MOSAIC CO
Form DEF 14A
April 02, 2014
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No. __)

Filed by the Registrant x   Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to §240.14a-12

The Mosaic Company

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

Headquarter Offices:

Atria Corporate Center, Suite E490

3033 Campus Drive

Plymouth, MN 55441

Telephone (763) 577-2700

April 2, 2014

Dear Stockholder:

You are cordially invited to attend The Mosaic Company s 2014 Annual Meeting of Stockholders. The meeting will be held at the Crowne Plaza Hotel, 3131 Campus Drive, Plymouth, Minnesota 55441 and via the Internet at www.virtualshareholdermeeting.com/MOS14 on May 15, 2014, at 10:00 a.m. local time. A Notice of the Annual Meeting and a Proxy Statement covering the formal business of the meeting appear on the following pages. At the meeting we will report on our operations during the transition period from June 1 through December 31, 2013 (the Stub Period) associated with the change in our fiscal year end from May 31 to December 31. Directions to the meeting are included at the end of the accompanying Proxy Statement.

We hope that you will be able to attend the meeting. However, even if you are planning to attend the meeting, please promptly submit your proxy vote by telephone or Internet or, if you received a copy of the printed proxy materials, by completing and signing the enclosed proxy card and returning it in the postage-paid envelope provided. This will ensure that your shares are represented at the meeting. Even if you submit a proxy, you may revoke it at any time before it is voted. If you attend the meeting and wish to vote in person, you will be able to do so even if you have previously returned your proxy card.

Your cooperation and prompt attention to this matter are appreciated. We look forward to seeing you at the Annual Meeting.

Sincerely,

James T. Prokopanko

President and Chief Executive Officer

Table of Contents

Headquarter Offices:

Atria Corporate Center, Suite E490

3033 Campus Drive

Plymouth, MN 55441

Telephone (763) 577-2700

Notice of 2014 Annual Meeting of Stockholders

To Our Stockholders:

The 2014 Annual Meeting of Stockholders of The Mosaic Company, a Delaware corporation, will be held at the Crowne Plaza Hotel, 3131 Campus Drive, Plymouth, Minnesota 55441 on May 15, 2014, at 10:00 a.m. local time, to consider and act upon the following matters, each of which is explained more fully in the accompanying Proxy Statement:

1. Approval of an amendment to Mosaic s Restated Certificate of Incorporation to declassify the Board of Directors;

2. The election of one director for a term expiring in 2015, and the election of four directors for terms expiring in 2015, or if the amendment to our Restated Certificate of Incorporation is not approved, for terms expiring in 2017, each as recommended by the Board of Directors;

3. Approval of The Mosaic Company 2014 Stock and Incentive Plan;

4. The ratification of the appointment of KPMG LLP as our independent registered public accounting firm to audit our financial statements as of and for the year ending December 31, 2014 and the effectiveness of internal control over financial reporting as of December 31, 2014, as recommended by our Audit Committee;

5. An advisory vote to approve the compensation of our executive officers disclosed in the accompanying Proxy Statement; and

6. Any other business that may properly come before the 2014 Annual Meeting of Stockholders or any adjournment or postponement thereof.

In accordance with our Bylaws and resolutions of the Board of Directors, only stockholders of record at the close of business on March 24, 2014 are entitled to notice of and to vote at the 2014 Annual Meeting of Stockholders.

By Order of the Board of Directors

Richard L. Mack

Executive Vice President, General Counsel and Corporate Secretary

April 2, 2014

Important Notice Regarding the Availability of Proxy Materials for the

Stockholder Meeting to be Held on May 15, 2014:

Our Proxy Statement and Stub Period Report to Stockholders, are available at www.mosaicco.com/proxymaterials.

Table of Contents

SUMMARY INFORMATION

This summary highlights information in this Proxy Statement. This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement and our Stub Period Report to Stockholders carefully before voting.

The Mosaic Company Annual Meeting of Stockholders

Date and Time:	May 15, 2014; 10:00 a.m. local time
Place:	Crowne Plaza Hotel, 3131 Campus Drive, Plymouth, Minnesota 55441
Virtual Meeting:	www.virtualshareholdermeeting.com/MOS14
Record Date:	March 24, 2014

General Information

Corporate website:	www.mosaicco.com
Investor website:	www.mosaicco.com/investors
Stub Period Report to Stockholders:	www.mosaicco.com/proxymaterials

Voting Matters

	Board Recommendation	Page
Declassification of Board	**FOR**	11
Election of Five Directors	**FOR** each director nominee	12
Approval of Stock and Incentive Plan	**FOR**	78
Ratification of KPMG LLP as our independent registered public accounting firm	**FOR**	89
Say-on-Pay Advisory Proposal	**FOR**	89

