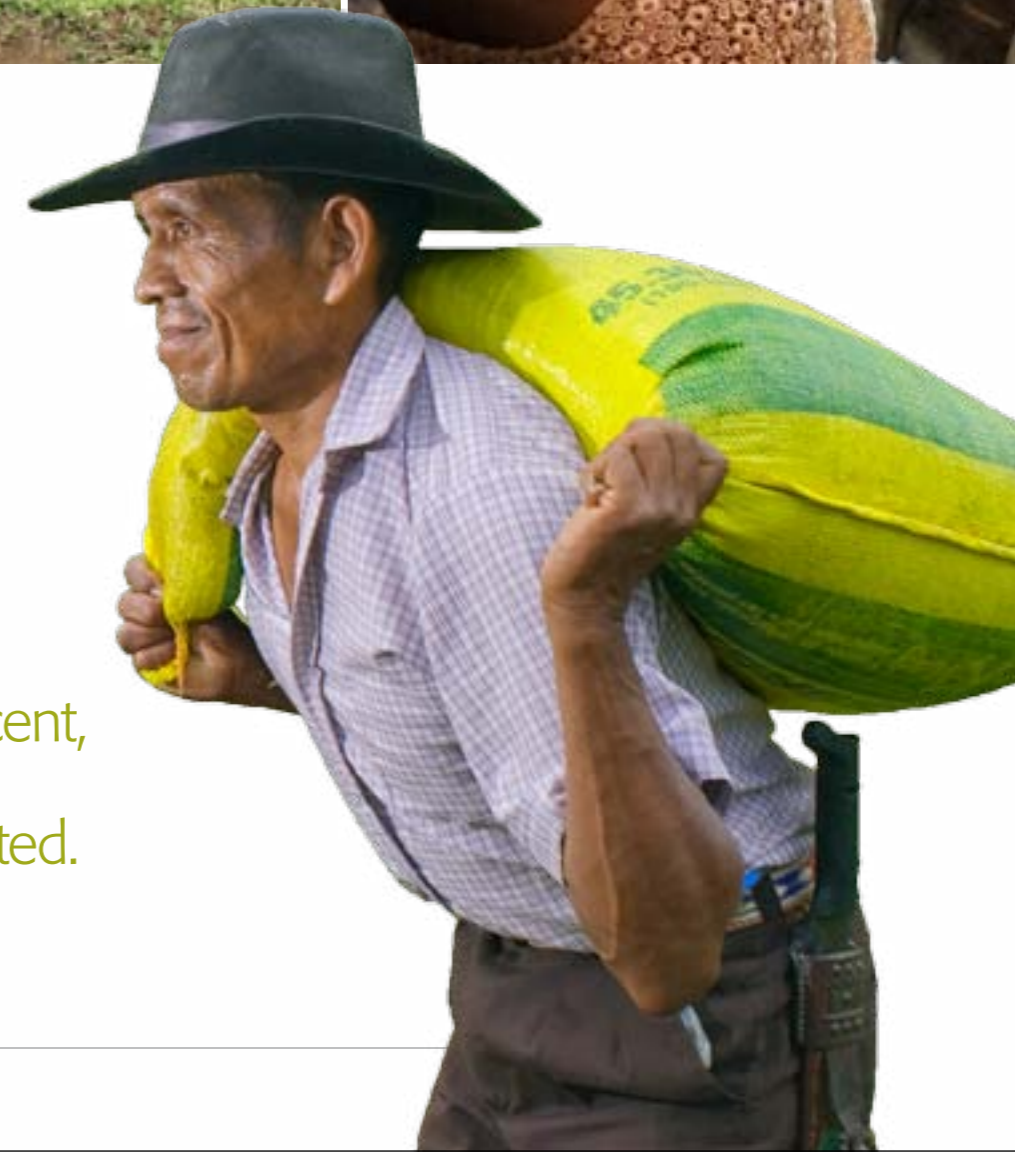
# 90%



- 1.** Corn is sacred to the Maya: the seeds and fields are blessed before planting to ensure a good harvest.
- 2.** MicroEssentials<sup>®</sup>, a premium Mosaic product, is targeted to the plant and measured using a soda bottle cap. Applying the right amount at the right time and place increases yields, with less potential for nutrient runoff.
- 3.** Post-assistance yields increased three to five times over traditional farmer practice.
- 4.** Efficient stoves eliminate the pulmonary diseases caused by the inhalation of smoke and the childhood burns caused by open fires. These stoves also prevent deforestation by saving one tree per family every month in firewood.

# 97%

The loan repayment rate is 97 percent, which allows the program to grow as these repaid monies are reinvested.



## MOSAIC VILLAGES PROJECT

## Africa

*With 55 percent of the world's remaining untapped arable land, agriculture is one of Africa's brightest hopes for economic development.*

The Millennium Villages Project embodies the most complete and thoughtful approach to achieving positive outcomes by tackling many underlying socio-economic issues simultaneously. Each year, Mosaic donates 2,600 tonnes of fertilizer to Millennium Promise and the Millennium Villages, along with arranging the associated transportation, bagging and blending. This amounts to 105,600 bags of fertilizer, impacting the lives of more than 250,000 people. The average value of this donation is more than \$2 million per year.

Africa is a net importer of food today and will experience the greatest population increase of any continent over the next four decades. Many of sub-Saharan Africa's soils are depleted of nutrients, and we saw an opportunity to use our expertise to identify the most effective, nutritionally-balanced blends to maximize crop yields in the region.

Our crop nutrients are vital for farmers to reach their full potential. Across village clusters in Mali, Nigeria, Malawi, Uganda, Kenya, Tanzania and Ethiopia, maize yields have tripled on average, resulting in a 35 percent decrease in malnutrition for children under age two in those locations.

Farmers pay between 40 and 60 percent of cost with the loan and subsidy programs, supported by the World Bank,

provided at planting and repaid at harvest. Millennium Promise has also developed communal warehousing to reduce post-harvest losses and improve access to markets so that the farmers may realize a better return on investment.

Yields in some fields have increased by more than 10 times farmer practices. To understand the paradigm better and to determine why these smallholders have had such success, agronomists at Mosaic and the Earth Institute at Columbia University have executed test plots in three African climatic zones to pinpoint the most effective nutrient blends to maximize crop yields.

Transporting a product as bulky and heavy as fertilizer to remote villages in Africa is one of the most challenging aspects of the partnership. The lack of established trade routes, a reliable local agri-dealer network or basic infrastructure, such as deep water ports, paved roads or rails, requires the close attention of Mosaic's commercial group through the entire shipping process.

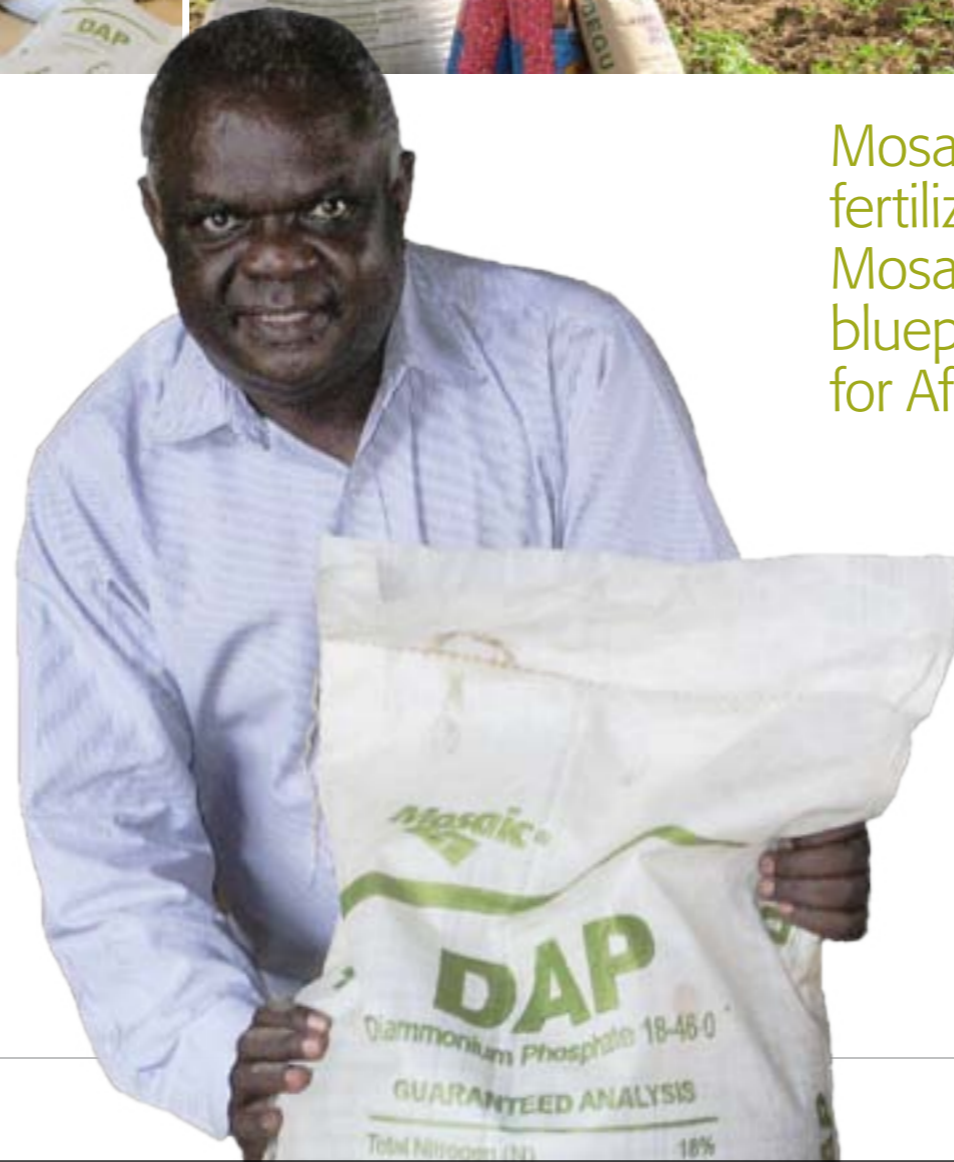
Mosaic is committed to the continued success of the Projects, and we continually seek opportunities to deepen and expand our involvement. We believe the Millennium Villages will provide a blueprint for success to ensure food security for Africa's smallholders.



Across the villages, maize yields have tripled on average, resulting in a 35 percent decrease in malnutrition for children under age two.



1. A fertilizer shipment is unloaded in Sauri, Kenya. Transporting fertilizer to remote villages in Africa is one of the most challenging aspects of the partnership.
2. Our goal with Millennium Promise is to improve farm productivity. Mosaic has committed to deliver more than 2,600 tonnes of DAP per year for three years, covering 55,250 households — approximately 277,000 people — in seven African countries.
3. To ensure the success of the intervention, a loan and subsidy program supported by World Bank has been initiated.



Mosaic donates more than 2,600 tonnes of fertilizer annually to the Millennium Villages. Mosaic believes these villages will provide a blueprint for success to ensure food security for Africa's smallholders.

# 2,600



## MOSAIC VILLAGES PROJECT

## India

*While India ranks second worldwide in farm output, and crop yields have grown substantially since the green revolution in the 1960s, international comparisons indicate that average yields in India lag top global producers by 50 to 70 percent.*

Over-reliance on urea (nitrogen) at the expense of other nutrients actually resulted in decreased yields in some parts of India in recent years. Against this backdrop, Mosaic's emphasis on a balanced approach to crop nutrition is an important addition to the Indian agricultural paradigm.

In partnership with the Institute for Rural Research and Development (IRRAD), Mosaic has rolled out "Krishi Jyoti," a program that helps bring modern agricultural inputs and practices to underserved farmers in Haryana. Our annual investment is used to alleviate water stress, improve awareness of soil health, improve the quality of seed, administer the right fertilizer blend and provide the expertise to apply it at the right time to increase yields of millet, wheat, canola and mustard.

Improving irrigation is challenging, as Haryana is a water-stressed region. Mosaic and IRRAD are attacking the problem at the source, constructing a series of check dams to help replenish the aquifer. These dams capture monsoon rains and force surface water into the aquifer. In addition to agricultural uses, higher water levels in the aquifer provide a more abundant fresh water supply for the villages.

The Mosaic team also works with groups of farmers for three years, after which time farmers should no longer require the assistance. Post-assistance, the Mosaic team provides regular follow-ups for two more years, consisting of timely and reliable agricultural advice. Currently, there are 4,100 families and 1,100 acres under management.

Post-harvest, the Mosaic and IRRAD teams work to establish better market linkages through improving infrastructure and the availability of market information, ensuring the farmers receive a fair profit for their efforts. The results are outstanding. Yields increased 30 to 40 percent over typical farmer practices, with an even greater increase in the quality and oil content of the crop. These yield increases significantly boost farm incomes and are especially impressive given that Indian farmers already experienced a green revolution and began the program with firm agronomic practices already in place.

Although the main focus of the project is agricultural, in 2010, Mosaic's India team helped build a new schoolhouse in one of the villages. Going forward, this will be a feature of the project for each new village served. From Mosaic's agronomists to our sales and marketing teams, our employees in India take great pride in the project, knowing they are making a positive impact on their communities.



# 30-40%

Yields have increased 30 to 40 percent over typical farmer practice, with an even greater increase in the quality and oil content of select crops.



1. Check dams capture monsoon rains and force surface water into the aquifer.
2. Yields have increased 30 to 40 percent over typical farmer practices, with an even greater increase in the quality and oil content of the crop.
3. Farmers gather for agronomic training provided by Mosaic agronomists.

Mosaic's balanced approach to crop nutrition is an important addition to developing solutions to the Indian food challenge.

# Product and Services Innovation

*The worldwide demand for food and feed is increasing every year. In order to meet these needs, Mosaic is constantly assessing new technologies and designing management practices to deliver higher yields in a sustainable manner.*

Through product and service innovation, Mosaic strives to be a world leader in sustainable agricultural production.

## HIGHLIGHTS:

- One of our premium crop nutrient products is MicroEssentials® (MES), a breakthrough, state-of-the-art product that features a patented manufacturing process that ensures uniform nutrient distribution — providing the essential nutrients crops need in just one granule. MES's high concentration results in less product needed per unit of area and, therefore, requires less fuel to ship, deliver and apply to the field.
- Mosaic recently announced its investment in a capacity expansion to 2.3 million tonnes for MES.

This investment will better align future MES supply to demand and allow Mosaic to continue delivering value and innovation to its global customers.

