



Modern Slavery Report 2023



Introduction

Mosaic is proud to present our inaugural Modern Slavery Report pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the “**Act**”). As an organization committed to ethical practices and social responsibility, we recognize the critical importance of addressing modern slavery within our operations and supply chains. This Report covers our initiatives and progress in addressing the risks related to child labour and forced labour (“**Modern Slavery**”) in our operations and supply chain for the financial year ending December 31, 2023. We are committed to eliminating any instances of Modern Slavery. We recognize that Modern Slavery is a violation of human rights, undermines the dignity and well-being of individuals, and is contrary to Mosaic's principles. Through transparent disclosure and ongoing diligence, we strive to uphold the highest standards of human rights and ensure that our business practices align with our principles of conducting our business responsibly, operating with integrity, and seeking continuous improvement.

Reporting Entities

This Report has been prepared pursuant to the Act on behalf of the following entities (collectively, the “**Reporting Entities**”, “**Mosaic**”, “**we**”, or “**our**”):

- Mosaic Canada ULC
- Mosaic Potash Esterhazy Limited Partnership
- Mosaic Esterhazy Holdings ULC
- Mosaic Esterhazy ULC
- Mosaic Potash Colonsay ULC
- Mosaic Canada Crop Nutrition, LP
- 4379934 Canada Ltd.
- Mosaic I (Canada) Holdings ULC

Structure, Activities and Supply Chains

Our Structure

The Mosaic Company (NYSE:MOS) is the world's leading producer and marketer of concentrated phosphate and potash crop nutrients, which are critical nutrients required for agriculture production. The Reporting Entities consist of those Canadian-based subsidiaries of The Mosaic Company that are subject to the Act's reporting requirements. Each of the Reporting Entities is incorporated or formed under the laws of Canada or a Province of Canada. Mosaic operates a central business office in Regina, Saskatchewan and directly employs 1,972 people in Canada as of December 31, 2023.

Our Activities

Our activities consist primarily of mining and processing potash for distribution and sale to customers in Canada and throughout the world. We also import and sell in Canada phosphate fertilizer products which are manufactured by The Mosaic Company's phosphate production operations based in Florida and Louisiana.

Our primary operating locations in Canada are:

- **Potash Mining Facilities:** We operate underground potash mines at Esterhazy and Colonsay, Saskatchewan and a solution potash mine at Belle Plaine, Saskatchewan. These facilities produce finished potash products primarily for use as agricultural fertilizers, but also for industrial purposes and, to a lesser extent, as animal feed ingredients.
- **Warehouse Facilities:** We operate warehouse facilities in Saskatchewan, Ontario, Quebec and Manitoba, from which we distribute our potash and phosphate products to customers.
- **Central Office:** From our central business office in Regina, Saskatchewan, Mosaic staff carry out a number of functions in support of our business operations, including Human Resources, Procurement, Land Management, EHS, IT, Finance, and Legal.

Our Supply Chains

Our supply chain consists primarily of the following goods and services which contribute to the production and distribution of potash and phosphate products that are produced, sold, distributed, or imported by the Reporting Entities:

- Construction and Site Services
- Raw Materials and Chemicals (including phosphate rock, ammonia, sulphur, and reagents)
- Equipment and Machinery for Plant Operations
- Fuels, Consumables, and Miscellaneous Supplies
- Finished Potash and Phosphate Products
- Energy and Utilities
- Transportation Services
- Professional and Consulting Services
- IT Hardware and Services

Our suppliers are located predominantly within Canada and the United States where the production facilities for Mosaic's potash business and U.S.-affiliated phosphate business are located. However, these businesses do source goods and services globally, with some of our key global suppliers based in: (i) Peru, Mexico, and Singapore for raw materials, (ii) Singapore, Norway, and China for transportation services; and (iii) the United Kingdom and The Netherlands for Professional Services.

Policies and Due Diligence Processes

Mosaic employs a wide range of due diligence efforts to identify and address Modern Slavery risks. The initiatives include incorporating responsible business practices into policies and management systems, evaluating and addressing negative impacts within operational supply chains and business partnerships, preventing and mitigating adverse effects, monitoring progress and outcomes, and facilitating or collaborating on remediation efforts as needed.