Our Business

We are the world s leading producer and marketer of concentrated phosphate and potash crop nutrients. We are the largest integrated phosphate producer in the world and one of the largest producers and marketers of phosphate-based animal feed ingredients in the United States. We are the fourth largest producer of potash in the world. Through our broad product offering, we are a single source supplier of phosphate- and potash-based crop nutrients and animal feed ingredients. We serve customers in approximately 40 countries. We mine phosphate rock in Florida and process rock into finished phosphate products at facilities in Florida and Louisiana. We mine potash in Saskatchewan and New Mexico. We have other production, blending or distribution operations in Brazil, China, India, Argentina, and Chile, as well as strategic equity investments in a phosphate rock mine in the Bayovar region in Peru, and a joint venture recently formed to develop a phosphate rock mine and chemical complexes in the Kingdom of Saudi Arabia (the Northern Promise Joint Venture). Our operations serve the top four nutrient-consuming countries in the world. We plan to sell our assets in Argentina and Chile and exit our distribution business in those countries, which we do not expect to significantly affect our sales in Latin America.

We were formed through the October 2004 business combination of IMC Global Inc. (IMC) and the fertilizer businesses of Cargill, Incorporated (individually, or in any combination with its subsidiaries, Cargill). On May 25, 2011, we facilitated Cargill s exit from its ownership interest in us through a split-off (the Split-off) to its stockholders and a debt exchange with certain of its debt holders, and initiated the first in a series of transactions intended to result in the ongoing orderly disposition of the approximately 64% (285.8 million) of our shares that Cargill formerly held. We refer to these transactions as the New Horizon Transaction and have included additional information on the disposition of these shares under Business Highlights below and Certain Relationships and Related Transactions on page 77.

Table of Contents

Business Highlights

For the Stub Period, net earnings attributable to Mosaic were $340 million, or $0.80 per diluted share, compared to $1.2 billion, or $2.73 per diluted share, for the seven months ended December 31, 2012. Earnings for the Stub Period were impacted by market conditions that resulted in lower phosphate and potash selling prices compared to the same period in the prior year, among other items. We generated $889.4 million in cash flows from operations during the Stub Period, and maintained cash and cash equivalents of $5.3 billion as of December 31, 2013 compared to $3.7 billion at May 31, 2013.

During the Stub Period, we made significant progress on our strategic plans and other priorities:

Growth: Grow our production of essential crop nutrients and operate with increasing efficiency

- *Northern Promise Joint Venture*: We entered into a definitive agreement to form the Northern Promise Joint Venture to develop, own and operate integrated phosphate production facilities in the Kingdom of Saudi Arabia. We own 25% of the joint venture and will market approximately 25% of the production of the joint venture.
- *CF Phosphate Assets Acquisition*: We entered into an agreement to acquire the Florida phosphate assets and assume certain related liabilities of CF Industries, Inc. (CF). This transaction closed on March 17, 2014.
  - We also signed strategic supply agreements with CF under which CF will provide us with ammonia. We believe the natural gas-based pricing under one of these agreements will provide us with a competitive advantage in the future.
  - We expect our cost for the CF Phosphate Assets Acquisition, together with amounts we expect to spend to develop reserves**,** improve existing mines and acquire marine assets to transport ammonia from Louisiana to our Florida facilities, to be offset by capital savings that our transactions with CF allow us to achieve. These capital savings relate to cancellations of construction of a proposed ammonia manufacturing plant in Louisiana and a planned beneficiation facility for our future Ona phosphate rock mine in Florida**.**
  - We also expect to capture significant additional operating efficiencies as a result of the CF Phosphate Assets Acquisition.
- We successfully completed a test run of the expanded capacity at our Esterhazy, Saskatchewan, potash mine, which increased our share of sales of Canpotex, Limited (Canpotex) from approximately 39.9% to 42.5% effective January 1, 2014. Canpotex is an export association of Canadian potash producers through which we sell our Canadian potash products outside the U.S. and Canada.

Market Access: Expand our reach and impact by continuously strengthening our distribution network

- We are increasing our investment in Brazil a key growth region and strategically important country for crop nutrients. We expect our investments in Brazil will enable us to grow our share of sales in this key country.

Innovation: Build on our industry-leading products, process and sustainability innovations

- Sales volume for our premium MicroEssentials® products increased approximately 13% from the prior year period, contributing to a new record for our sales of MicroEssentials®.

Total Shareholder Return: Deliver strong financial performance and provide meaningful returns to our shareholders

- We entered into a share repurchase agreement (the MAC Trusts Share Repurchase Agreement) with two former Cargill stockholders (the MAC Trusts) to purchase all of the remaining Class A Shares held by the MAC Trusts through a series of transactions through July 30, 2014. As of the date of this Proxy Statement, all 21,647,007 Class A Shares, Series A-3, held by the MAC Trusts, and 6,184,858 Class A Shares, Series A-2, had been repurchased for an aggregate of $1.3 billion and 15,462,150 Class A Shares, Series A-2, remain to be purchased.
- We completed a $2.0 billion public debt offering at attractive interest rates.