- MicroEssentials SZ is a premium product for use on all crops, including corn, soybeans, wheat, rice and barley. Every granule contains four vital nutrients: nitrogen, phosphorus, sulfur and zinc.
- K-Mag® delivers potassium, magnesium and sulfur in a single granule, reducing the need for nutrient blends. As with MES, the product increases application efficiency and improves yields.
- Mosaic has a suite of precision agriculture tools named FieldInSite™ to assist farmers with the correct use of

our products. We license and market these tools through selected partnerships with industry leading companies specializing in remote sensing and geographic information systems. Through these partnerships, the tools allow farmers to apply the right rate of fertilizer at the right place in the field. This optimizes nutrient use and potentially reduces the risk of nutrient losses, the amount of energy used and the farm's carbon footprint, all while improving the farmer's profitability. Examples of Mosaic-developed precision agriculture tools include:

- InSite YPM™ (yield potential maps) utilizes historic satellite imagery to identify crop productivity levels.
- InSite VRN utilizes InSite YPM, combined with local agronomic knowledge, to pinpoint a field's optimum nutrient requirements and creates a prescription for site-specific crop nutrient application.

**K-Mag®**

**MicroEssentials®**

# 2.3 million

Mosaic recently announced its investment in a capacity expansion to 2.3 million tonnes for MicroEssentials.

# Micronutrient: Zinc

*Recent estimates by the World Health Organization indicate that zinc deficiency affects two billion people and contributes to 800,000 deaths per year.*

Every living thing on earth shares a need for water and adequate nutrition. Among the most important nutrients for both humans and plants is zinc, an essential mineral naturally present in some foods or available as a dietary supplement. Recent estimates by the World Health Organization indicate that zinc deficiency affects two billion people and contributes to 800,000 deaths per year. Deaths are concentrated in areas where the soil and crops are also deficient in zinc. Zinc deficiency in plants results in poor metabolism and a suppressed resistance to certain pathogens. Farmers experience a decrease in crop yields of up to 40 percent, and most devastatingly, the plants cannot pass zinc onto the population through diet.

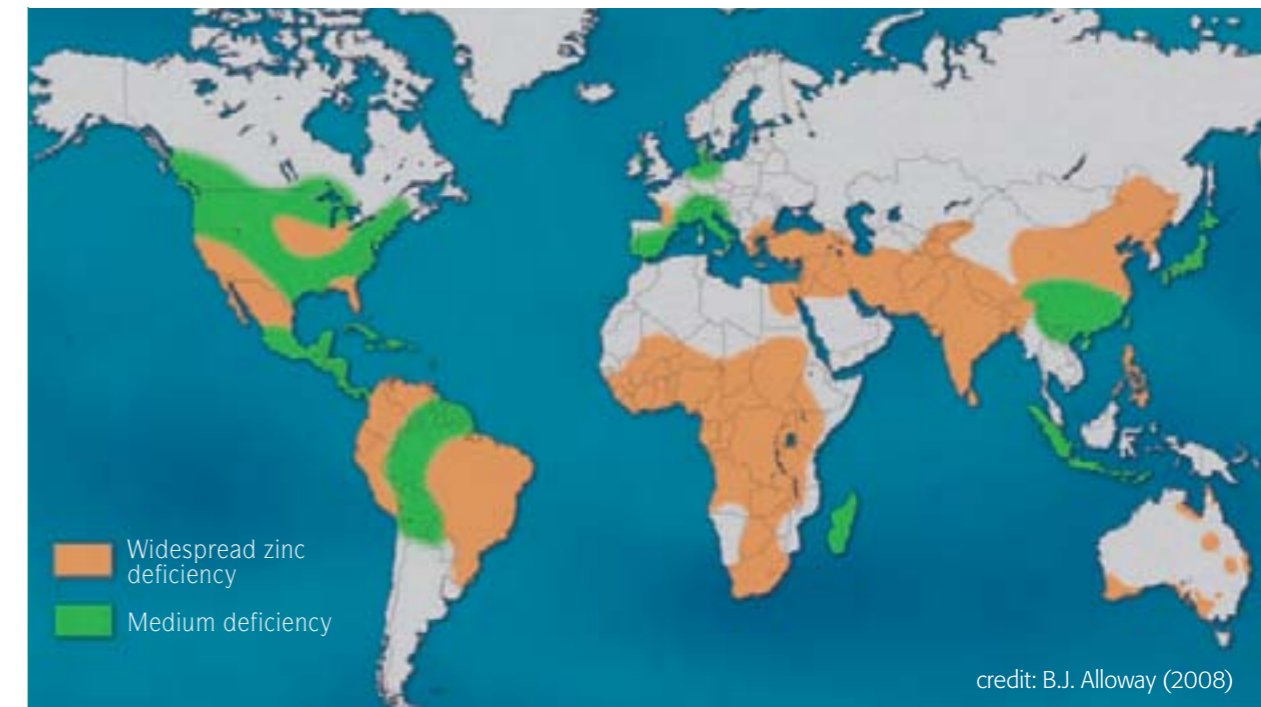
Mosaic collaborates with plant breeders, agronomists, nutritionists and farmers to improve the zinc nutritional status of cereal crops through agronomic biofortification, a process that

increases micronutrient levels in crops. Mosaic also developed MicroEssentials SZ, a custom fertilizer rich in sulfur and zinc that increases yields and grain nutritional quality. This premium product has the potential to reduce the effects of zinc deficiency and improve the health and well being of entire populations.



▶ **VIDEO: MICROESSENTIALS:  
THE NEXT GENERATION OF FERTILIZER**

## ZINC DEFICIENCY IN WORLD CROPS: Major areas of reported problems



### ADVANTAGES OF MICROESSENTIALS:

- Uniform zinc supply — because zinc is incorporated into every MicroEssentials SZ granule, it is uniformly distributed and readily available to each plant. Roots come in contact with 12 times more zinc contact points than when applied in a typical blend.
- Improves phosphorus uptake, balances soil pH, provides season-long sulfur availability and nitrogen kick-starts young plants.

MicroEssentials® uniquely combines essential nutrients and micronutrients, such as zinc and sulfur, in one granule that, when applied correctly, provides balanced nutrition across the field.

1  
granule  
mosaicco.com



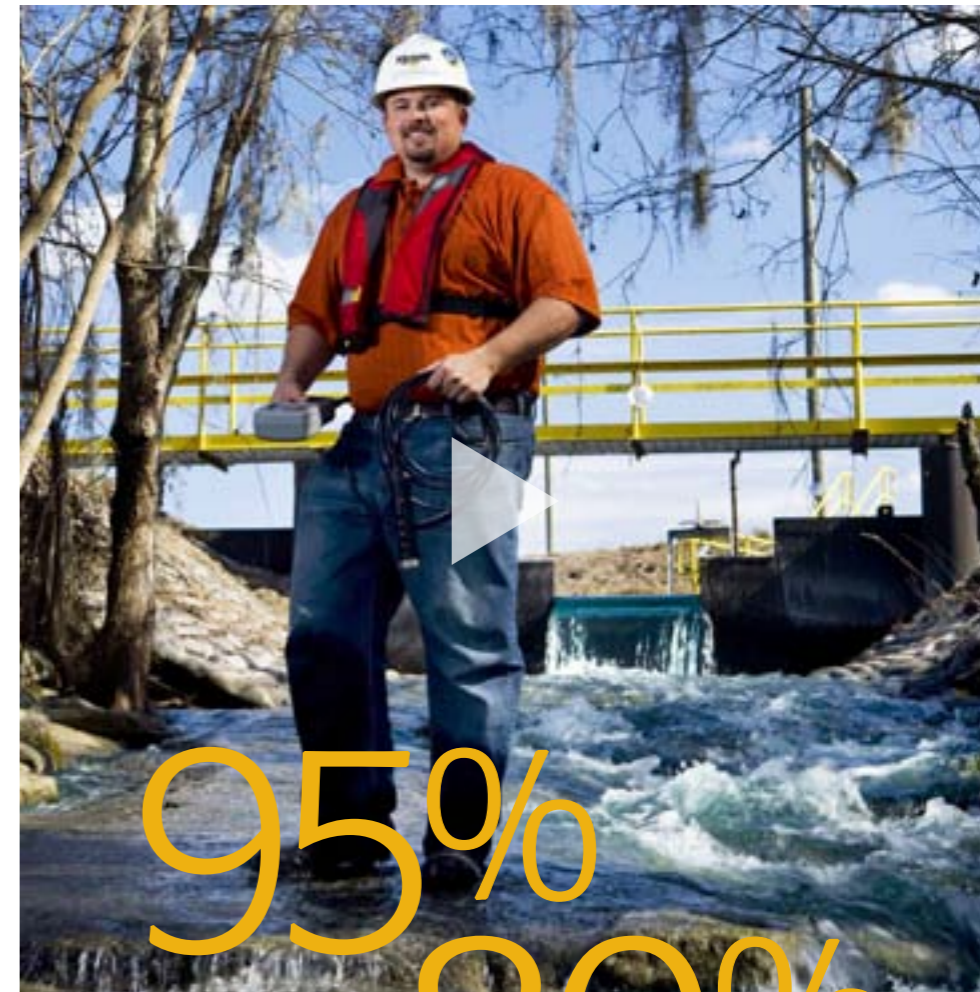
It starts  
with water.

# Water Management

*Responsible use of water is a fundamental component of Mosaic's global sustainability vision. Our water management programs actively engage in 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.*

## HIGHLIGHTS:

- Mosaic utilizes a robust environmental management system to maintain and improve the quality of water discharged from our facilities. Regular and rigorous water quality testing ensures that our operations do not adversely affect water quality. Mosaic's focus on water quality led to our partnership with the Tampa Bay Estuary Program and the Tampa Bay Nitrogen Management Consortium.
- Our potash facility in Carlsbad, New Mexico, reduced water consumption in 2009 by 10 percent, with an additional 10 percent reduction target for 2012.
- Mosaic's Canadian potash facilities help preserve water quality offsite by maintaining a zero-discharge approach, with the capture of all surface water runoff from the sites. Any excess brine from facility operations is evaporated or injected into pre-existing deep brine formations. Our Canadian Potash business unit is able to satisfy approximately 80 percent of its water needs through recycling and reuse.
- Our U.S. Phosphate operations meet up to 95 percent of total water requirements by importing reclaimed water from municipal wastewater facilities, capturing rainfall, and by recycling and reusing water from our operations.
- Mosaic's Florida concentrates plants reduced net groundwater consumption from a historic average of 1,700 to 2,000 gallons per tonne of finished phosphate to approximately 1,450 gallons per tonne. This equates to an annual reduction of approximately 1.6 billion gallons of groundwater usage (assuming average production) and has contributed to the proposed 30 percent reduction of permitted groundwater withdrawals.
- Mosaic is continually updating our long-term water strategy for our Florida operations, with the goal of conserving water resources and reducing the amount of water we impound for operational use. To accomplish this, we are investigating opportunities to reduce consumptive use of groundwater and utilize alternative sources. Over the next several years, Mosaic will implement operational improvements that are aligned with this strategy.



▶ **VIDEO: RESPONSIBLE WATER MANAGEMENT**

Mosaic reuses or recycles approximately 95 percent of all water used in our U.S. Phosphate operations and more than 80 percent in our Canadian Potash business unit.

# Product Stewardship

*At Mosaic, we are committed to the sustainable production and use of our products — grounded in the understanding that they help provide nourishment for billions of people.*

We understand that crop nutrients are essential to feeding the world, but they must be applied sustainably to mitigate the potential for environmental damage stemming from improper use. We actively promote environmental stewardship on the farms where our fertilizer is used.

## HIGHLIGHTS:

- We approach the application of crop nutrients by following the guidelines of the 4Rs: Right Source, Right Rate, Right Time and Right Place. We promote the adoption of the 4Rs through the organizations to which we belong and the farmers who use our products.
  - The 4Rs system is directly connected to the goals of sustainable development. The system helps increase the amount of food produced on a given acre, which in turn helps conserve forest and unfarmed wilderness. The system also promotes water quality. Mosaic agronomists advocate that by applying the right nutrients in the right place, at the right rate and at the right time, there will be less potential for nutrient runoff.
  - In March 2011, Mosaic began using TFI's newly launched website, [www.nutrientstewardship.com](http://www.nutrientstewardship.com), to showcase resources and educational tools that support the 4Rs Nutrient Stewardship concept.
- 4Rs Nutrient Stewardship concepts are incorporated into internal employee training and customer training programs.
  - Using the 4Rs as a guiding principle, we have developed tools used by certified crop advisors to help develop agronomic, economic and environmentally focused nutrient recommendations. By using these tools, farmers can reduce the potential for fertilizer runoff and also reduce the fuel used to apply fertilizers. Those tools include the Mosaic Nutrient Allocation Decision Tool and FieldInSite™
    - The Mosaic Nutrient Allocation Decision Tool is designed to help farmers develop profitable, sustainable and high-yielding fertilizer recommendations.
    - FieldInSite™ is a process patented by Mosaic that helps farmers make smarter precision agriculture decisions, while managing their operations more profitably. It is centered on a set of products that address Variable Rate Nutrient (VRN) application and Yield Potential Mapping (YPM). FieldInSite™ combines agronomic expertise with satellite imagery, and can be used to plan management zones that promote efficient agriculture.



Mosaic's agronomists advocate applying the right nutrients in the right place, at the right rate and at the right time, ensuring the nutrients remain available to crops and increase yields with less potential for nutrient runoff.

- Mosaic is a sponsor of The Conservation Technology Information Center (CTIC), a national, public/private partnership that envisions agriculture using environmentally beneficial and economically viable natural resource systems. CTIC is comprised of members representing the agriculture industry, conservation organizations and producers, and is supported by the U.S. Environmental Protection Agency, Natural Resources Conservation Service and other public entities.
- Mosaic also supports CTIC's work on Upstream Heroes, a program that honors America's agricultural producers who efficiently manage their nutrients as part of a comprehensive conservation system. These farmers enjoy benefits to their bottom line while protecting water quality. In the Mississippi River Basin, CTIC, with support from the U.S. Environmental Protection Agency, facilitates three public/private partnerships working to further nutrient efficiency, thereby reducing the size of the Gulf of Mexico hypoxia zone.
- Mosaic's AgCollege hosts 250 of Mosaic's strategic customers from the U.S., Canada, Mexico, Argentina, Brazil, Australia, Chile, China and India. Within the fertilizer industry, Mosaic AgCollege is known as the premier education, personal growth and leadership development event for fertilizer retailers.
- Mosaic's agronomy network includes 25 agronomists in 10 countries. The team conducts training and field research, tests new ideas, and shares fertility management information and sustainable practices with farmers and dealers.
- The advancement of agricultural technologies, education and outreach promoting the 4Rs is paying off. According to TFI and based on figures from the United States Department of Agriculture, between 1980 and 2010, U.S. farmers almost doubled corn production. In this same time period, through advances in best management practices and technology, farmers decreased their use of nutrients (nitrogen, phosphorus and potassium) from 3.2 pounds per bushel in 1980 to 1.6 pounds per bushel in 2010.
- Mosaic is continuing to evolve a product stewardship charter that encapsulates a long-term stewardship vision. This charter helps ensure that product development, sourcing, storage, transport and use are undertaken in a responsible manner.