Policies and Commitments

Mosaic's expectations around upholding human rights are outlined in our **Commitment to Human Rights**, which applies to all employees, officers, and directors of Mosaic, all third-party business partners, and anyone acting on behalf of Mosaic. The commitment is aligned with internationally recognized standards, such as the following:

- Universal Declaration of Human Rights;
- International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work;
- United Nations Guiding Principles on Business and Human Rights; and
- Organization for Economic Co-Operation and Development (OECD) Guidelines for Multinational Enterprises.

The Commitment to Human Rights commits Mosaic to eliminate forced and child labour within our operations and adopts definitions established by the United Nations Children's Fund (UNICEF) and the ILO. We consider anyone under 16 years old to be a child labourer and mandate a minimum employment age of 18 for all employees.

Our **Code of Business Conduct and Ethics** ("Code") applies to all Mosaic employees and establishes our expectations for responsible and ethical behavior. Within the Code, we prohibit child or prison labour wherever we operate and require adherence to local laws. The Code is approved by our President and CEO, and employees are made aware of our Code through mandatory training and annual recertification requirements.

Additionally, our **Supplier Code of Business Conduct and Ethics** ("**Supplier Code**") delineates our standards for suppliers around ethical business practices and compliance with applicable laws, rules, and regulations. In 2024, we will implement a revised Supplier Code to strengthen our commitment and expectations around human rights, including Modern Slavery.

Mosaic is also a participant in the **UN Global Compact** (UNGC), the world's largest corporate sustainability initiative. The elimination of child and forced labour comprise two of their ten principles, and we submit annual Communications on Progress. We support UN Sustainable Development Goal 8, "Decent Work and Economic Growth," which further underlines our dedication to combatting Modern Slavery.

Policies and Due Diligence Processes (continued)

Due Diligence Processes

Mosaic is dedicated to identifying and addressing Modern Slavery risks as outlined in our Commitment to Human Rights and the Code. We aim to ensure that our business partners adhere to these principles, and we actively engage with suppliers to address any known or suspected violations.

Our Procurement Policy stipulates supplier selection criteria, which include evaluating Environmental, Social, and Governance (ESG) factors set out in the Code. Additionally, our contracts with suppliers are tailored to ensure compliance with country-specific laws and regulations, with suppliers required to provide evidence of adherence upon request. Our Worldwide Third-Party Screening Policy mandates objective and ethical processes for Mosaic to confirm third-party adherence to our Code and relevant laws. Regular audits of Mosaic's sites, operating units, and contractors are conducted to uphold compliance standards and working conditions. The Third-Party Screening Policy requires screening and selection of third parties in accordance with Mosaic's established risk-based criteria. Third parties also undergo continuous sanctions screening and periodic verification overseen by our Procurement department. Any third-party receiving payments exceeding \$10,000 is required to submit a verification form confirming compliance with relevant laws and regulations.

Providers of temporary staffing services are required to adhere to all pertinent federal, state, provincial, and local legislation. Additionally, we mandate temporary staffing providers to conduct thorough background checks to verify that workers satisfy our minimum qualifications.

On-site contractors are required to register with an online platform that supports the management of supplier compliance against established standards. Contractors complete an ESG Questionnaire, through which we receive information from contractors on child and forced labour practices and human rights policies. Contractors must complete annual updates to maintain their qualification status.

We have also augmented our supplier due diligence with a third-party risk-based screening and audit tool, which allows us to identify instances of labour violations or Modern Slavery. When fully implemented, this tool will assist us in providing enhanced due diligence of current and prospective suppliers. Suppliers operating in countries with high corruption indices will undergo additional due diligence.

Furthermore, we actively monitor compliance matters and stakeholder grievances, with employees and suppliers required to promptly report any suspected instances of non-compliance or violations. Our General Counsel and Chief Compliance Officer provide routine updates to the Audit Committee of the Board.