Table of Contents

- Ø We upsized and extended our prior $750 million unsecured revolving credit facility with a new unsecured five-year revolving credit facility in the amount of $1.5 billion.
- Ø Subsequent to year-end, we initiated a $1 billion share repurchase program (the Repurchase Program), allowing us to repurchase Class A Shares or Common Stock, through direct buybacks or in the open market. As of the date of this Proxy Statement, we had purchased 155,000 shares of our Common Stock under the Repurchase Program.

  As part of the Repurchase Program, we entered into share repurchase agreements (the Family Trusts Share Repurchase Agreements) with certain Cargill family member trusts (the Family Trusts) to purchase an aggregate of approximately 8.2 million Class A Shares under the Repurchase Program. These purchases have been completed for an aggregate of approximately $387.3 million.

We have included additional information on these matters in this Proxy Statement or in our accompanying Stub Period Annual Report.

Compensation Highlights

Say-on-Pay:

- Ø 2013 *Say-on-Pay* advisory proposal approved by 98% of votes cast.
- Ø Say-on-Pay advisory proposals submitted to stockholders annually.

Stub Period Executive Compensation:

- Ø Compensation aligned with strategic interests of our investors.
- Ø Target direct compensation for Named Executive Officers commensurate with prior fiscal year financial results and progress on our strategic priorities, and reflects our compensation philosophy.
- Ø Target compensation for Named Executive Officers designed to be competitive with evolving trends and best practice.
- Ø High proportion of target direct compensation at risk based on individual and company performance and more than half in the form of long-term incentives paid in the form of equity:
- Ø Further enhanced alignment of executive compensation with stockholder interests by introducing a sharing rate concept to the Operating Earnings measure under our short-term incentive plan, with participants sharing in our Operating Earnings with payouts increasing as return on invested capital increases.
- Ø Below-target short-term incentive plan payouts reflected achievement of a below-target level of operating earnings, strong performance on cost control objectives and the number of employee and contractor injuries, and below-threshold performance under an incentive measure that measures the severity of employee and contractor injuries.
- Ø Long-term equity incentive burn rate (the target ratio of shares of our Common Stock, par value $0.01 per share (Common Stock) subject to equity incentive awards granted as part of our Stub Period grant as a percentage of our outstanding stock) of 0.16% as of May 31, 2013.

Table of Contents

Compensation Governance:

Ø Executive Employment Agreements:	No
Ø Executive Change-in-Control Agreements:	Double Trigger; No Tax Gross-Up
Ø Stock Ownership Guidelines:	Yes
Ø Clawback Policy:	Yes
Ø Hedging Policy:	Yes
Ø Independent Compensation Consultant:	Yes
Ø Access to Other Independent Advisors:	Yes
Ø Independent Compensation Committee and Compensation Adviser under new Independence Standards:	Yes

Compensation Philosophy: Utilize our executive compensation program to:

Ø Align strategic interests with stockholders interests.
Ø Achieve short and long-term business objectives.
Ø Attract, retain and motivate employees.
Ø Pay for performance.

Compensation Risk: Balanced set of rewards without encouraging excessive risk-taking.

Perquisites and Other Special Executive Benefits: Standard benefits and limited special executive perquisites and other benefits. Reportable perquisites and other special executive benefits not generally available to salaried domestic employees did not exceed $16,900 for any Named Executive Officer for the Stub Period.

Corporate Governance Highlights

Declassification of Board of Directors. At the 2014 Annual Meeting of Stockholders (2014 Annual Meeting), we are submitting to our stockholders a management proposal to eliminate the classification of our Board of Directors. Directors elected at the 2014 Annual Meeting and subsequently would be elected for one-year terms. The terms of office for directors elected prior to the 2014 Annual Meeting would not be shortened by this proposal.

Independent Directors. All of our directors, except our CEO and one director who is an executive officer of Cargill, are independent. All of the members of our Audit, Compensation and Corporate Governance and Nominating Committees are independent.

Majority Vote Standard. Our Bylaws provide for the election of directors by a majority of votes cast in uncontested elections.

Independent Non-Executive Chairman. Our Board is led by an independent non-executive Chairman.

Director Stock Ownership. $425,000 minimum guideline for directors with five years of service.

Succession Planning. Rigorous framework for Corporate Governance and Nominating Committee annual review of succession planning for our CEO and for Compensation Committee annual review of succession planning for other executive officers and key executives.

Environmental, Health, Safety and Sustainable Development.

Ø Dedication to protecting our employees and the communities in which we operate, and to being a good steward of natural resources.
Ø Separate standing Board committee to oversee environmental, health, safety, security and sustainable development.

Annual Board and Committee Evaluations.

Ø Annual self-evaluation by Board and each standing committee, including peer review.
Ø Annual review of each standing committee s charter.

Table of Contents

Risk Oversight

Standing management Enterprise Risk Management, or ERM, Committee assists in achieving business objectives through systematic approach to anticipate, analyze and review material risks. Consists of cross-functional team of executives and senior leaders.
Board oversees management s actions, with assistance from each of its standing committees. Management reports on enterprise risks to the full Board on a regular basis.