Between 1980 and 2010, U.S. farmers have increased corn production by 88 percent, while reducing their nutrient use by 50 percent per bushel.

88%



# Risks and Opportunities

*Global economic growth has given rise to accelerated rates of water use, which, coupled with population growth, demand a globally integrated, sustainable and cost-effective approach to water resource management.*

At Mosaic, we understand the risks and opportunities that water scarcity represents for our operations and customers and are planning accordingly. Future changes in rainfall patterns, storm intensities and temperature levels will likely vary by geographic region, with some parts of the world becoming wetter, while other parts become dryer. These fluctuations could make growing crops using traditional methods less productive in some regions and more productive in others. We believe our balanced approach to soil fertility will be a strategy to mitigate the adverse effects of drought, floods, storms and plant disease.

In addition, approximately 40 percent of Mosaic's total operations are located in regions subject to water-related risks. For example, Mosaic's potash facility in New Mexico is located in a semi-arid climate, and our Phosphates business in Florida is in a region with restricted groundwater resources.

In an effort to better understand and prepare for these risks and opportunities, Mosaic is:

- Partnering with key universities around the globe to develop fertilizers that can help crops thrive on less water while producing high yields.
- Developing new fertilizer blends to mitigate and optimize potential changes in rainfall patterns.
- Working with the Global Landscapes Initiative (GLI) at the Institute on the Environment at the University of Minnesota. GLI's Crop Mapper program uses data from NASA to help identify changing global patterns in irrigation, crop nutrient usage and yields — very important information if changes in precipitation patterns become severe.
- Making water recycling a key strategic goal in anticipation of changing weather patterns and potential shortages, our intense recycling and reuse achievements — 95 percent in Phosphates and 82 percent in Canadian Potash — together with effective groundwater management programs, are meeting business needs while continually reducing our water footprint.
- Identifying a sustainable, cost-effective mix of technical improvements that preserves water resources and improves productivity.
- Working with regulatory agencies in Florida to voluntarily reduce permitted peak consumption.
- Developing strategies to drive long-term water management strategies around water consumption, inventory monitoring and use reductions through processed water recycling.





It starts  
with land.

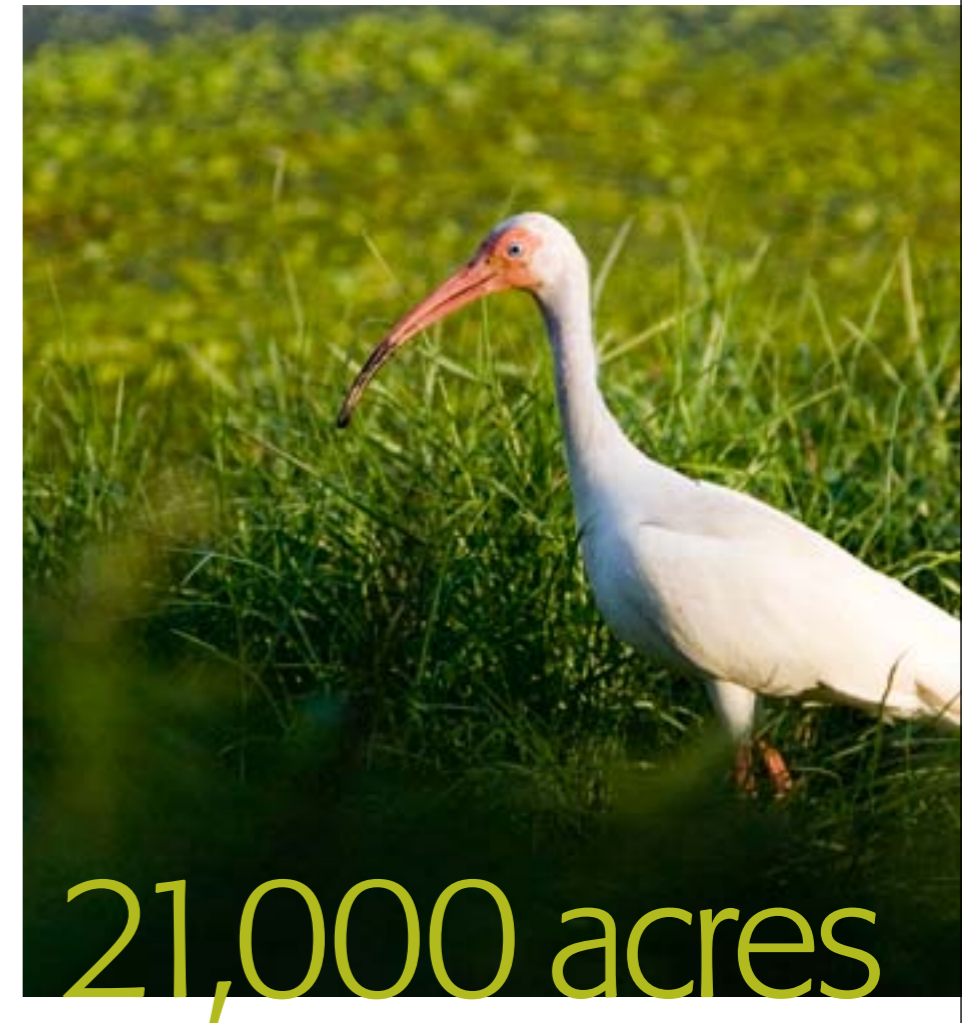


# Reclamation

*At Mosaic, our reclamation activities start before we mine. We understand that mining is a temporary use of the land, and we are leading the industry in developing effective methods of returning mined lands to productive uses for both wildlife and people.*

## HIGHLIGHTS:

- Our Florida Phosphate operations mined 2,198 acres and reclaimed 5,145 acres during 2010. Mosaic restores or reclaims at least every acre of land that is impacted by our phosphate mining activities, with an emphasis on connectivity of systems to ensure viable ecosystems and to maximize biodiversity. In keeping with our commitment to land stewardship, Mosaic has reclaimed former mining areas for habitat or public recreational uses. Mosaic has successfully reclaimed mined land for use as wetlands, lakes, uplands, wildlife habitats and pasture lands. Additionally, the land has been used for housing developments, agriculture, industrial sites, power plants, landfills, parks, golf courses and pine tree plantations.
- In 2010, Mosaic planted more than 1.3 million trees as part of our reclamation activities. As of December 31, 2010, our Florida Phosphate operations owned 21,136 acres on which we have proposed, committed or executed a conservation easement, in order to ensure the long-term protection of lands or waters of particular sensitivity.
- During the 2011 reporting period, our potash mine in Belle Plaine, Saskatchewan, continued the process of closing and returning the land to an environmentally favorable condition at various solution mine borehole sites. We are in the process of plugging inactive production wells and restoring the land to a functional ecological system. These efforts are coordinated with the Saskatchewan Ministry of Energy and Resources, as well as the Ministry of Environment.
- Mosaic is actively undertaking agricultural research and development on our clay settling areas and selected reclaimed sites. This work includes experimenting with crops that can be used for food (nuts, berries and vegetables), energy sources (eucalyptus species, cottonwood and sugar cane) and commercial crops (alfalfa, corn and sorghum). Another aspect of this work involves growing Bermuda grass sod for use in the closure of gypsum stacks and erosion control. More than 2.5 million square feet of sod was produced in fiscal 2011, ensuring a readily available internal supply and resulting in an operating cost savings of approximately \$50,000 per year.
- Mosaic is continually updating our long-term water strategy for our Florida operations, with the goal to conserve water resources and reduce the amount of water we impound for operational use. To accomplish this, we are investigating opportunities to reduce consumptive use of groundwater and utilize alternative sources. Over the next several years, Mosaic will investigate and test operational improvements that are aligned with this strategy.



Mosaic owns more than 21,000 acres on which it has proposed, committed or executed a conservation easement, in order to ensure the long-term protection of lands or waters of particular sensitivity.

# Excellence in Reclamation

community



**BUNKER HILL PARK  
DUETTE, FLORIDA**

In 2010, Mosaic built a new 75-acre community park and adjacent 8,785-square-foot fire station on reclaimed land in Manatee County, Florida. While conditions of a mining permit required that Mosaic build these facilities, the community can now enjoy several ball fields, picnic areas, a walking trail, playground, and an accessible canoe launch and dock for fishing, in accordance with the American Disabilities Act, on a 19-acre lake. The new fire and rescue station features four enclosed double apparatus bays, a day room with kitchen facilities, a meeting room, several storage rooms, showers and three offices.

natural



**RECLAIMED WETLANDS**

Reclamation is an evolving science and is designed to mimic pre-existing landforms and hydrology where possible. We conduct comprehensive surface water modeling to compare pre-mining and post-reclamation conditions. Reclamation after phosphate mining provides many opportunities for ecological restoration, in many cases leaving legacies for future generations. Greenway connectors can be established, along with recreational and public use areas. And, past environmental damage unrelated to mining, such as wetland draining and filling, can also be corrected.

commercial



**STREAMSONG®**

Mosaic will extend its land stewardship into building Streamsong, a Florida destination resort that showcases — through its architecture, design and amenities — the environmental beauty and economic viability of reclaimed land. Streamsong will offer an authentic Central Florida experience, along with the amenities that meeting planners and individual travelers expect in a luxury resort, including world-class golf courses, state-of-the-art conference facilities, nature trails, fine dining, a full-service spa and personal enrichment activities. Located between Tampa and Orlando, Mosaic is developing Streamsong with a commitment to its surrounding resources. Protecting the land and water will be paramount to the resort’s development; Streamsong will operate in concert with its environment.

Our Florida Phosphate operations mined 2,198 acres and reclaimed 5,145 acres during 2010.

5,145 acres

# Biodiversity

*Mosaic is committed to sustaining biodiversity through responsible mine planning, permitting, operations and reclamation practices. After mining, we create new habitat areas or permanently protect integrated habitat networks. We take a systems approach to biodiversity, with the goal of integrating habitat networks and wildlife corridors into our reclamation planning efforts.*

## HIGHLIGHTS:

- Our 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 proposed new K3 mine 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.
- Our Phosphate operations have specific programs in place for the gopher tortoise and the scrub jay, two threatened species in Florida. In 2010, over 1,000 gopher tortoises and 48 tortoise eggs were successfully relocated from mine sites to suitable nearby habitats in Florida. Over the last eight years, Mosaic has relocated 51 scrub jays from areas of poor habitat slated for mining to the Mosaic Wellfield, a Mosaic-owned 1,000-acre scrub habitat located in Manatee County. We are proud to report that our efforts have resulted in one of the most successful colonies of scrub jays in Florida.
- In 2011, Mosaic contributed \$10,000 to the Peace River Wildlife Center, with a match contribution of up to \$20,000 to help feed the wildlife at the center.
- For decades, Mosaic and our predecessor companies have partnered financially and through volunteerism with the Audubon Society to manage the Richard T. Paul Boardwalk and Sanctuary. The sanctuary consists of two barrier islands owned by Mosaic, with nearly 18,000 pairs of nesting birds. Sixteen species are represented, with eight considered imperiled.
- We view education as a key component of our efforts to protect biodiversity. The Mosaic Coastal Education Center at Fiddler's Cove in Florida is an outdoor classroom that provides environmental education to fourth grade students in southeast Hillsborough County. The program at Fiddler's Cove is a unique learning experience designed to give students hands-on experiences that help them develop an appreciation and understanding of why Tampa Bay is important and how to help protect it.



In 2010, over 1,000 gopher tortoises and 48 tortoise eggs were successfully relocated from mine sites to suitable nearby habitats in Florida.

# 1,000



Photo: Marie Terry, Mosaic employee

**COASTAL EDUCATION CENTER**

At Mosaic’s Coastal Education Center, students and volunteers conduct water tests to determine temperature, salinity and the amount of phosphate and nitrogen. They also discuss the importance of keeping the water clean and how pollution affects various types of coastal communities. The Mosaic Citizen’s Advisory Committee, a committed team of Hillsborough County Educators, environmentalists, local citizens and Mosaic employees, worked for three years to create the Center’s activities. Mosaic has developed a seven-chapter curriculum that focuses on environmental education; “Where the River Meets the Bay” was especially created for this program and was approved by Hillsborough County Schools. Every year approximately 1,000 students from local schools visit the Center.

**SCRUB JAY**

The Florida scrub jay is currently listed as a threatened and protected species. In 2001, Mosaic took over the site management of Wellfield, a 1,000-acre scrub habitat in Manatee County, with the goal of restoring the overgrown habitat to be more conducive to scrub jays. Only one family of jays initially occupied Wellfield. Between 2003 and 2011, Mosaic translocated 51 scrub jays from areas of poor habitat slated for mining to the Mosaic Wellfield. As of 2011, there were 21 family groups — including 64 individual scrub jays — occupying Wellfield and its adjacent properties.

**GOPHER TORTOISE**

The gopher tortoise is a protected species in Florida. Strong laws and guidelines protect the tortoise and tortoise burrow (also home to over 350 documented species) from any disturbance without approval. In 2010, Mosaic successfully relocated 1,018 gopher tortoises, 48 tortoise eggs and 204 commensals representing 27 different species.

Mosaic translocated 51 scrub jays from areas of poor habitat slated for mining to the Mosaic Wellfield.

51

# Solid Waste

*Mosaic's company-wide focus on efficient processes and waste minimization is designed to reduce the footprint of our mining and processing facilities. We are committed to the proper management of byproducts from our mining and manufacturing operations, as well as responsible management of byproducts related to our legacy facilities.*

Mosaic strives to effectively manage and control the potential environmental impacts of all solid wastes we generate, because it is our responsibility to safeguard the land from which we extract vital natural resources. Byproducts such as salt and brine from our Potash business unit and phosphogypsum and clay from our Phosphates business unit must be managed in a manner that is safe for both present and future environments.

## HIGHLIGHTS:

- At Esterhazy, our K1 facility reclaims portions of waste salt for sale as road salt, while K2 reclaims waste salt for backfill to stabilize inflow areas. In addition, our Belle Plaine facility reclaims waste salt for use in water softening and the food industry.
- Mosaic is actively conducting research on alternative uses of phosphate clay settling areas in Florida in order to minimize our footprint. Future uses of these areas may include natural habitats, agricultural production, recreation, tree farms and alternative energy production.
- During the 2011 reporting period, Mosaic launched two specialized programs that target improved resource management, analysis and accountability. These programs — Momentum 2012 and ROIC Works! (return on invested capital) — are evaluating waste management processes in the Potash and Phosphates business units, respectively.
- In fiscal 2011, Mosaic's phosphate mining and beneficiation facility at Hookers Prairie in Florida minimized waste generation and identified waste to be recycled or converted to energy, saving approximately \$395,000 in disposal costs and resulting in suitable wastes being sent to a waste-to-energy plant.
- Each of our major offices worldwide participates in a paper/glass/metals recycling program. Mosaic is also reviewing its printing practices, with an aim of increasing printers' dormant modes and defaulting all its printers to double-sided printing to save paper, energy and toner usage.