Modern Slavery Risks In Our Business

In 2023, we conducted a gap analysis to identify potential risks of Modern Slavery in our business. This analysis considered the relevant geographic, industry, and product or service risks across the Reporting Entities' entire operations and supply chain. Based on the results of this analysis, we consider the risk of Modern Slavery in our operations and supply chain to be low. The Reporting Entities operate entirely in Canada where the risks of Modern Slavery are generally low, and where we employ and recruit a highly skilled workforce in compliance with Canada's robust worker protection laws. While we purchase goods and services from countries and industries that have potential risks of Modern Slavery, most of our suppliers are based in Canada or the United States.

Mosaic recognizes that while Canada is considered low-risk for Modern Slavery, we work with suppliers based in countries that may present additional Modern Slavery risks for reasons such as a lack of prohibition on hazardous work for children ([UNICEF](#)), potential infringement on personal autonomy and individual rights ([Freedom House](#)), and potential risks both of human trafficking within the country and the use of modern slavery in imported goods ([US State Department](#) and [Walk Free](#)). Mosaic also acknowledges that the following industries and services have been recognized by independent organizations as having heightened Modern Slavery risks worldwide:

- **Construction:** The construction industry often relies on a vulnerable workforce, including migrant workers, or easily replaced or low-skilled workers. Additionally, conditions can be hazardous and the presence of labour contractors, recruiters, or other intermediaries in the supply chain can increase the risk of illegal or exploitative recruitment practices.
- **Transportation:** The transportation sector has potential Modern Slavery risks due to a reliance on migrant workers, easily replaced or low-skilled workers, and the use of labour contractors. Workers in the ocean freight industry are vulnerable to abuse, trafficking, forced overtime, and may have documents withheld.
- **Facility & Waste Services:** The waste management and commercial services industries (which includes facilities management) often have elevated risks of forced labour due to a reliance on temporary or migrant workers recruited by sub-contractors. This vulnerable group of workers is easily replaced, and the use of recruiters or sub-contracts can lead to illegal or exploitative recruitment practices.

Mosaic mitigates risks of Modern Slavery in our supply chain based on supplier origin or the industries in which our suppliers operate through the actions identified in this Report.

Addressing Modern Slavery Risks



Remediation Measures and Remediation of Lost Income

We did not identify any instances of Modern Slavery in Mosaic's activities and supply chain in 2023. Accordingly, (i) no measures have been taken to remediate Modern Slavery in our activities and supply chains, and (ii) no loss of income to vulnerable families has resulted from measures taken to eliminate the use of Modern Slavery in our activities and supply chains.

Identifying Modern Slavery Risks

Mosaic offers various mechanisms to identify and address concerns and incidents related to non-compliance with our policies and standards. This includes a 24-hour confidential and anonymous incident reporting line, EthicsPoint, accessible to all employees, contractors, suppliers, vendors, and the public. EthicsPoint is managed by an independent third-party provider and can be accessed through Mosaic's website.

Mosaic employees may also report concerns through direct managers, Human Resources, the Law Department, or the Chair of the Audit Committee of the Board. Reporting statistics are disclosed annually in sustainability reports and quarterly through the Business Ethics Committee. Unionized facilities in North America also have their own distinct grievance processes outlined in Collective Bargaining Agreements.

Our Internal Investigations Policy outlines our process for conducting internal investigations around alleged violations. In the event of a report, we are committed to investigating all substantive complaints, collaborating with stakeholders to address concerns in a timely, fair, and thorough manner, and mitigating future violations in compliance with all applicable laws.

Management of Supplier Relationships

We maintain the right to manage any instances of Modern Slavery discovered in our supply chain through direct actions with our suppliers. Suppliers are required, under the Supplier Code and their contracts with Mosaic, to comply with applicable laws and notify Mosaic of any known violations, with failure to do so leading to potential removal from facilities and termination of their engagements with Mosaic.

Training

All employees receive annual training on the Code, and select employees, officers, and directors receive regular training on third-party screening and monitoring. In 2024, we will expand our employee education to deepen our coverage of Modern Slavery and our Commitment to Human Rights globally.