Declassification of our Board of Directors

Our Board is proposing an amendment to our Restated Certificate of Incorporation to declassify our Board of Directors. If the proposed amendment is approved by our stockholders, implementation of the declassification of our Board would commence at the 2014 Annual Meeting. Director nominees standing for election at the 2014 Annual Meeting, and at each annual meeting thereafter, would be elected to serve a one-year term, resulting in the Board of Directors being fully declassified (and all Board members standing for annual elections) commencing with the 2016 annual meeting of stockholders. The amendment would not change the unexpired three-year terms of directors elected prior to effectiveness of the amendment.

Proposal to Approve 2014 Stock and Incentive Plan

Purpose: Allow us to motivate, reward and retain employees, officers and directors through stock and cash-based incentive compensation, provide opportunities for their stock ownership and align their interests with those of stockholders.
Number of Shares Subject to Plan: 25,000,000.
Ø *Limits on Share Recycling*
Ø *Three Year Average Burn Rate as of March 7, 2014:* 0.16%.
Types of Awards: stock options; stock appreciation rights; other cash and stock-based performance awards; restricted stock; restricted stock units; other stock grants and stock-based awards.
Duration of Plan: Additional awards may not be made after May 15, 2024.
Governance Highlights:
Ø *Administration:* For officers and employees, Compensation Committee; for directors, full Board.
Ø *No initial in-the-money option or stock appreciation right grants*
Ø *No repricing of underwater options or stock appreciation rights*
Ø *Full value awards (stock-based performance awards (excluding options and stock appreciation rights); restricted stock; restricted stock units) reduce shares available under plan by twice the stated number of shares*
Ø *Accelerated vesting not triggered solely by stockholder approval of business combination transaction*
Ø *Dividend equivalents:*
Not payable until awards vest.
Not available on options or stock appreciation rights.
Ø *Maximum term for options and stock appreciation rights:* Ten years.
Treatment of Prior Plan: No further awards will be made under our current stock and incentive plan if our stockholders approve the new plan.

Table of Contents

Directors and Director Nominees

The table below shows summary information about each director and nominee for election as a director. Each director nominee is elected by a majority of the votes cast. If our Board declassification proposal is approved by our stockholders, these director nominees will be elected for terms that expire in 2015. Otherwise, if our Board declassification proposal is not approved by our stockholders, each of these director nominees, other than Ms. Johnson, will be elected for terms that expire in 2017, and Ms. Johnson would be elected for a term that expires in 2015. Each director was present for at least 93% of the aggregate number of meetings of the Board and committees of the Board of which such director was a member that occurred during the Stub Period and subsequent to the election of such director to the Board.

Name	Age	Director Since	Occupation	Experience/ Qualifications	Independent	Committee Memberships AC	Comp	Gov	EHSS	Other Company Boards
Nominees for Election as Directors										
Denise C. Johnson	47	New Nominee	Vice President, Integrated Manufacturing Operation Division, Caterpillar, Incorporated	Global Operational Leadership Operational Excellence Strategic Business Planning	X					
Nancy E. Cooper	60	2011	Retired, former Executive Vice President and CFO, CA, Inc. (CA Technologies)	Financial Expertise and Leadership Audit Committee Experience Software Technology Ethics and Compliance	X					Teradata Corporation Brunswick Corporation
James L. Popowich	69	2007	Retired, former CEO, Elk Valley Coal Corporation	Executive and Operational Leadership Mining Environment, Health, Safety and Sustainability	X					Canadian Institute of Mining, Metallurgy and Petroleum
James T. Prokopanko	60	2004	President and CEO, Mosaic	Management Interface with Board Agriculture/ Fertilizer						Vulcan Materials Company
Steven M.	58	2004		Government and Public Policy	X					

Seibert			Attorney, The Seibert Law Firm	Statewide and Local Issues in Florida Environment and Land Use		
Continuing Directors						
Directors whose Term of Office Expires in 2015						
Gregory L. Ebel	49	2012	President and CEO, Spectra Energy Corp	Executive Leadership Finance Business Development	X	Spectra Energy Corp Spectra Energy Partners, LP
Robert L. Lumpkins	70	2004	Retired, former Vice Chairman and CFO, Cargill	Executive Leadership Finance Agricultural/ Fertilizer Business Formation of Mosaic	X	Ecolab, Inc.
William T. Monahan	66	2004	Retired, former Chairman, President and CEO, Imation Corp.	Executive and Operational Leadership Marketing Executive Compensation	X	Pentair Ltd.