Our Esterhazy K1 facility in Saskatchewan actively reclaims a portion of its waste salt, which is used in the production of a brine management grouting mixture and is also repurposed as road salt.



It starts with  
energy and air.



# Energy

*The Mosaic Company's core business is an energy-intensive endeavor. Our 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.*

## HIGHLIGHTS:

- Mosaic's worldwide operations have improved overall energy efficiency by approximately 14 percent, or 0.9 gigajoules (GJ), of purchased direct and intermediate energy per finished product tonne from 2009 to 2010.
- Approximately 12 percent of Mosaic's global electricity purchases are generated from renewable sources, including hydro-electric and wind power.
- Up to 100 percent of the electricity used in our Brazilian operations comes from hydro-electric sources.
- Mosaic launched two specialized programs that target energy savings through productivity enhancement, operation efficiency analysis and accountability. These programs, Momentum 2012 and ROIC Works! (return on invested capital), assist in the coordination of energy and resource management between the Potash and Phosphates business units, respectively.
- In 2010, our Phosphate operations generated approximately 5.5 million GJ of electrical energy through cogeneration, where energy is created from the waste heat produced in the crop nutrient production process

without any fossil fuel combustion or carbon emissions. We used 4.4 million GJ of this electricity ourselves, reducing our utility expense by 50 percent, and then sold the remaining cogenerated 1.1 million GJ of power to local power companies. Our Belle Plaine potash facility reduced its energy cost by coordinating with a neighboring facility to capture waste heat in a mutually beneficial way. This agreement offset 0.2 million GJ of potential energy consumption in 2010. In addition, Belle Plaine cogenerated 0.9 million GJ of energy, using waste heat from gas-fired boilers.

- The increased use of video conferencing will reduce the need for long-distance travel, thereby reducing our energy footprint. Additionally, several of our potash locations initiated alternative work schedules, with the goal of reducing employee fuel consumption.
- As part of our commitment to reducing energy consumption, Mosaic's global headquarters in Minnesota and its new Florida headquarters are both gold LEED certified. At our potash facilities, the new Colonsay mill dry complex and new Regina office building are being designed to achieve LEED silver status.



▶ VIDEO: GENERATING RENEWABLE ENERGY

# 160,000 homes

In 2010, Mosaic created enough electricity — with zero carbon emissions — to power the equivalent of 160,000 North American homes for a year.

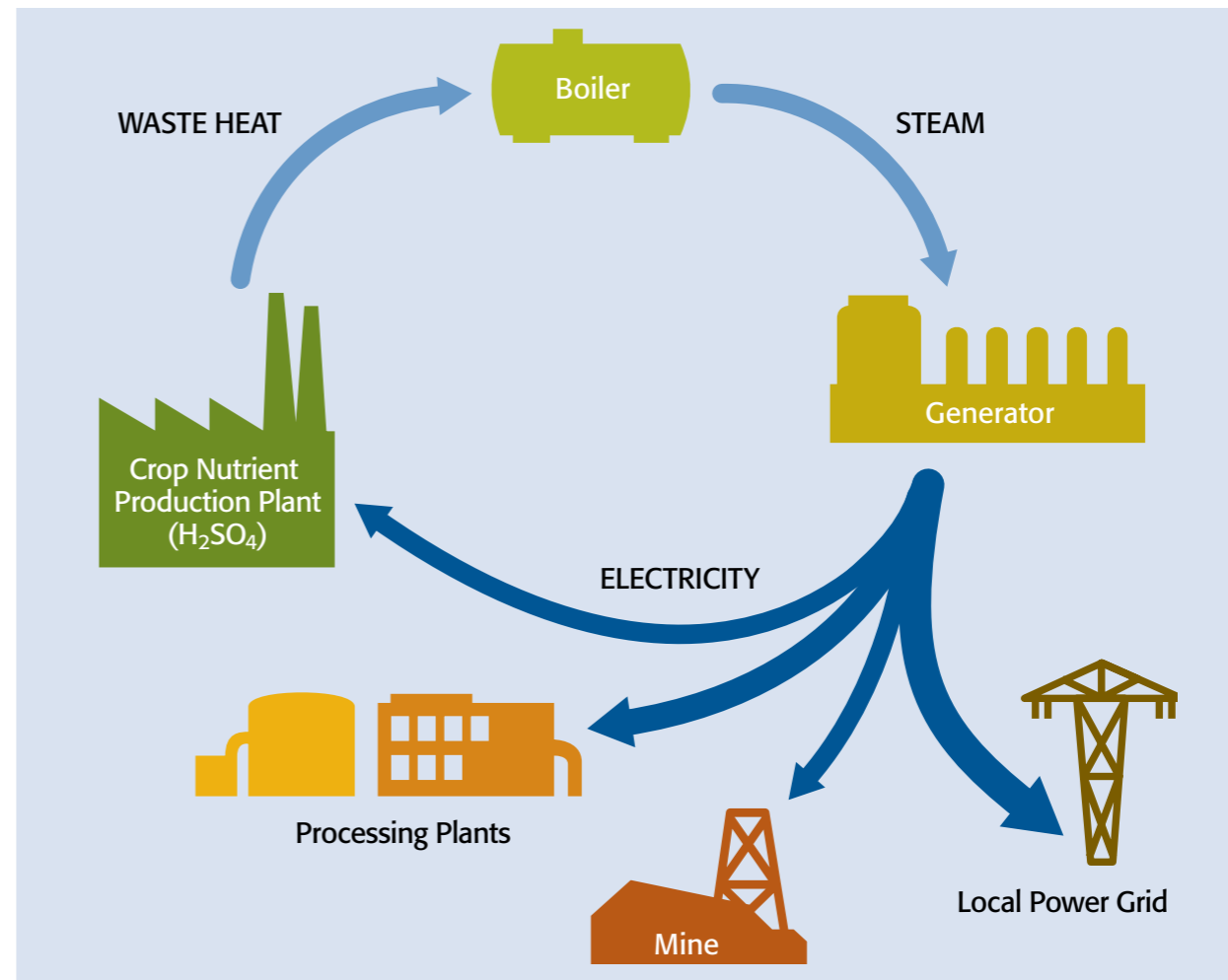
# Producing Renewable Energy

## PHOSPHATE COGENERATION

We start with phosphate rock, which comes from our mining operations, and molten sulfur, a byproduct of oil refining. During our fertilizer manufacturing process, molten sulfur mixes with air and produces heat, which we use to generate large quantities of steam. We capture this steam and use it to power our facilities. Cogeneration is “clean” — it has zero carbon emissions and produces enough power to run Mosaic’s fertilizer manufacturing facilities in Florida. Excess electricity is used at our mining sites or sold back to local power companies to help provide power to area homes and businesses.

## POTASH COGENERATION

From its inception, our Belle Plaine solution mine has maximized energy efficiency by using cogenerated power. Today, Belle Plaine is generating approximately 30 megawatts per hour of electrical power, significantly reducing the load on the external electrical grid.



Mosaic’s Belle Plaine solution mine is generating approximately 30 megawatts per hour of electrical power.

# 30 megawatts per hour

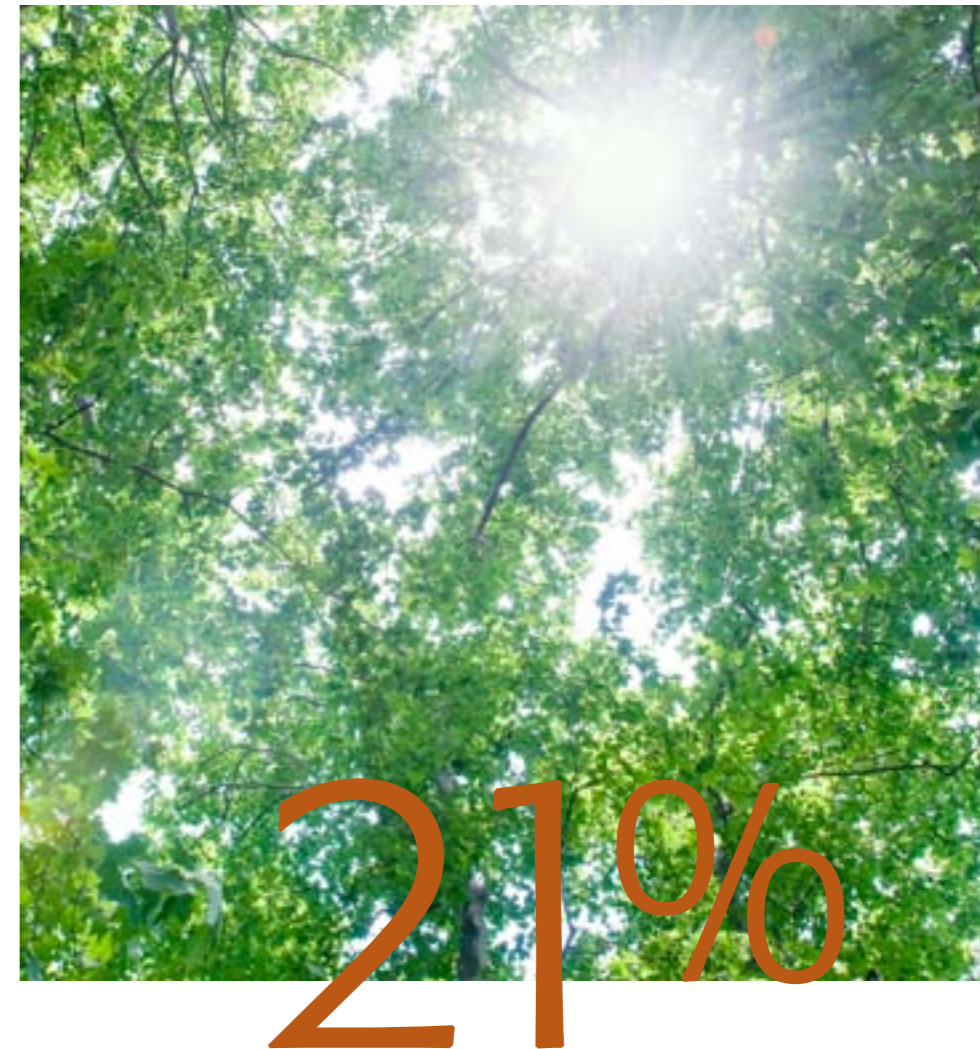


# Air Emissions: Greenhouse Gas Management

*The Mosaic Company, through energy efficiency initiatives, is actively working to reduce our carbon footprint. We believe we are in a unique global position to safeguard air quality. Our products play a direct role in agricultural efficiency and yield improvement, thereby reducing future greenhouse gas emissions and limiting deforestation.*

## HIGHLIGHTS:

- In 2010, potash production increased by 69 percent over 2009. However, total greenhouse gas emissions only increased by approximately 10 percent. As a result, Mosaic reduced greenhouse gas emissions per tonne of product by approximately 15.9 percent between 2009 and 2010.
- We voluntarily joined the U.S. Environmental Protection Agency's Climate Leaders program, designed to track greenhouse gas emissions and develop reduction strategies over three to seven years. Mosaic remains committed to the principles of the program (since ended), and continues to assess greenhouse gas emissions, while engaging external stakeholders on emissions.
- Mosaic is investing in bottoming cycle cogeneration systems, where waste heat produced in the crop nutrient production process is used to create electrical and steam energy without any fossil fuel combustion or corresponding greenhouse gas emissions.
- Mosaic recognizes the importance of careful air emissions management and proactive reduction of these emissions from our operations. As part of our sustainability efforts, we are in the process of implementing a comprehensive Environmental Management System (EMS) at selected sites, with plans to roll it out company-wide by 2015.
- In 2010, Mosaic's cogeneration of electricity from waste heat greatly reduced both emissions and energy costs. The total averted emissions equaled 873,400 tonnes of CO<sub>2</sub>e, reducing our emissions by 30 percent over conventional sourcing of electricity. We estimate 860,000 tonnes of CO<sub>2</sub>e were avoided through cogeneration of 5.5 million GJ of electricity at our operations, including 175,000 tonnes of CO<sub>2</sub>e that were avoided by exporting 1.1 million GJ to the grid. We averted an additional 13,400 tonnes of CO<sub>2</sub>e in Brazil by purchasing our electricity from hydro-electric sources.



Since 2005, our U.S. operations have reduced direct energy consumption by 21 percent, with a corresponding reduction in greenhouse gases of approximately 150,000 tonnes annually.

# Climate Change Risks and Opportunities

*Mosaic recognizes change may be occurring in critical habitats in our communities and around the world. We are taking a proactive approach to these possible changes, with particular emphasis on improving energy efficiency and waste management. We have made it a priority to improve the use of energy, lower greenhouse gas emissions and prepare for potential climate change-related regulation.*

The potential physical risks from climate change, including changes in temperature, precipitation, and the frequency and intensity of natural phenomena, could affect agricultural production. This could lead to certain regions of the world becoming less conducive to agriculture, while other areas become more productive. Some scientific models predict that certain crop varieties will fare better with temperature increases, while others predict the opposite. To prepare for these possibilities, Mosaic has established partnerships with major universities around the globe to develop crop nutrients that pair well with seeds that can tolerate wetter or dryer conditions.

Mosaic is also a partner in the Global Landscapes Initiative (GLI) at the Institute on the Environment at the University of Minnesota. The GLI's Crop Mapper program uses data from NASA to help identify changing global patterns in irrigation, crop nutrient usage and yields — very important information if changes in precipitation patterns become severe.

Rising sea levels and the increased incidence of floods could be disruptive to our existing transportation

infrastructure and logistics. Mosaic is also dependent on the capacity of a number of key ports to handle its imports and exports. To mitigate these risks, Mosaic has a focus on hurricane preparedness at all facilities that are within the zone of risk. Mosaic has plans at all its facilities for dealing with extreme weather events, including our port facilities, with respect to storm surge.

There is the potential for new regulations that may restrict our operating activities, requiring us to make changes in our operating activities and limit our output. Other regulations may require us to make capital improvements, increase energy efficiency, and manage our raw materials usage and transportation. Mosaic has taken proactive steps to prepare for these eventualities.

Mosaic also initiated a ROIC Works! (return on invested capital) program in our phosphate facilities and Momentum 2012 in our potash facilities to target energy savings through productivity enhancement, operational efficiency analysis and accountability.



Mosaic has formed a Sustainability Steering Committee to ensure transparency and action company wide. This committee will help ensure the company's continued commitment to corporate responsibility and sustainability, including our commitment to monitoring and mitigating the effects of climate change.