Assessing Effectiveness



Oversight

We maintain oversight of our compliance and risk management programs through the following committees of The Mosaic Company:

Board Committees

- **Audit Committee:** Responsible for risk management oversight, including reviewing the quality and adequacy of our policies, procedures, and systems to assess, monitor, and manage business risks, possible compliance violations, and corrective actions. Additionally, it receives regular reports from the General Counsel and Chief Compliance Officer regarding ethics reports, ethics trends, and other compliance matters, including risks associated with Modern Slavery.
- **Environment, Health, Safety and Sustainable Development (EHSS) Committee:** Responsible for overseeing and reviewing the company's EHSS goals, strategy, performance, and management system; and for reviewing the company's procedures for the handling of EHSS-related complaints, concerns, non-compliances, or proceedings.

Management Committees

- **Business Ethics Committee:** Responsible for overseeing the company's compliance with the Code, maintaining effective systems to prevent, detect and mitigate compliance violations, and ensuring compliance standards, policies, and procedures are communicated to all employees, and are regularly reviewed, and updated.
- **Environmental Social and Governance Steering (ESG) Committee:** Responsible for monitoring ESG-related issues, including Modern Slavery, overseeing the company's progress on ESG goals and targets, and for recommending actions and solutions on ESG matters.

Record-keeping

Mosaic maintains thorough record-keeping practices as outlined in the Code and our Global Records and Information Management Policy. We also document training logs and certifications for third-party screening in accordance with our Worldwide Third-Party Screening Policy.

Performance Tracking and Disclosure

We track the number and type of reports received through grievance mechanisms and the consequences of substantiated reports, which are then disclosed quarterly to the Business Ethics Committee and annually to all employees via our Compliance Year in Review report. We also document and disclose annual records of training hours and completion percentages for ethics and compliance training by our employees.

We annually disclose performance data concerning our risk assessments, due diligence endeavors, and compliance initiatives pertaining to Modern Slavery within our **Sustainability Disclosure and GRI Index**, which includes statements on whether we identify operations with significant risks of Modern Slavery. *In 2023, we did not have any operations that were identified as a significant risk for child labour or forced or compulsory labour practices.*

Actions to Address Modern Slavery Risks

We are committed to enhancing our procedures to detect, minimize, and address the risks of Modern Slavery across our operations and supply chain. In 2023, we have taken the steps outlined in this Report to identify, prevent and reduce the risk that Modern Slavery is used at any step of the production of goods produced or imported by Mosaic. In particular, we:

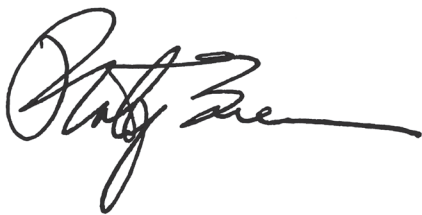
- conducted a gap analysis into our supply chain in alignment with the OECD Due Diligence Guidance for Responsible Business Conduct to identify any risks or deficiencies related to Modern Slavery;
- commenced a review and revision of our Supplier Code to strengthen our commitment and expectations around human rights, including Modern Slavery, and to better align with Mosaic's commitment to ethical sourcing and human rights;
- revamped our procedures and tools conducting due diligence of our global supplier community, enhancing our ability to detect Modern Slavery and giving us increased visibility to business risks within our supply chain.

In 2024, we plan to finalize and distribute our updated Supplier Code, fully implement and enhance training on our online platform for third-party due diligence, formalize our process and procedures for identifying, investigating and mitigating reported incidents of Modern Slavery, and increase the coverage of Modern Slavery in training for employees.

Approval and Attestation

This Report has been approved by the Board of Directors of each of the Reporting Entities.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for each of the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

A handwritten signature in black ink, appearing to read "Philip E. Bauer", with a long horizontal flourish extending to the right.

I have the authority to bind each of the Reporting Entities.

Philip E. Bauer

Senior Vice President, General Counsel and Corporate Secretary and Director of each of the Reporting Entities

May 22, 2024