8

Table of Contents

Name	Age	Director Since	Occupation	Experience/ Qualifications	Independent	Committee Memberships AC	Comp	Gov	EHSS	Other Company Boards
Directors whose Term of Office Expires in 2016										
Timothy S. Gitzel	51	2013	President and CEO, Cameco Corporation	Executive Leadership Business, Government and Regulatory Affairs in Canada Mining	X					Cameco Corporation
William R. Graber	70	2004	Retired, former Senior Vice President and CFO, McKesson Corporation	Financial Expertise and Leadership Audit Committee Financial Expert Executive Leadership	X					Kaiser Permanente
Emery N. Koenig	57	2010	Executive Vice Chairman and Chief Risk Officer, Cargill	Executive Leadership Finance Risk Management Agricultural Business						Cargill, Incorporated
David T. Seaton	52	2009	Chairman and CEO, Fluor Corporation	Project Management Executive Leadership Global Operations Energy and Chemicals Markets	X					Fluor Corporation

AC: Audit Committee
Comp: Compensation Committee

Gov: Corporate Governance and Nominating Committee
EHSS: Environmental, Health, Safety and Sustainable Development Committee
: Committee Chair
: Committee Member

Auditors

As a matter of good corporate governance, we are requesting our stockholders to ratify our selection of KPMG LLP as our independent registered public accounting firm. The table below shows information about KPMG LLP s fees for services in the Stub Period, fiscal 2013 and 2012:

	Stub Period ($)	2013 ($)	2012 ($)
Audit Fees	3,995,000	4,750,000	4,415,000
Audit-Related Fees	1,252,000	657,000	470,000
Tax Fees	290,000	386,000	433,000
All Other Fees	0	42,000	0

Frequently Asked Questions and Directions to Meeting

We provide answers to many frequently asked questions about the 2014 Annual Meeting and voting, including how to vote shares held in employee benefit plans, in the Questions and Answers section beginning on page 95. We have included directions to the 2014 Annual Meeting on the back cover of this Proxy Statement.

TABLE OF CONTENTS

Table of Contents

PROXY STATEMENT

The Board of Directors (the Board) of The Mosaic Company is soliciting proxies for use at the 2014 Annual Meeting to be held on May 15, 2014, and at any adjournment or postponement of the meeting. The proxy materials are first being mailed or available to stockholders on or about April 2, 2014.

References in this Proxy Statement to Mosaic refer to The Mosaic Company and references to the Company, we, us, or our refer to Mosaic a its direct and indirect subsidiaries, individually or in any combination.

Through May 31, 2013, our fiscal year ended on May 31, and references in this Proxy Statement to fiscal 2013 or any prior fiscal year are to the twelve months ended May 31 of that year. As previously reported, we have changed our fiscal year end to December 31 from May 31 and have filed a transition report on Form 10-K with the Securities and Exchange Commission (SEC) for the Stub Period (the Stub Period 10-K Report).

PROPOSAL NO. 1 APPROVAL OF AN AMENDMENT TO RESTATED CERTIFICATE OF INCORPORATION TO DECLASSIFY OUR BOARD OF DIRECTORS

Our Restated Certificate of Incorporation currently provides that the Board be divided into three classes, with members of each class of directors serving a three-year term. The classification of the Board results in staggered elections, with a different class of directors standing for election each year. We are asking you to approve an amendment to our Restated Certificate of Incorporation to declassify our Board.

This proposal is a result of the ongoing review by our Board of corporate governance matters generally, and, in particular, the advantages and disadvantages of maintaining a classified board structure. It is also the result of our open dialog and communication with our stockholders. The Board and its Corporate Governance and Nominating Committee believe that our classified structure has helped to ensure the continuity of our business strategies and has reinforced a commitment to long-term stockholder value. Although these are important benefits, the Board and Corporate Governance and Nominating Committee recognize that there is a growing sentiment among stockholders and the investment community in favor of declassified boards and the annual election of all directors. Ultimately, the Board and Corporate Governance and Nominating Committee concluded that the Board would continue to be effective in protecting stockholder interests under an annual election system. We also received a stockholder proposal in 2013 to put declassification of the Board on the ballot for our 2013 Annual Meeting of Stockholders (the 2013 Annual Meeting). After discussion with representatives of the stockholder making that proposal, our Board agreed to bring to a vote at the 2014 Annual Meeting a management proposal to declassify our Board, following which the stockholder proposal was withdrawn. Accordingly, upon the recommendation of our Corporate Governance and Nominating Committee, our Board unanimously approved an amendment to Article VIII of our Restated Certificate of Incorporation to declassify the Board (the Amendment), subject to stockholder approval at the 2014 Annual Meeting, and declared the Amendment to be advisable. A copy of Article VIII of the Restated Certificate of Incorporation, as it would be implemented upon stockholder approval of this Proposal No. 1, is attached as Appendix A to this Proxy Statement.

In addition, the Board, upon recommendation of the Corporate Governance and Nominating Committee, has provisionally approved amendments to our Amended and Restated Bylaws relating to the filling of director vacancies, to reflect the proposed declassification of the Board. The amendments to our Amended and Restated Bylaws have been approved by the Board but are conditioned upon stockholder approval of the Amendment pursuant to this proposal.