# Transportation

*Transportation is one of the largest contributors of greenhouse gas emissions for companies globally. By working together to minimize fuel costs and maximize fuel efficiencies, we are lowering costs to our customers and the environment.*

The Mosaic Company's global distribution network, a key differentiator, gives us an unparalleled advantage in efficiently moving more than 50 million tonnes of raw materials and finished products each year. On an average day, Mosaic moves approximately 50,000 tonnes of crop nutrients around the world through one of the largest distribution networks in the industry. We evaluate a variety of metrics, including fuel use, emissions, return on investment and the impacts on local communities, in order to keep Mosaic's system running at top performance.

## HIGHLIGHTS:

- We are capitalizing on our supply chain efficiencies, where possible, and utilizing a combination of vessels, barges, rail and trucks for optimal transportation.
- In 2010, Mosaic purchased the N-ViroMotive locomotive, a fuel-efficient, environmentally friendly locomotive. Now in service at South Fort Meade, the new "green" locomotive replaced two older, less-efficient diesel locomotives. And now, with fewer locomotives on site, noise levels have fallen nearly 20 percent below industry regulations. The N-ViroMotive has already reduced related fuel costs by more than 50 percent, for a savings of approximately \$183,000 per year. The N-ViroMotive

locomotive produces 80 percent fewer emissions than regular, single-engine diesel locomotives.

- By building relationships with local service providers and suppliers (those within a 100-mile radius of our facilities), we are driving down fuel consumption and supporting local economies. In 2010, local vendors satisfied 61 percent of our supply chain needs in Phosphates and 57 percent in Potash.
- When distance traveled is less than 50 miles, trucking is generally the most reliable and cost-effective mode of transport. During the 2011 reporting period, Mosaic and its trucking partners used various fuel-saving initiatives, including:
  - Back-hauling to reduce "dead head," or empty loads. Phosphate operations' port-to-plant trucking achieved a 77 percent rate of back-hauling in 2010 and have set a goal of 90 percent.
  - Automatic engine shut-offs and reduced intra-company truck scaling to reduce engine idle time.
  - Faster loading processes to reduce fuel consumption and the total number of trucks deployed. Using larger capacity trucks for interplant trucking to reduce the number of trucks on the road by up to 3,000 round trips.



# 80%

The N-ViroMotive locomotive produces 80 percent fewer emissions than regular, single-engine diesel locomotives.

Ensuring the safe transportation of goods is a top priority at Mosaic. Our concern for transportation safety has not gone unnoticed. Mosaic received the 2010 award for Chemical Safety Excellence (CSEA) from CSX Transportation, in recognition of the commitment of CSX customers to the safe transportation of chemical compounds by rail.



It starts with  
people.

# The Relentless Pursuit of an Injury-Free Workplace

*The sustainability of every organization begins with the health and safety of its people, and we consider even one injury to be one too many. Mosaic is committed to conducting business in a manner that protects the health and safety of our employees, contractors, customers and communities. We are relentless in our pursuit of an injury-free workplace, and we work hard to build a strong safety culture and deliver great safety performance.*

## HIGHLIGHTS:

- Mosaic has made considerable progress in enhancing its Environment, Health and Safety Management Systems (EHSMS) by aligning with the requirements of the International Standards Organization (ISO) 14001 standard and the Occupational Health and Safety Assessment Series (OHSAS) 18001 standard.
- Following successful ISO pilot projects at four facilities — Belle Plaine, Colonsay, Riverview and South Fort Meade — Mosaic aims to complete implementation company wide by 2015.
- Mosaic introduced specific corrective action following the tragic fatalities of an employee at our Esterhazy mine in Canada in fiscal 2010 and a contractor at the Rozy pier in India in 2011. Across the board, we have expanded safety training of employees and contractors.
- Effective EHS is the outcome of a commitment that doesn't stop at the end of the work day. Mosaic is investing in exercise facilities at several sites, safety kits for employees' homes and increased safety training. We're also encouraging our employees to look out for each others' safety and to feel confident about reporting EHS issues.
- Mosaic not only tracks all injuries, but also the "near misses." Additionally, we have developed the Hazard/Aspects Matrix to analyze tasks and identify risks. This enables us to better identify and analyze our exposure to risk and to preemptively mitigate risks in an effort to prevent future incidents.



▶ VIDEO: RELENTLESS PURSUIT OF INJURY-FREE WORKPLACE

Since fiscal 2009, our lost time incident frequency rate (LTIFR) has decreased by 33 percent, to 0.18 cases per 200,000 hours worked.

# 33%

# Excellence in Safety



## THE NEW MEXICO MINING ASSOCIATION

The New Mexico Mining Association presented its 2010 Operator of the Year award to Mosaic Carlsbad in recognition of its outstanding safety record, which boasted the lowest recordable incident rate in underground metal/non-metal mines.

## SASKATCHEWAN MINING ASSOCIATION

Mosaic employees participated in the 42nd annual mine rescue competition as part of Mining Week in Saskatchewan, sponsored by the Saskatchewan Mining Association, in June 2010. Against top competition, Mosaic teams from Belle Plaine, Colonsay and Esterhazy K1/K2 teams all won first or second place in various rescue skill demonstrations.

## INTERNATIONAL SOCIETY OF MINE SAFETY PROFESSIONALS

In June 2011, our South Fort Meade mine accepted a safety award from the International Society of Mine Safety Professionals for working two years — more than one million man hours — without a lost-time accident.

## CHEMICAL SAFETY EXCELLENCE AWARD (CSEA)

CSX Transportation awarded Mosaic with a CSEA in May 2011. The award recognizes the safe transportation of hazardous raw materials by rail. CSX also gave special recognition to the daily commitment and safe railcar loading of our Riverview, New Wales, Bartow, South Pierce and Uncle Sam teams.

## QINHUANGDAO INDUSTRIAL ASSOCIATION

Mosaic's team in Qinhuangdao, China, earned first place against 150 other companies at a safety knowledge contest hosted by the Qinhuangdao Industrial Association. Participants were tested on their knowledge of safety practices and regulations in the areas of production, fire, environment and health.



# Employees

*Mosaic leads the world in crop nutrition, and our success is directly linked to our people. From mining operations and agronomy to new product development and marketing, we attract, retain and motivate people who are passionate about helping the world grow the food it needs and who add distinctive value to the company.*

## EMPLOYER OF CHOICE

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. In 2010, women comprised 25 percent of our total salaried workforce, and nearly one-third of our Asia/Pacific full-time employees were female. In 2007, the Mosaic Women's Council was formed to promote greater connectivity and build a common culture that makes Mosaic an even better and more inclusive environment for its employees. One of the council's first projects was the development of a mentoring program that matches high-potential employees with senior managers.

## EMPLOYEE ENGAGEMENT

In fiscal 2010, Mosaic conducted a bi-annual survey of employee engagement. A company's level of employee engagement is an indicator of productivity and a force that drives business outcomes. Results indicate that 60 percent of Mosaic employees report that they are engaged at work, and active disengagement, characterized by employees who will act out their discontent, has decreased to three percent. Employees' most positive perceptions related to the physical work environment, sense of accomplishment

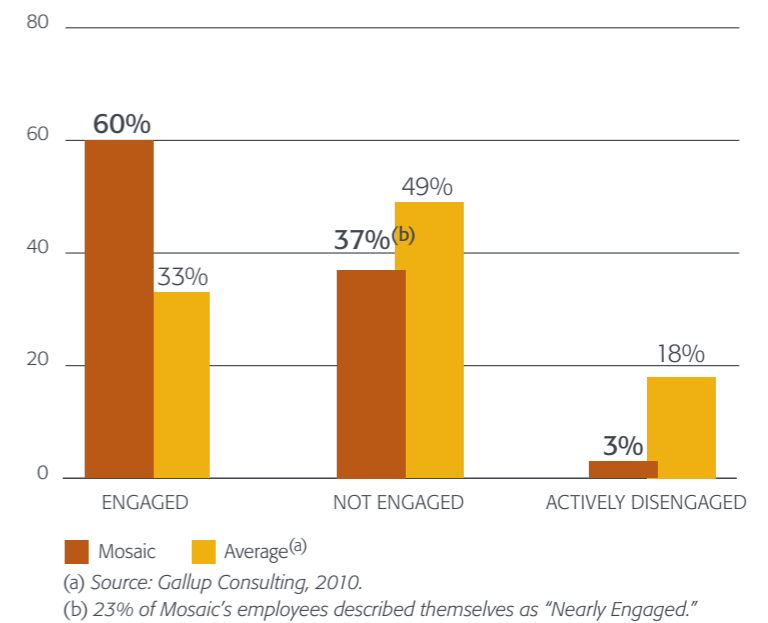
and their coworkers. Conversely, over the past two years, Mosaic has revised its performance management process to enhance employee recognition, work processes and career opportunities.

Collective bargaining is another form of collaborative employee engagement, and agreements are renewable on an annual basis. In fiscal 2011, Mosaic had 10 collective bargaining agreements with unions, covering approximately 88 percent of our hourly employees in the United States. Agreements with 10 unions covered all employees in Brazil, representing 70 percent of our international employees.

## WORKFORCE – MANAGEMENT COMMITTEES

One hundred percent of Mosaic's hourly employees in the North American mining, production and distribution facilities are represented by joint management/employee health and safety committees. The committees meet regularly, usually at least monthly, to ensure regulatory and safety requirements are followed at their facilities. These committees are a formal requirement of our union contracts in the United States and Canada at sites with union employees. In addition, there are committees at our business offices that work to promote safety both at work and at home among employees. Similar practices

## 2010 EMPLOYEE ENGAGEMENT SURVEY



60 percent of Mosaic employees self-report they feel engaged. **60%**

are conducted at Mosaic facilities in South America. In Brazil, as dictated under federal regulation, each location has an Accident Prevention Internal Committee (CIPA) that consists of equal membership of management and employees elected by their peers. One hundred percent of the total Brazilian workforce is represented through these formal committees, which receive safety training each year and meet monthly. Similarly, at our facilities

in Argentina and Chile, Mosaic adheres to federal laws requiring joint management and worker health and safety committees to promote occupational health and risk prevention for 100 percent of our hourly employees.

### EMPLOYEE DEVELOPMENT

Mosaic is committed to providing ongoing training and education for its employees, which results in added value to our clients and the enhancement of long-term business growth. Mosaic recently launched GrowingU, a global learning management system, that is currently available to North American salaried employees. The Mosaic Educational Reimbursement Program also provides financial support for employees who decide to take a college course or pursue an undergraduate or graduate degree, including employees living in Brazil, Argentina, Chile, China and India.

As part of our strategic priority of Investing in People, we have enhanced the performance management process called EDGE — Evaluating, Developing and Growing Excellence. The process has evolved to include scaled competencies, goal alignment and an emphasis on employee and career development. EDGE reviews are largely confined to salaried employees; in 2010, 99.6 percent of both women and men received regular performance reviews.

### EMPLOYEE COMMUNICATION

Effective and broad communication can be difficult due to the varying nature of job functions at Mosaic, but we see it as important to both safety and career development. We are implementing an improved program of regular communications to ensure information is thoroughly disseminated so that the company's overarching strategy and supporting messages reach every employee. Through our new employee magazine,

Intranet, e-screens, internal newsletters and team meetings, employees remain engaged and informed.

Some of Mosaic's labor agreements also contain provisions of advance notice periods with respect to significant operational changes that impact employees. 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.

### SUSTAINING OUR WORKFORCE

In 2010, in response to an injunction and temporary closure of the phosphate mine at South Fort Meade, Mosaic management worked to reach agreement with other unionized facilities and successfully redeployed all available employees. Mosaic increased facilities' costs in order to keep our workforce intact. Mosaic attempts to maintain as much flexibility as possible in developing new opportunities to move people across business groups and/or functions. Leveraging employees' transferable skills is a strategic goal for Mosaic, and we see the redeployment of our workforce as a benefit to everyone in terms of saving jobs and sustaining the lives and livelihood of our employees.

### PREPARING TOMORROW'S WORKFORCE

Mosaic sees a prepared workforce as one that has the skills and safety standards in place to maximize productivity, health and sustained growth. Mosaic provides craft training opportunities to build upon existing knowledge and skills for workers at all experience levels and in all parts of its worldwide operations. A 2007 study revealed a growing shortage of skilled craftspeople. The apprenticeship required to reach journeyman status typically requires 8,000 hours of on-the-job training, which lasts three to four years. With a skilled labor shortage looming at Mosaic,



we needed to find a way to shorten that timeline and worked with Polk State College in Lakeland, Florida, to create two accelerated, two-year apprenticeship programs — one for the electrical, instrumentation and automation craft, and the other for the mechanical craft. In 2010, 46 people graduated from the programs: 32 from the electrical, instrumentation and automation craft, and 14 from the mechanical craft.

Mosaic worked with Polk State College to create two accelerated, two-year apprenticeship programs that graduated 46 craftspeople in 2010.

# 2 years

# Stakeholder Engagement

*Strong community stakeholder and employee engagement ensures Mosaic will be able to maintain the highest standards of employee health and safety, diversity and inclusion, environmental awareness, and product innovation.*

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.

## **COMMUNITY ADVISORY PANELS AND MICROSITES**

During the 2011 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 invite knowledgeable presenters to address specific areas of focus. The company is working to expand stakeholder outreach to improve our accountability feedback loop. We will be piloting interactive microsites to keep local residents informed and gather feedback on

Mosaic's operations, permitting and reclamation plans, and community involvement. Each microsite is intended to serve as an open line of communication between Mosaic and local communities.

## **INDUSTRY PARTNERSHIP AND LEADERSHIP**

The Mosaic Company strives to be the global leader in the crop nutrient industry. As such, we recognize the importance of being active in effective industry partnerships. Mosaic seeks to support and advance cutting-edge scientific research and best management practices within our industry.

- As a company, we have a role to play on the global stage. In 2011, Mosaic joined the World Economic Forum as a dual industry partner. Through our participation in the Forum, we will work to tap and contribute to the collective expertise of the food, agriculture and mining industries on how to optimize global food production, while using less water and mining even more responsibly.
- In 2011, Mosaic also became a founding member of the Global Reporting Initiative's (GRI's) Focal Point USA's Sector Leader Network. We have used the GRI as a



reporting basis since 2009, and continue to develop our own sustainability reporting, as well as our industry's common framework of sustainability metrics.

- In 2010, Mosaic was invited to be a part of the Agricultural Nutrient Policy Council (ANPC). The ANPC builds the industry's technical, legal and policy capacity to address future policy and regulatory issues. Mosaic believes it is important to be an engaged stakeholder in the regulatory environment. Our membership in the ANPC allows us to be an active stakeholder and leader in the policy process.
- One of Mosaic's top priorities is supporting research in the field of agriculture and nutrients. Mosaic is a member of the International Plant Nutrition Institute (IPNI). Its focus is on simultaneously improving agricultural productivity while reducing environmental impact. Central to the industry partners' joint investments in IPNI's science and technology research is the issue of crop uptakes and yields. Outcomes of this research will

have an impact on how we are able to meet world food demand as populations continue to increase and diets move toward a higher protein content.

