

WHEREAS: Climate change is creating systemic economic, environmental, and social risks. The Commodity Futures Trading Commission underscored that climate change could impair the productive capacity of the U.S. economy.¹ According to the Intergovernmental Panel on Climate Change, the window for limiting global warming to 1.5 degrees Celsius (1.5°C) and avoiding the worst impacts of climate change is quickly narrowing. Immediate, sharp emissions reduction is required of all market sectors.²

In response to material climate risk, the Climate Action 100+ initiative, a coalition of over 700 investors with \$60 trillion in assets, issued a net zero Benchmark outlining metrics that create climate accountability for companies and transparency for shareholders. Expectations include setting a net zero ambition, adopting 1.5 degree-aligned reduction goals across all relevant emission scopes, and disclosing decarbonization strategies.³

Credible climate transition planning protects against financial risk, increases economic opportunity, and prepares companies to address climate regulations which continue to expand globally.⁴ As a leading integrated producer of concentrated phosphate and potash, Mosaic creates significant carbon emissions from its value chain, as well as nitrous oxide emissions from fertilizer use. Mosaic's Florida facilities are already experiencing climate-related risks from extreme weather conditions, resulting in facility damages, shipment delays, and low product output.⁵ Failing to align with net zero emissions and respond to this changing environment may make Mosaic less competitive and have a negative effect on its cost of capital and shareholders' financial returns.

While the Company has committed to reduce its operational emissions to net zero by 2040, Mosaic has not established 1.5 degree-aligned reduction goals that cover all segments of its business, including its Scope 3 value-chain emissions, which comprise over 60% of Company emissions. By setting science-based reduction targets for its Scope 1-3 emissions, disclosing a decarbonization plan, and demonstrating progress

¹ <https://www.cftc.gov/sites/default/files/2020-09/9-9-20%20Report%20of%20the%20Subcommittee%20on%20Climate-Related%20Market%20Risk%20-%20Managing%20Climate%20Risk%20in%20the%20U.S.%20Financial%20System%20for%20posting.pdf>

² https://report.ipcc.ch/ar6wg3/pdf/IPCC_AR6_WGIII_FinalDraft_FullReport.pdf

³ <https://www.climateaction100.org/wp-content/uploads/2021/03/Climate-Action-100-Benchmark-Indicators-FINAL-3.12.pdf>

⁴ <https://assets.bbhub.io/company/sites/63/2022/09/Expectations-for-Real-economy-Transition-Plans-September-2022.pdf>, https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/003/101/original/CDP_technical_note_-_Climate_transition_plans.pdf?1643994309

⁵ <https://www.bloomberg.com/news/articles/2022-10-01/ian-latest-weaker-storm-brings-rain-flash-floods-to-carolinas?sref=TtrRgti9>



toward achieving them, Mosaic can provide investors with assurance that it is reducing its climate contribution and addressing the physical, transition, and competitive risks associated with climate change.

BE IT RESOLVED: Shareholders request the Board issue a report, at reasonable expense and excluding confidential information, disclosing how the Company intends to reduce its full value chain greenhouse gas emissions in alignment with the Paris Agreement's 1.5°C goal requiring Net Zero emissions by 2050.

SUPPORTING STATEMENT: Proponents suggest, at Board and Company discretion, that the report include:

- A timeline for setting 1.5 degree-aligned Scope 3 reduction goals;
- A climate transition plan to achieve emissions reductions goals across all relevant emissions scopes;
- Annual reports demonstrating progress towards meeting emissions reduction goals;
- Other information the Board deems appropriate.