Table of Contents

If the proposed Amendment is approved by our stockholders, implementation of the declassification of our Board would commence at the 2014 Annual Meeting. Director nominees standing for election at the 2014 Annual Meeting, and at each annual meeting thereafter, would be elected to serve a one-year term, resulting in the Board being fully declassified (and all Board members standing for annual elections) commencing with the 2016 annual meeting of stockholders. The Amendment would not change the unexpired three-year terms of directors elected prior to effectiveness of the Amendment. In accordance with our Amended and Restated Bylaws, as amended by the Board conditioned upon stockholder approval of the Amendment pursuant to this proposal, any director chosen as a result of a newly created directorship or to fill a vacancy on the Board would hold office until the next annual meeting of stockholders. If our stockholders do not approve the Amendment at the 2014 Annual Meeting, then no changes will be made to our Restated Certificate of Incorporation or Amended and Restated Bylaws and our Board will remain classified. This description of the effect of the proposed Amendment is a summary and is qualified by the full text of the proposed Amendment, attached as Appendix A to this Proxy Statement.

The Board of Directors recommends a vote FOR approval of the amendment to the Restated Certificate of Incorporation to declassify our Board of Directors.

PROPOSAL NO. 2 ELECTION OF DIRECTORS

Our Board has nominated one director for election at the 2014 Annual Meeting to hold office for a one-year term expiring in 2015; and four directors for election at the 2014 Annual Meeting to hold office for one-year terms expiring in 2015 or, in the alternative, if Proposal No. 1 is not approved by our stockholders, for three-year terms expiring in 2017.

Our Board currently consists of 11 members and is divided into three classes. Prior to the 2014 Annual Meeting, the members of each class were elected to serve three-year terms, with the term of office for each class ending in consecutive years. In accordance with our bylaws, our Board has determined to set the number of directors at 12 members, effective as of the date of the 2014 Annual Meeting with the additional director added to the class that would stand for election at our 2015 Annual Meeting of Stockholders.

Our Board has nominated Denise C. Johnson for election at the 2014 Annual Meeting for a one-year term expiring in 2015. Nancy E. Cooper, James L. Popowich, James T. Prokopanko and Steven M. Seibert, each of whom is currently serving in the class of directors whose term expires at the 2014 Annual Meeting, will stand for re-election at the 2014 Annual Meeting for one-year terms expiring in 2015 or, in the alternative, if Proposal No. 1 is not approved by our stockholders, for three-year terms expiring in 2017. Each nominee has indicated a willingness to serve another term on the Board.

If one or more nominees should become unavailable to serve as a director, it is intended that shares represented by the proxies will be voted for such substitute nominee or nominees as may be selected by the Board.

Nomination and Selection of Directors

The Corporate Governance and Nominating Committee identifies and evaluates potential director candidates in a variety of ways:

- Periodic solicitation of input from Board members.
- Consultations with senior management and director search firms.
- Candidates nominated by stockholders who have complied with the advance notice procedures set forth in our Bylaws.

Table of Contents

The Corporate Governance and Nominating Committee makes a recommendation to the full Board as to the persons who should be nominated by the Board, and the Board determines its nominees after considering the recommendation of the Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee evaluates all candidates on the same basis regardless of the source of the referral.

Our Bylaws provide that a stockholder entitled to vote at an annual meeting who wishes to nominate a candidate for election to the Board is required to give written notice to our Corporate Secretary of his or her intention to make such a nomination. In accordance with the advance notice procedures in our Bylaws, a notice of nomination is required to be received within the prescribed time and must contain certain information about both the nominee and the stockholder making the nomination as described in our Policy Regarding Identification and Evaluation of Potential Director Nominees. The full text of this policy is available on our website www.mosaicco.com under the Investors Corporate Overview Governance Documents caption. The Corporate Governance and Nominating Committee may require that the proposed nominee furnish other information to determine that person s eligibility to serve as a director. Additionally, the notice of nomination must include a statement whether each such nominee, if elected, intends to tender, promptly following such person s failure to receive the required vote for election, an irrevocable resignation letter to be effective upon acceptance by the Board, in accordance with our Corporate Governance Guidelines. The remainder of the requirements of the advance notice procedures are described in this Proxy Statement under the caption Stockholder Proposals and Nominations for the 2015 Annual Meeting of Stockholders. A nomination that does not comply with the advance notice procedures may be disregarded.

Director Qualifications

In order to be nominated by the Board as a director, director nominees should possess, in the judgment of the Corporate Governance and Nominating Committee, the qualifications set forth in our Corporate Governance Guidelines, including:

Personal characteristics:

Ø highest personal and professional ethics, integrity and values;

Ø an inquisitive and objective perspective; and

Ø practical wisdom and mature judgment;

Broad experience at the policy-making level in international business, trade, agriculture, government, academia or technology;

Expertise that is useful to us and complementary to the background and experience of other directors, so that an appropriate balance of skills and experience of the membership of the Board can be achieved and maintained;

Willingness to represent the best interests of all stockholders and objectively appraise management performance;

Involvement only in activities or interests that do not create a material conflict with the director s responsibilities to us and our stockholders;

Commitment in advance of necessary time for Board and committee meetings; and

A personality reasonably compatible with the existing Board members.