- Mosaic is a member of the International Fertilizer Industry Association (IFA). IFA is a global organization whose member companies represent all activities related to the production, trade, transport and distribution of every type of fertilizer, as well as their raw materials and intermediates. Mosaic promotes the 4Rs Nutrient Stewardship principles through the training of retail dealers, Certified Crop Advisors and farmers. Several of Mosaic's staff, including our CEO, serve in key leadership roles within the IFA.
- Through our work at the University of Minnesota's Global Landscapes Initiative (GLI), we are partnering with key agribusiness, non-governmental organizations and academics to further the cause of long-term global food security.

We invest substantially in research, with a global network of over 500 contract researchers and universities.

500



# Economic Impact

*Mosaic is proud of our long-term economic impact on the communities where we operate and the improved profitability for farmers and, more broadly, rural communities.*

In fiscal 2011, Mosaic employed nearly 7,700 people in eight countries and paid employee benefits and wages totaling more than \$770 million worldwide. We surpassed local minimum wages in the United States and Canada by at least 65 percent and 200 percent, respectively. Mosaic also made tax and royalty payments to governments totaling \$829.4 million in fiscal 2011. In fiscal 2011, Mosaic community investments reached \$11.6 million, and we accrued an additional \$12.6 million in formal commitments for future funding of multi-year agreements. In addition, our total supply chain spending exceeded \$1 billion in 2011.

We expect to be a key employer and community presence in each of our communities for generations to come. Mosaic will need to attract and retain a large number of employees over the next decade. Our significant investments in local education, health services, and land and water infrastructure will help us meet increased production.

In addition to our more than 800 employees in Brazil, our strategic investments in this key agricultural market make us one of the largest producers and distributors of blended crop nutrients in the region. Our Potash operations in Saskatchewan directly employ nearly 2,000 people, and we expect this number to grow in the coming years. In Florida, we directly employ more than 3,300 people. Additionally, Mosaic has advocated for investment in transportation infrastructure, particularly at the Port of Tampa. Globally, the phosphate industry, of which Mosaic is one of the largest participants, is estimated to contribute \$4.3 billion annually in personal income and more than \$5.8 billion annually in total economic contributions to the regional economy.

We also recognize the importance and impact of doing business with local suppliers, as defined by businesses and contractors located within 100 miles of our facilities. In the United States, nearly 60 percent of our procurement budget is spent locally, and in Canada about 50 percent is spent locally. In Brazil, local procurement is as high as 97.5 percent at our Quebracho facility.



# \$1.6 billion

## MOSAIC'S DIRECT ECONOMIC IMPACT

IN MILLIONS	FY 2011
Wages and Benefits	\$ 772.3
Payments to Government (Taxes and Royalties)	829.4
Community Investments	11.6
<b>Total</b>	<b>\$1,613.3</b>

# Supply Chain and Contractors

*Mosaic's success in supply chain management is rooted in our commitment to high-quality products, rigorous standards, sustainable practices and a truly global perspective. We hold our suppliers, as well as their employees and subcontractors, to the same high standards of business integrity to which we hold ourselves in the Mosaic Code of Business Conduct and Ethics.*

## HIGHLIGHTS:

- In 2010, Mosaic began pre-qualifying contractors through ISNetworld (ISN), a contractor management system that provides a process to standardize the way we evaluate and approve contractors. ISN allows Mosaic to select contractors that best adhere to our standards.
  - Mosaic allocates over \$1 billion to annual transportation and warehouse leasing/operating expenses. These expenses include investments to assist businesses in local communities. Mosaic is currently reviewing expanding ISN certification to key suppliers.
  - Members of our Environmental, Health and Safety team audit suppliers and contractors to ensure compliance with Mosaic's safety policies. In 2011, Mosaic began including contractor safety performance with other employee safety reports.
- Mosaic is further developing our product stewardship charter. The Charter is intended to cover a broad range of areas, including ensuring key contract partners are aware of Mosaic's Sustainability Policies. We will also continue to leverage our influence with industry associations and partnerships to develop and implement sustainability best practices.

A strong and environmentally sustainable supply chain must also be supported through long-term investments in the development of sound supply chain management practices. In 2010, Mosaic invested \$250,000 with the Carlson School of Management at the University of Minnesota for The Mosaic Company Professorship for Excellence in Corporate Responsibility to support graduate and undergraduate education in responsible business practices. Kingshuk K. (KK) Sinha has been appointed to the professorship. His work on global supply chains supports the idea that sustainability and efficiency are not at odds.



# 61%

In fiscal 2011, local vendors satisfied 61 percent of our supply chain needs in Phosphates and 57 percent in Potash.

# 57%

# Philanthropy and Community Investment

*Mosaic invests in our global communities through cash grants, employee contributions and product donations. Mosaic and The Mosaic Company Foundation made \$11.6 million in cash grants in fiscal 2011, and accrued formal commitments for future funding of \$12.6 million through multi-year agreements.*

In 2010, we incorporated The Mosaic Company Foundation and The Mosaic Institute of Brazil — two separate legal entities that will support charitable organizations wherever we do business. In addition, Mosaic retained its traditional corporate giving programs. It is our goal to invest one percent of the three-year rolling average of earnings before interest and taxes (EBIT) into our communities.

Mosaic employees are also generous with their time and talent, and many of our partnerships include an employee engagement component. We are also realistic in our dealings with our nonprofit partners and allow for a portion of each grant to be used for general operating expenses within the organization.

It is our aim to be an innovative and courageous funder, with clear and defined goals that are closely tied to our mission of

helping the world grow the food it needs. We also try to be a good neighbor, and understand that we have a responsibility to contribute to the health of our local communities where we do business. Our focus areas are as follows:

- 1. FOOD:** *To help the world grow the food it needs, including global food security, hunger and agricultural research and development.*
- 2. WATER:** *To conserve resources and encourage stewardship of the environment, including conservation and habitat protection.*
- 3. LOCAL COMMUNITY INVESTMENTS:** *To invest in the communities in which we operate: philanthropic or civic partnerships to enrich the communities in which Mosaic has offices and operations.*



▶ VIDEO: COMMUNITY ENGAGEMENT

Mosaic's community investments in fiscal 2011 and formal commitments for future funding of multi-year agreements — \$11.6 million and \$12.6 million, respectively — totaled \$24.2 million.

\$24.2  
million

# Food



The Mosaic Villages Project, Africa



Growing Tomorrow's Minds, Moose Jaw, Saskatchewan



Home Runs for Food, Tampa, Florida

## THE MOSAIC VILLAGES PROJECT

Initiated in 2008, the Mosaic Villages Project in India, Guatemala and seven African countries helps more than 300,000 people move from food insecurity to food surplus. The 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 talent of many Mosaic employees. In fiscal 2011, Mosaic invested more than \$2 million in the Villages Project. A full report may be found in the "Food" section of this report.

## HUNGER IN MOOSE JAW, SASKATCHEWAN

In 2010, Mosaic donated \$90,000 in a partnership with the Moose Jaw Warriors to end hunger in the community. "Growing Tomorrow's Minds" ensures school children have a nutritious lunch every day. Nutrition plays a major role in the educational success of a child, and the

program aims to guarantee that hunger will not interfere with that success. Through the program, over 40,000 lunches are packed for students each year.

## HOME RUNS FOR FOOD, TAMPA, FLORIDA

In 2010, Mosaic initiated the "Home Runs for Food" partnership with the Tampa Bay Rays to support Feeding America Tampa Bay. Under the three-year commitment, Mosaic is contributing \$500 to local food banks for every home run hit by the Rays during their regular season games. This amounted to \$82,000 in 2010. This donation was partly used by Feeding America Tampa Bay to purchase a new truck to improve their ability to serve those in need. In 2011, Mosaic extended the partnership to the Rays' spring training schedule in Port Charlotte, benefiting thousands of low income and hungry families throughout the region.

## FAST FOOD FARM, LUTCHER, LOUISIANA

The Fast Food Farm is located on three acres of land surrounded by sugarcane fields in Litcher, Louisiana. High school students lead elementary school students in hands-on activities that teach the importance of farming and food production. They learn firsthand how crops are grown, harvested and used in food production. Mosaic sponsors The Fast Food Farm with an annual cash grant. In addition, Mosaic employees from the nearby Uncle Sam and Faustina plants volunteer at The Farm.

## CURRICULUM FOR AGRICULTURAL AND SCIENCE EDUCATION (CASE), FUTURE FARMERS OF AMERICA (FFA)

Mosaic is a co-sponsor of CASE, a progressive approach to teaching agricultural science. This program is a critical need for FFA and agriculture education because it will



# \$100,000

With a Mosaic challenge grant of \$100,000, Second Harvest Heartland received \$340,000 in donations from over 2,000 donors during Give to the Max Day on GiveMN.org.



Interfaith Outreach and Community Partners, Plymouth, Minnesota



increase the rigor and relevance of the current curriculum and elevate it to prepare students for careers in modern agriculture.

#### **INTERFAITH OUTREACH AND COMMUNITY PARTNERS (IOCP), PLYMOUTH, MINNESOTA**

In 2010, Mosaic committed \$150,000 toward the construction of a new food shelf in the community where Mosaic is headquartered. It is the only food shelf in the area and serves 90,000 residents, six days per week, by providing an 8,000 square-foot grocery store experience where families can “shop” for the items they need to ensure proper nutrition and preserve their dignity. Mosaic employees at our Plymouth Headquarters initiated a “Giving Garden” that will produce 1,000 pounds of fresh produce per year for the food shelf.

#### **SECOND HARVEST HEARTLAND, MINNEAPOLIS/ST. PAUL, MINNESOTA**

With the help of The Mosaic Company, Second Harvest Heartland, Minnesota’s largest emergency food network, received \$340,000 in donations from over 2,000 donors during Give to the Max Day 2010 on GiveMN.org — Minnesota’s online giving portal. Mosaic matched \$100,000 in gifts to Second Harvest Heartland, while also covering all associated transaction fees. As a result, Second Harvest Heartland also received the “most successful nonprofit” bonus of \$10,000. This creative way to encourage community contributions to hunger supported Second Harvest Heartland in their work to reinvent hunger relief through leadership and innovation.

#### **GLOBAL LANDSCAPES INITIATIVE, INSTITUTE ON THE ENVIRONMENT, UNIVERSITY OF MINNESOTA**

In 2010, Mosaic became a founding member of the Global Landscapes Initiative at the University of Minnesota. The initiative is a collaboration among top universities, major agricultural companies and key stakeholders in the agricultural world, all focused on long-term food security. It examines how the dynamics surrounding important agricultural commodities are changing globally and explores ways to balance the need for increased food production with the environmental costs of agriculture.

The initiative has many tools, including CROPMAPPER, the single largest collection of information on agricultural crops, land-use practices and associated environmental impacts in the world. The system includes detailed information on topics such as harvested areas, global crop yields, fertilizer application rates and irrigation practices. This data represents every nine square kilometers across the world from the 1960s to present day.

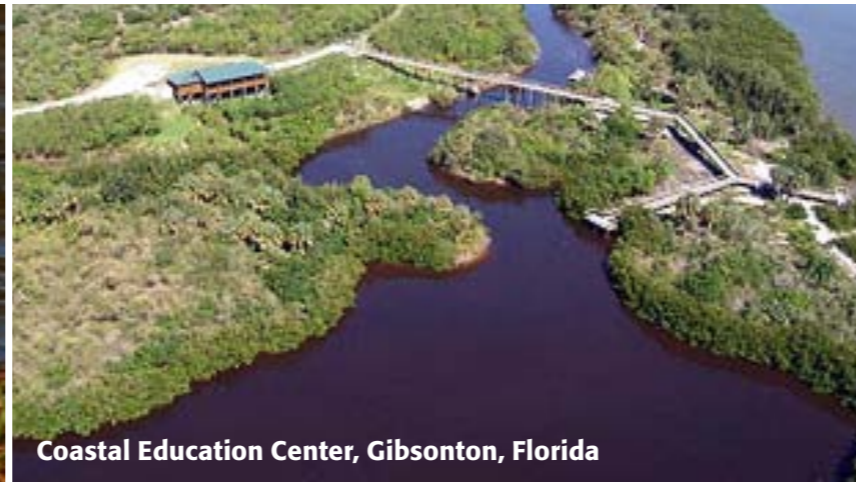
# Water

# 42 acres

Fiddler's Cove is 42 acres of conservation easement situated on Mosaic's South Parcel property in Riverview, Florida.



**Richard T. Paul Alafia Bank Bird Sanctuary,  
Hillsborough Bay, Florida**



**Coastal Education Center, Gibsonton, Florida**

## **RICHARD T. PAUL ALAFIA BANK BIRD SANCTUARY, HILLSBOROUGH BAY, FLORIDA**

Since 1934, Audubon of Florida and the Riverview Plant now owned by Mosaic have collaborated to protect birds that nest, forage and roost on the spoil islands in Hillsborough Bay. These spoil islands, owned by Mosaic and managed by the Audubon Sanctuaries program through a long-term lease, comprise the Richard T. Paul Alafia Bank Bird Sanctuary. This bird sanctuary is a key component of the Hillsborough Bay Important Bird Area, recognized by BirdLife International, the National Audubon Society and Audubon of Florida for its globally significant bird population.

## **COASTAL EDUCATION CENTER, GIBSONTON, FLORIDA**

Situated at Fiddler's Cove at the mouth of the Alafia River on Hillsborough Bay, the Coastal Education Center is an

outdoor classroom created to teach environmental education to fourth-grade students in southeast Hillsborough County. The program is a unique learning experience designed to prepare fourth graders for the science portion of the Florida Comprehensive Assessment Test. Through hands-on experience, children develop an appreciation and understanding of why the Tampa Bay estuary is important and how it can be protected for the future. The Center is staffed primarily by volunteer Mosaic employees, and more than 1,000 students study at the Center each year. In 2010, the National Association of Environmental Professionals honored Mosaic with the National Environmental Excellence Award for Education Excellence. The Center has received three previous awards from local, regional and statewide organizations.

## **CONSERVATION TECHNOLOGY INFORMATION CENTER (CTIC)**

Mosaic is a sponsor of CTIC, a national, public/private partnership that envisions agriculture using environmentally beneficial and economically viable natural resource systems. CTIC is comprised of members of the agriculture industry, conservation organizations and producers, and is supported by the U.S. Environmental Protection Agency, Natural Resources Conservation Service and other public entities. Mosaic also supports CTIC's work on the Upstream Heroes, a program that honors America's agricultural producers who efficiently manage their nutrients while protecting water quality as part of a comprehensive conservation system.

# Local Community Investments



Duette Fire and Rescue Station, Florida



Habitat for Humanity, Saskatchewan

Mosaic, in partnership with Habitat for Humanity, funded the construction of 37 homes across Saskatchewan.

# 37 homes

## **DUETTE FIRE AND RESCUE STATION AND BUNKER HILL PARK, FLORIDA**

As part of our mine permitting process, Manatee County requested either a park or a new fire station. Mosaic spent \$2.5 million to build both. The new fire station, which was previously housed in an open-sided barn, provides greater fire and rescue coverage. The new park includes a lake with canoe docks, a walking trail, a state-of-the-art playground, a soccer field and a baseball field. Both the park and the fire department were built to LEED-qualifying standards.

## **HABITAT FOR HUMANITY, SASKATCHEWAN**

Mosaic, in partnership with Habitat for Humanity, funded the construction of 37 homes across Saskatchewan. All 37 homes were completed in the fall of 2010, with

Mosaic employees volunteering on site and donating materials. The assistance Habitat for Humanity provides is considered "a hand-up, not a hand-out." Families receive an interest-free loan that must be paid back over time. Families also assist in construction, often working 500 hours at each build site.

## **SOCIAL VENTURE PARTNERS, SOCIAL ENTREPRENEURS CUP, MINNEAPOLIS**

Mosaic is the lead sponsor of the Social Entrepreneurs Cup, developed by Social Venture Partners Minnesota to seek out, support and promote Minnesota's most innovative and effective social entrepreneurs and the organizations they lead. Competition for the cup and the associated prize package is open to nonprofits, as well as for-profit social purpose businesses.

## **MOSAIC PROFESSOR FOR CORPORATE RESPONSIBILITY, CARLSON BUSINESS SCHOOL, UNIVERSITY OF MINNESOTA**

In 2010, KK Sinha of the Carlson School of Management was appointed to The Mosaic Company Professorship for Excellence in Corporate Responsibility. The position, the first corporate-sponsored term professorship at the Carlson School of Management, was made possible by a \$250,000 grant from The Mosaic Company Foundation. Mosaic recognizes that being mindful of the impact of our activities on the long-term health of our shareholders, the environment, consumers, employees and communities is how business must be conducted in the 21st century. Professor Sinha's work on global supply chains supports the idea that sustainability and efficiency are not at odds,



Campo Mateo School, Timbués, Argentina



The Shock Trauma Air Rescue Society (STARS), Saskatchewan



▶ **VIDEO: COMMUNITY INVESTMENT**

and in fact must be considered together. His work also aligns with Mosaic's interests in ensuring sustainable business practices are part of a modern business school education.

**CHILDREN'S HOSPITAL FOUNDATION OF SASKATCHEWAN**

Mosaic further demonstrated its commitment to Saskatchewan with a \$4 million donation to the Children's Hospital Foundation of Saskatchewan. The donation has been designated as a gift to enhance maternal equipment, research and patient care services at the new Children's Hospital of Saskatchewan. In recognition of this gift, the hospital's postpartum unit will carry the Mosaic name. Mosaic also will fully underwrite the advertising and promotion of the hospital foundation's "Be a Part of It" Capital Campaign, ensuring all money raised through the campaign goes directly to the needs of Saskatchewan's children and their families.

**ESTERHAZY HOSPITAL, SASKATCHEWAN**

The Esterhazy Health Foundation received \$1 million from Mosaic to provide capital improvements for Esterhazy Hospital. Payable over five years, the contribution will ensure the health of future generations of Esterhazy residents.

**THE SHOCK TRAUMA AIR RESCUE SOCIETY (STARS), SASKATCHEWAN**

STARS received \$5.5 million from Mosaic in 2011 to support the development of an emergency medical helicopter service. The establishment of STARS in Saskatchewan will enhance Saskatchewan rural and remote communities' access to timely, critical health care.

**QUEBRACHO, ARGENTINA**

As is the case with many rural schools, funding for education in Quebracho is in short supply, with the needs of the children outpacing what the school can afford. Employees at Mosaic's Quebracho, Argentina,

facility understand the value of a good education for rural children and its importance to the future of the area. Our employee volunteers help maintain the local school in Timbués by assisting with painting, electrical repairs and monetary donations, thereby enabling the school to purchase books and supplies.

**TRAFUN AND CARRIRIÑE, CHILE**

In the rural Chilean towns of Trafun and Carririñe, two schools are sharing the benefit of funds donated by Mosaic employees and matched by Mosaic. The total contribution provides financing for each student's books and study materials for the entire school year, as well as uniforms, clothing, footwear and games. At the end of the year, students are recognized for their academic efforts, and the students moving on to higher education are presented with a backpack containing books and additional school supplies.

# United Way

United Way is an important community partner in Mosaic's North American operations. Through Mosaic and our predecessor companies, our employees enjoy a long history and strong tradition of supporting our communities through United Way. Each fall, teams of employee volunteers organize a series of events that focus our employees' attention on their communities through agency tours and volunteer projects. In 2010, 75 percent of eligible North American employees made a pledge to United Way, with an average pledge of \$456 per employee. We are particularly proud of our employees at our Louisiana facilities, Uncle Sam and Faustina. Both facilities reached 100 percent employee participation for the fourth year in a row.

Mosaic employees from our Colonsay operation were honored at the United Way of Saskatoon & Area 2010 awards presentation for outstanding community contributions. Brent Mensch, a purchasing assistant at Mosaic's Colonsay facility, was named Campaign Volunteer of the Year for his exceptional commitment and leadership.

## AWARDS

### FLORIDA DEPARTMENT OF EDUCATION COMMISSIONER'S BUSINESS RECOGNITION AWARD

Mosaic was proud to be named a 2010 winner of the Florida Department of Education Commissioner's Business Recognition Awards. The annual award program recognizes businesses for improving the academic success of all students. Mosaic was recognized as "an integral and indispensable partner of the Hardee County

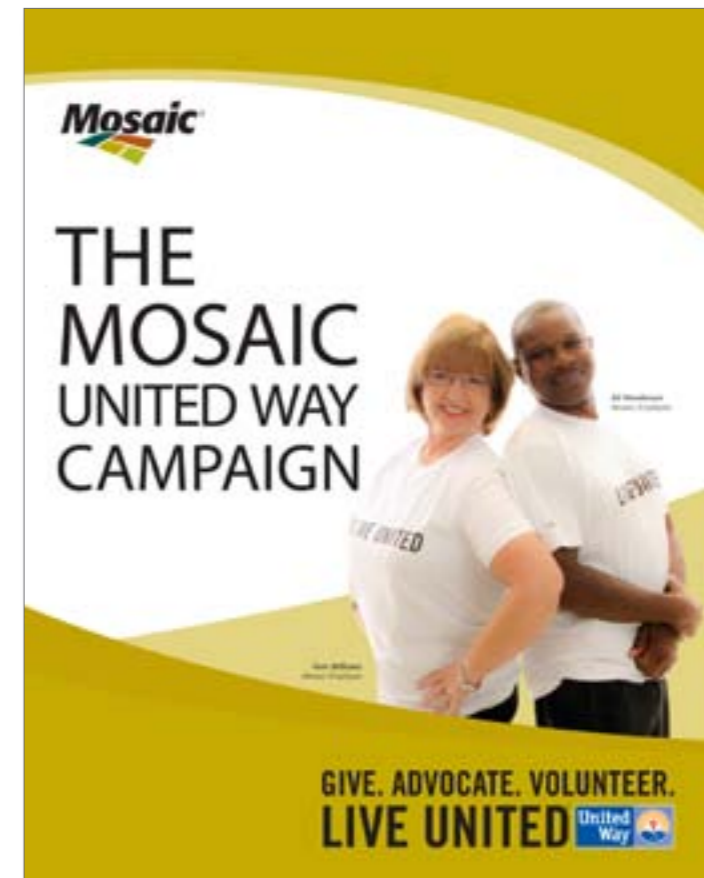
School District ... the people of Mosaic recognized the needs of our students and used their hands and hearts as well as their time and energy to expand the horizons and fill gaps for many students."

### MINNESOTA BUSINESS ETHICS AWARD

The Center for Ethical Business Cultures at the University of St. Thomas recently honored Mosaic for its commitment to building a strong ethical culture, with the 2011 Minnesota Business Ethics Award (MBEA) in the large-company category. The MBEAs recognize Minnesota businesses that exhibit the highest ethical standards with customers, employees, investors, suppliers, communities and competitors. We view this award as recognition of the principled and ethical culture that so many leaders and founders of Mosaic have worked to build in the short period of time since Mosaic was established.

### OUTSTANDING CORPORATION IN PHILANTHROPY, NEW MEXICO

On National Philanthropy Day in April 2011, Mosaic received the award for the Outstanding Corporation in Philanthropy in the state of New Mexico. First held in 1986, National Philanthropy Day celebrates the unique contributions of individuals and organizations across the world that excel in enriching their communities. The day featured events across North America that highlighted each community's top donors, volunteers, foundations and other philanthropists. "The compassion and generosity of Mosaic employees is known throughout the community. This award is a tribute to their dedication to helping others," said Carlsbad General Manager Bill Boyer when receiving the award.



In 2010, 75 percent of eligible North American employees made a pledge to United Way, with an average pledge of \$456 per employee.

# 75%

# Disaster Relief

*Mosaic has a history of helping communities recover from the devastating effects of natural disasters. From earthquakes and floods to hurricanes and tsunamis, Mosaic is committed to standing with its employees, customers, neighbors and friends in their hour of need.*

## HAITI

When Haiti experienced a devastating earthquake on January 12, 2010, in addition to \$500,000 in financial support, Mosaic coordinated fertilizer donations in partnership with the Earth Institute, the UN Development Program and Zanmi Agrikol. Six hundred tonnes of fertilizer appropriate for Haitian soils were delivered with the help of two Mosaic customers, Fersan and Ferquido. The fertilizer has already made a noticeable impact on crop yields, and farmers across the Haitian Plateau are appreciative and hopeful for the future.

## JAPAN

Following the devastating earthquake and tsunami in Japan, Mosaic announced a \$1 million donation to the Red Cross to support relief efforts within the country, as well as a dollar-for-dollar match for employee contributions up to \$100,000. Mosaic gave its Japanese customers priority on shipments of mineral fertilizer to replace those damaged by the tsunami and to ensure Japan's food security was not threatened. We continue to work with our Japanese friends and partners to understand the country's greatest needs for recovery.

## CHILE

The February 2010 Chilean earthquake razed the community fire station in Cosmito, a town in the Penco region near Mosaic's facility in Concepcion Bay. This fire station has played a central role in the local community: the firefighters and their families live in the facility, and firefighters are often the first responders in an earthquake. Mosaic donated the funds necessary to rebuild the fire station, and Cosmito is now equipped to respond to future emergencies.

## BRAZIL

In March 2011, heavy rainfall and resulting floods caused serious damage in Paranaguá, Brazil. The damage inundated housing, roads and agricultural areas. Mosaic donated critical supplies to the local Red Cross to assist those most affected by the flooding. In addition, The Mosaic Institute donated \$75,000 to the Paranaguá government to support rebuilding the city's infrastructure.

## MINNEAPOLIS, MINNESOTA AND JOPLIN, MISSOURI

In May 2011, a tornado touched down in north Minneapolis. In response to this tragedy, Mosaic donated \$25,000 for tornado relief efforts through Urban Homeworks. Within a



few days, Mosaic employees were on the streets, working with residents in the devastated areas on cleanup, construction and emotional support.

Through the American Red Cross, Mosaic also responded to the historic tornado in Joplin, Missouri, and the flooding in the Red River Valley of North Dakota and Minnesota, to help our customers and those affected by these unfortunate events swiftly recover.

## SASKATCHEWAN

In July 2010, following severe weather and flooding in Saskatchewan, Mosaic contributed \$100,000 to the Canadian Red Cross to provide both immediate and long-term assistance to the area. Mosaic also matched employee contributions dollar-for-dollar to further aid the recovery.

## NEW ZEALAND

Mosaic contributed \$75,000 for earthquake relief efforts in New Zealand, partnering with the New Zealand Red Cross to show our support for our customers and the people of Christchurch.

After Haiti's devastating earthquake, Mosaic, with the help of two customers, Ferquido and Fersan, delivered 600 tonnes of fertilizer and a cash donation of \$500,000.

600  
tonnes

# Governance and Accountability

*Mosaic considers regulatory changes, evolving consumer behaviors and humanitarian needs as we plan and execute the sustainability strategies that will move our business forward. The Mosaic Company holds itself accountable to all stakeholders for its performance.*

We consider sustainability performance goals in conjunction with operational and financial goals and maintain formal governing bodies to ensure that our commitments to sustainability are met. We remain committed to transparency by disclosing our sustainability performance through the Global Reporting Initiative platform and the Carbon Disclosure Project.

In 2010, Mosaic formalized its commitment to sustainability by establishing a Sustainability Steering Committee to ensure company-wide transparency and accountability. This group works to define priorities, needs and performance gaps across the company. The Environmental, Health, Safety and Sustainable Development (EHSSD) Committee of Mosaic's Board of Directors provides oversight of the company's overall environmental and sustainability strategy. Their recommendations are comprehensively reviewed by Mosaic's Board of Directors and Senior Leadership Team.

In 2011, Mosaic formed an ISO implementation team to accelerate and optimize Mosaic's implementation of the ISO4001 and OHSAS18001 management systems. This team is responsible for building an environment where our sites can achieve and maintain certification.

During the 2011 reporting period, Mosaic conducted an organizational Environmental, Health and Safety (EHS) assessment. As a result, we increased frontline EHS staff to ensure consistent coverage across facilities and offices. Individual employees at any level may observe and communicate risks, opportunities and ideas. This information is analyzed, and material matters are presented to the Sustainability Steering Committee, the Senior Leadership Team, the EHSSD Committee and the Board of Directors.

Mosaic is continuing to develop a product stewardship charter. Product stewardship promotes a way of thinking that is consistent with our core values (integrity, excellence, sustainability and connectivity).



 **Policy: Mosaic Environment, Health and Safety Policy**

# Management Systems

*The Mosaic Company's pursuit of continuous improvement is only as strong as its Environmental Management System (EMS), Occupational Health and Safety Management System (OHSMS) and quality management tools.*

We prioritize increased capacity for sustainability reporting, transparency and accountability, believing that common management systems will streamline reporting that meets the expectations of Environment, Health and Safety (EHS) leadership and governmental regulations.

During the 2011 reporting period, Mosaic conducted an assessment of its legacy environmental data management and compliance systems, with the aim of promoting simplicity, utility and accountability. A new system is now being developed that will replace independently developed processes and disparate data management tools that store, organize, evaluate and report environmental monitoring information. We have identified the best total solution that will ensure Mosaic's environmental compliance, sustainability reporting, risk mitigation and user satisfaction going forward.