In evaluating director nominees, the Board and the Corporate Governance and Nominating Committee believe that diversity in the broadest sense, as stated in our Corporate Governance Guidelines, including background, experience, geographic location, gender and ethnicity, is an important consideration in the composition of the Board as a whole. The committee discusses diversity considerations in connection with each director candidate. When seeking the assistance of a director search firm to identify candidates, the Corporate

Table of Contents

Governance and Nominating Committee requests that the search firm consider diversity, in addition to other factors, in its search criteria.

Our Corporate Governance and Nominating Committee annually reviews our Corporate Governance Guidelines, including the provisions relating to diversity, and recommends to the Board any changes it believes appropriate to reflect best practices. In addition, our Board assesses annually its overall effectiveness by means of a self-evaluation process. This evaluation includes, among other things, a peer review and an assessment of the overall composition of the Board, including a discussion as to whether the Board has adequately considered diversity, among other factors, in identifying and discussing director candidates.

The full text of our Corporate Governance Guidelines is available on our website at www.mosaicco.com under the Investors Corporate Overview Governance Documents caption.

Nominee for Election as Director whose Term Expires in 2015

Denise C. Johnson

Vice President and Officer Integrated Manufacturing Operations

Caterpillar, Incorporated

Age: 47

New Nominee

Independent: Yes

Ms. Johnson has served as Vice President and Officer Integrated Manufacturing Operations of Caterpillar, Incorporated (Caterpillar), a manufacturer of construction and mining equipment, diesel and natural gas engines, industrial gas turbines and diesel-electric locomotives, since May 2013. Prior to becoming Vice President and Officer Integrated Manufacturing Operations, Ms. Johnson served as Vice President and Officer Diversified Products Division from January 2013 to May 2013 and as General Manager Specialty Products from May 2011 to January 2013 of Caterpillar. Ms. Johnson began her career at General Motors Corporation and continued at General Motors Company, an automobile and truck manufacturer, where she held increasingly important roles from 1989 through 2011, including President and Managing Director of General Motors do Brasil Ltda. from June 2010 to March 2011; Vice President and Officer, General Motors Labor Relations, from December 2009 to June 2010; Vehicle Line Director and Vehicle Chief Engineer, Global Small Cars, from April 2009 to December 2009; and Plant Manager, Flint Truck Assembly & Flint Metal Center Plants, from November 2008 to April 2009.

Skills and Qualifications:

Global Operational Leadership Significant experience in leading complex global operations, labor negotiations and product development, improvement and launches.

Operational Excellence Experience in lean manufacturing and supply chain management.

Strategic Business Planning Experience in developing global leadership strategies to optimize core business value.

Table of Contents

Nominees for Election as Directors whose Terms Expire in 2015 or, in the alternative, if Proposal No. 1 is not approved by our stockholders, for three-year terms expiring in 2017

Nancy E. Cooper

Retired, former Executive Vice President and Chief Financial Officer

CA Technologies

Age: 60

Director Since: October 2011

Stub Period Meeting Attendance: 93.75%

Independent: Yes

Mosaic Committee Membership:

Audit (Chair)

Corporate Governance and Nominating

Ms. Cooper served as Executive Vice President and Chief Financial Officer of CA Technologies, an IT management software provider, from August 2006 until she retired in May 2011. Ms. Cooper joined CA Technologies with nearly 30 years of finance experience, including as Chief Financial Officer for IMS Health Incorporated, a leading provider of market intelligence to the healthcare industry, from 2001 to August 2006, and, prior to that, Reciprocal, Inc., a leading digital rights management and consulting firm. In 1998, she served as a partner responsible for finance and administration at General Atlantic Partners, a private equity firm focused on software and services investments. Ms. Cooper began her career at IBM Corporation where she held increasingly important roles over a 22-year period that focused on technology strategy and financial management.

Skills and Qualifications:

Financial Expertise and Leadership and Audit Committee Experience Extensive experience as a Chief Financial Officer and in other financial leadership roles at several public companies, as well as service on the audit committee of two other public companies; allows her to serve as an audit committee financial expert within the meaning of SEC rules.

Software Technology Experience Experience in technology matters.

Ethics and Compliance Ethics and compliance focus.

Other Board Service:

Teradata Corporation *(Audit Committee)*

Brunswick Corporation *(Audit Committee)*

James L. Popowich

Retired, former Chief Executive Officer

Elk Valley Coal Corporation

Age: 69

Mr. Popowich served as President and Chief Executive Officer of Elk Valley Coal Corporation (EVCC), a producer of metallurgical hard coking coal, in Calgary, Alberta, from January 2004 to August 2006, and as President of the Fording Canadian Coal Trust, a mutual fund trust that held a majority ownership interest in EVCC, from January 2004 until his retirement in December 2006. Mr. Popowich was Executive Vice President of EVCC from February 2003 to January 2004. He is a director of the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), an industry technical association dedicated to education and identifying best practices in the mineral industry. Mr. Popowich was Past President of CIM from May 2008 through May 2009, and President of CIM from May 2007 to May 2008.

Skills and Qualifications:

Executive and Operational Leadership Experience Significant executive and operational experience.