Mosaic is two years into the process of implementing a company-wide EHS management system, comprised of an ISO14001 EMS and an OHSAS18001 OHSMS. Following the successful ISO pilot projects at the FishHawk office and four operating facilities — Belle Plaine, Colonsay,

Riverview and South Fort Meade — Mosaic aims to complete implementation company-wide by 2015. Ultimately this will allow us to manage EHS in a more uniform, planned and documented manner. This is vitally important for Mosaic, as a global company with sites in culturally and environmentally diverse locations.

A centralized data management system will better facilitate company-wide analysis and decision-making, thereby assisting us in measuring and evaluating our sustainability performance. As management tools integrated with other quality management systems, an EMS and an OHSMS will enable Mosaic to:

- Implement a systematic approach to setting and measuring Environmental, Occupational Health and Safety objectives and targets,
- Monitor impacts of our activities, products and services, and
- Improve our Environmental, Occupational Health and Safety performance continually.



# 2015

By 2015, Mosaic aims to complete implementation of a company-wide EHS management system, comprised of an ISO14001 EMS and an OHSAS18001 OHSMS.



# Ethics and Transparency

*Each one of us contributes to Mosaic's ethical culture not only by what we say, but what we do. Since that culture is the lens through which we see, and are seen by the world at large, it is the key to fostering enduring relationships with our many stakeholders.*

Mosaic's transparency efforts have been recognized by our inclusion in *Corporate Responsibility Magazine's* ranking of the 100 Best Corporate Citizens in the United States in 2009 and 2010. Conducting business in a transparent manner is especially important to us and how we are perceived by the global community.

**Policy: Code of Business Conduct and Ethics**

Our revised Code of Business Conduct and Ethics applies to all employees, officers and directors of Mosaic. Mosaic employees participated in 7,985 hours of ethics and compliance training during the 2011 reporting period.

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. The table that follows indicates the total number of EthicsPoint communications received in fiscal

2011 and the pre-investigation categories identified by the individual initiating the communication. All concerns are investigated, and Mosaic ensures any appropriate action is taken in relation to the reported issue.

No matter where in the world Mosaic operates, we abide by the U.S. Foreign Corrupt Practices Act (FCPA). The FCPA prohibits paying, offering or promising money or anything of value to non-U.S. government and political party officials in order to secure, retain or direct business.

During the 2011 reporting period, the Mosaic Phosphates business unit in Florida revised its internal permit application processes and now posts mine permitting plans and revisions in sequence online. Now, stakeholders are able to observe, in a transparent, easy-to-understand way, the changes to the mining and reclamation plans covering a variety of activities, including water use, water discharge, air permits and wildlife management.

Mosaic has disclosed its water and carbon footprints for the past two years through the Carbon Disclosure Project.

## ETHICS AND COMPLIANCE TRAINING

Total Training Hours: 7,985 hours

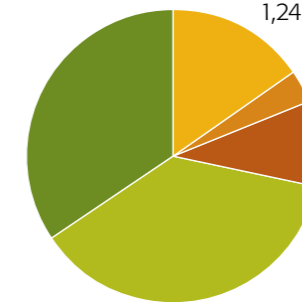
**Mosaic Antitrust Compliance**  
2,731 hours, 59 minutes

**Mosaic Code of Business Conduct and Ethics**  
1,241 hours, 4 minutes

**2010 Mosaic Annual Code Certifications**  
267 hours, 46 minutes

**FCPA: Part 1 — Understanding the Law**  
759 hours, 38 minutes

**Harassment in the Workplace**  
2,984 hours, 32 minutes



## ETHICSPPOINT COMMUNICATIONS

FY 2011

Time Abuse	3
Audit	1
Mistreatment	4
Violation of Policy	7
Fraud & Embezzlement	4
Employee Relations	24
Safety Concerns	12
EHS	8
Questions, Suggestions, Inquiries	6
Guidance Request	1
Code of Ethics Violation	9
Discrimination or Harassment	3
Improper Supplier or Contractor Activity	1
Customer Mistreatment	1
Other	3
<b>TOTAL</b>	<b>87</b>

The table above indicates the total number of EthicsPoint communications, including workplace issues, concerns, inquiries and suggestions. All concerns are investigated, and Mosaic ensures any appropriate action is taken in relation to the reported issue.

# 24-hour

Mosaic provides a 24-hour, independently administered, multilingual hotline and website for Mosaic employees globally to report any improper practices.



# GRI Index

## 2011 Indicators

*Mosaic has reported in the Global Reporting Initiative (GRI) Guideline format since 2009. In 2011, Mosaic utilized the GRI G3 Mining & Metal Sector Supplement. Having previously established sustainability reporting protocols, Mosaic did not utilize the GRI formal "Profile" and GRI "Management Approach" structures but instead used the GRI "Performance Indicators" sections only. Nevertheless, the content of the Profile and Approach structures is covered in the text of our main sustainability report.*

*Using the G3 self-assessment for Performance Indicators, Mosaic has achieved an Application Level rating of B. In 2012, Mosaic aims to complete the GRI Application Level Check through the Organizational Stakeholder program.*

*Mosaic regards GRI as a leader in the sustainability field, driving organizations to benchmark themselves against the best in class. In June 2011, Mosaic joined a select group of U.S. companies as a founding member of Focal Point USA's Sector Leaders Network, a regional effort driving innovative thinking about sustainability reporting, not only in the U.S., but globally.*

 *Mosaic's full GRI Report is available online*

## ECONOMIC PERFORMANCE

 [Link to Economic Indicators](#)

### Economic Performance

EC1	Direct economic value generated and distributed	●
EC2	Financial implications, risks and opportunities due to climate change	●
EC3	Coverage of the organization's defined benefit plan obligations	●
EC4	Significant financial assistance received from government	●

### Market Presence

EC5	Standard entry-level wage compared to local minimum wage	●
EC6	Policy, practices and proportion of spending on locally based suppliers	◐
EC7	Local hiring and proportion of senior management hired from the local community	◐

### Indirect Economic Impacts

EC8	Infrastructure investments and services provided primarily for public benefit	●
EC9	Significant indirect economic impacts	●

## ENVIRONMENTAL

 [Link to Environmental Indicators](#)

### Materials

EN1	Materials used by weight or volume	●
EN2	Use of recycled input materials	◐

### Energy

EN3	Direct energy consumption	●
EN4	Indirect energy consumption	●
EN5	Energy saved due to conservation and efficiency improvements	●
EN6	Initiatives to provide energy efficient or renewable energy based products and services	●
EN7	Initiatives to reduce indirect energy consumption	●

● fully reported ◐ partially reported ○ not reported  
Report level is based on requirements for quantitative data.

**ENVIRONMENTAL** (continued)**Water**

EN8	Total water withdrawal by source	●
EN9	Water sources significantly affected by withdrawal of water	●
EN10	Water recycling and reuse	●

**Biodiversity**

EN11	Land owned, leased, managed in or adjacent to protected areas and areas of high biodiversity value	●
EN12	Significant impacts on biodiversity in protected areas and areas of high biodiversity value	◐
EN13	Habitats protected or restored	●
EN14	Managing impacts on biodiversity	◐
EN15	Threatened species in areas affected by operations	◐

**Emissions, Effluents and Waste**

EN16	Total direct and indirect greenhouse gas emissions	●
EN17	Other relevant indirect greenhouse gas emissions	◐
EN18	Initiatives to reduce greenhouse gas emissions	●
EN19	Emissions of ozone-depleting substances	◐
EN20	NO <sub>x</sub> , SO <sub>x</sub> and other significant air emissions	●
EN21	Total water discharge	●
EN22	Total amount of waste	●
EN23	Significant spills	●
EN24	Transported, imported, exported or treated hazardous waste	◐
EN25	Water bodies and related habitats significantly affected by discharges of water and runoff	●

**ENVIRONMENTAL** (continued)**Products and Services**

EN26 Initiatives to mitigate environmental impacts of products and services ●

EN27 Products and packaging materials that are reclaimed ○

**Compliance**

EN28 Significant fines and non-monetary sanctions for non-compliance with environmental laws and regulations ●

**Transport**

EN29 Significant environmental impacts of transportation ●

**Overall**

EN30 Environmental protection expenditures and investments ●

**HUMAN RIGHTS** [Link to Human Rights Indicators](#)**Investment and Procurement Practices**

HR1 Human rights clauses in, or screening of, significant investments agreements ●

HR2 Human rights screening of significant suppliers and contractors ○

HR3 Human rights training of employees ●

**Non-Discrimination**

HR4 Incidents of discrimination and actions taken ●

**Freedom of Association and Collective Bargaining**

HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk ●

**Child Labor**

HR6 Operations identified as having significant risk for incidents of child labor ●

**Forced and Compulsory Labor**

HR7 Operations identified as having significant risk for incidents of forced or compulsory labor ●

**HUMAN RIGHTS** (continued)**Security Practices**

HR8 Human rights training of security personnel ●

**Indigenous Rights**

HR9 Incidents of violations involving rights of indigenous people and actions taken ●

HR10 Human rights reviews and/or impact assessments ◐

HR11 Human rights filed, addressed and resolved through formal grievance mechanisms ●

**SOCIETY** [Link to Society Indicators](#)**Community**

SO1 Programs and practices that assess and manage the impacts of operations on communities ●

SO9 Local community engagement, impact assessments and development programs ●

SO10 Prevention and mitigation measures with impacts on local communities ●

**Corruption**

SO2 Business units analyzed for risks related to corruption ●

SO3 Anti-corruption training of employees ●

SO4 Actions taken in response to incidents of corruption ●

**Public Policy**

SO5 Public policy positions and participation in public policy development and lobbying ●

SO6 Financial and in-kind contributions to political parties, politicians and related institutions by country ●

**Anti-Competitive Behavior**

SO7 Legal actions for anti-competitive behavior ●

**Compliance**

SO8 Significant fines and non-monetary sanctions for non-compliance with laws and regulations ●

**PRODUCT RESPONSIBILITY**

[Link to Product Responsibility Indicators](#)

**Customer Health and Safety**

PR1	Life cycle stages in which health and safety impacts of products and services are assessed	●
PR2	Incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services	●

**Product and Service Labeling**

PR3	Product and service information required by procedures	●
PR4	Incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling	●
PR5	Practices related to customer satisfaction	●

**Marketing Communications**

PR6	Programs for adherence to laws, standards and voluntary codes related to marketing communications	●
PR7	Incidents of non-compliance with regulations and voluntary codes concerning marketing communications	●

**Customer Privacy**

PR8	Substantiated complaints regarding breaches of customer privacy and losses of customer data	●
-----	---	---

**Compliance**

PR9	Significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	●
-----	--	---

**LABOR PRACTICES AND DECENT WORK**

[Link to Labor Indicators](#)

**Employment**

LA1	Total workforce by employment type, employment contract and region	●
LA2	Total number and rate of employee turnover	●
LA3	Benefits provided by employment type	●
LA15	Return to work and retention rates after parental leave, by gender	●

**LABOR PRACTICES AND DECENT WORK** (continued)**Labor/Management Relations**

LA4	Employees covered by collective bargaining agreements	●
LA5	Minimum notice period(s) regarding operational changes	◐

**Occupational Health and Safety**

LA6	Workforce representation in formal joint management — worker health and safety committees	●
LA7	Rates of injury, occupational diseases, lost days, absenteeism and fatalities	●
LA8	Programs in place regarding serious diseases	●
LA9	Health and safety topics covered in trade union agreements	●

**Training and Education**

LA10	Average hours of training per year per employee	●
LA11	Programs for skills management and lifelong learning	●
LA12	Regular performance and career development reviews	●

**Diversity and Equal Opportunity**

LA13	Composition of governance bodies and breakdown of employees	●
LA14	Ratio of basic salary of men to women	●



### ABOUT THIS REPORT

In 2011, Mosaic utilized the Global Reporting Initiative (GRI) G3 Mining & Metal Sector Supplement. Having previously established sustainability reporting protocols, Mosaic did not utilize the GRI formal "Profile" and GRI "Management Approach" structures but instead used the GRI "Performance Indicators" sections only. Nevertheless, the content of the Profile & Approach structures is covered in the text of our main 2011 Sustainability Report.

This report is aligned with and supplements the information contained in our Annual Report on Form 10-K for the fiscal year ended May 31, 2011 ("10-K Report") and our 2011 Annual Report to Shareholders and should be read in conjunction with the information in those reports.

### REPORT SCOPE AND BOUNDARIES

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 2010 (depicted in the text as simply "2010"). 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 2011" or "FY2011" refers to the 12 months ending on May 31, 2011. In some cases we have not included historical information for every company time period. Generally, those omissions were due to concerns about data consistency or because we determined that collecting such information would not add to the value of this report. All reporting, where applicable, covers actions and decisions from Mosaic's inception on October 22, 2004, through the company's fiscal year ending May 31, 2011. This report includes entities over which Mosaic exercises majority control, including all their operations and departments that have the potential to generate significant impacts.

### DATA COLLECTION

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 U.S. and in Saskatchewan, Canada. Our subsidiaries in Brazil, India, Argentina, Chile, Mexico and China 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 GRI Framework at the B GRI Application Level (for performance indicators only)
- 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

### FORWARD-LOOKING STATEMENTS

This report 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 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 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 build-up of inventories in the distribution channels for crop nutrients; changes in foreign currency and exchange rates; international trade risks; changes in government policy; changes in environmental and other governmental regulation, including greenhouse gas regulation, and implementation of the U.S. Environmental Protection Agency's numeric water quality standards for the discharge of nutrients into Florida lakes and streams; further developments in the lawsuit involving the federal wetlands permit for the extension of the Company's South Fort Meade, Florida, mine into Hardee County, including orders, rulings, injunctions or other actions by the court or actions by the plaintiffs, the Army Corps of Engineers or others in relation to the lawsuit, or any actions the Company may identify and implement in an effort to mitigate the effects of the lawsuit; other difficulties or delays in receiving, or increased costs, or revocation, of, necessary governmental permits or approvals; further developments in the lawsuit involving the tolling agreement at the Company's Esterhazy, Saskatchewan, potash mine, including settlement or orders, rulings, injunctions or other actions by the court, the plaintiff or others in relation to the lawsuit; the effectiveness of our processes for managing our strategic priorities; adverse weather conditions affecting operations in Central Florida or the Gulf Coast of the United States, including potential hurricanes or excess rainfall; actual costs of various items differing from management's current estimates, including among others asset retirement, environmental remediation, reclamation or other environmental regulation, or Canadian resource taxes and royalties; accidents and other disruptions involving Mosaic's operations, including brine inflows at its Esterhazy, Saskatchewan potash mine and other 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.