Director Since: December 2007

Stub Period Meeting Attendance: 100%

Independent: Yes

Mosaic Committee Membership:

Compensation

Environmental, Health, Safety and Sustainable Development

Mining Experience Extensive experience in the mining business, including both shaft and open-pit; member of the Association of Professional Engineers, Geologist and Geophysicists of Alberta; received the CIM Fellowship award for contributions to the coal industry in Canada; and serves as a consultant to the mining industry with a focus on operational excellence.

Environment, Health, Safety, and Sustainability Familiarity with addressing environmental, health, safety, corporate social responsibility and greenhouse gas matters in Canada.

Other Board Service:

CIM

Climate Change Central (an organization established by the Alberta government dedicated to the reduction of greenhouse gasses, 2002 2010)

Table of Contents

James T. Prokopanko

President and Chief Executive Officer

The Mosaic Company

Age: 60

Director Since: October 2004

Stub Period Meeting Attendance: 100%

Independent: No

Mr. Prokopanko has been our President and Chief Executive Officer since January 2007. He joined us as our Executive Vice President and Chief Operating Officer in July 2006, serving in such offices until he was elected President and Chief Executive Officer. Previously, he was a Corporate Vice President of Cargill from 2004 to 2006. He was Cargill s Corporate Vice President with executive responsibility for procurement from 2002 to 2006 and a leader of Cargill s Ag Producer Services Platform from 1999 to 2006. After joining Cargill in 1978, he served in a wide range of leadership positions, including being named Vice President of the North American crop inputs business in 1995. During his Cargill career, Mr. Prokopanko was engaged in retail agriculture businesses in Canada, the United States, Brazil, Argentina and the United Kingdom. Mr. Prokopanko is the sole director who is a member of management.

Skills and Qualifications:

Management Interface with Board Principal interface between management and our Board; facilitates our Board s performance of its oversight function by communicating the Board s and management s perspectives to each other.

Agriculture/Fertilizer Longstanding experience in the agriculture and fertilizer industry through executive and operational roles for Cargill.

Other Board Service:

Vulcan Materials Company *(Compensation Committee; Governance Committee)*

Steven M. Seibert

Attorney

The Seibert Law Firm

Age: 58

Director Since: October 2004

Stub Period Meeting Attendance: 100%

Independent: Yes

Mosaic Committee Membership:

Mr. Seibert is a land use and environmental attorney and has been a Florida Supreme Court-certified mediator for over 20 years. He has operated The Seibert Law Firm in Tallahassee, Florida since January 2003, and in early 2013 co-founded a strategy consulting firm, TriSect LLC. From July 2008 until September 2011, Mr. Seibert was Senior Vice President and Director of Strategic Visioning for the Collins Center for Public Policy, a non-partisan, non-profit policy research organization. He also served as the Executive Director of the Century Commission for a Sustainable Florida from 2005 until July 2008. Prior to re-starting his law practice in 2003, Mr. Seibert was the gubernatorial appointed Secretary of the Florida Department of Community Affairs from 1999 to 2003 and, before that, Mr. Seibert was an elected County Commissioner representing Pinellas County, Florida from 1992 to 1999.

Skills and Qualifications:

Government and Public Policy; Statewide and Local Issues in Florida Service in various public policy and governmental roles in Florida, as well as his law practice, contribute to our Board s understanding of public policy and other statewide and local issues in Florida, where most of our phosphate operations are located.

Environment and Land Use Experience Insights gained through his experience in environmental, land and water use and emergency management in Florida enhance our Board s perspective on these matters. Facilitates his leadership of our Environmental, Health, Safety and Sustainable Development Committee.

Corporate Governance and

Nominating

Environmental, Health, Safety

and Sustainable Development

(Chair)

Table of Contents

Class II Directors Whose Terms Expire in 2015

Gregory L. Ebel

President and Chief Executive Officer

Spectra Energy Corp

Age: 49

Director Since: October 2012

Stub Period Meeting Attendance: 100%

Independent: Yes

Mosaic Committee Membership:

Audit

Compensation

Mr. Ebel has served as President and Chief Executive Officer of Spectra Energy Corp which, through its subsidiaries and equity affiliates, owns and operates a large and diversified portfolio of complementary natural gas-related energy assets, since January 1, 2009. Prior to January 2009, Mr. Ebel served as Group Executive and Chief Financial Officer of Spectra Energy from January 2007, President of Union Gas Limited, a subsidiary of Spectra Energy, from January 2005 until January 2007, and Vice President, Investor & Shareholder Relations of Duke Energy Corporation from November 2002 until January 2005. Mr. Ebel joined Duke Energy in March 2002 as Managing Director of Mergers and Acquisitions in connection with Duke Energy s acquisition of Westcoast Energy Inc.

Skills and Qualifications:

Executive Leadership Breadth of senior executive and policy-making roles at Spectra Energy and Duke Energy, and in a number of leadership positions in the areas of finance, operations and strategic development.

Finance Experience in financial matters and as a financial executive, including Chief Financial Officer of Spectra Energy and Vice President, Investor and Shareholder Relations of Duke Energy.

Business Development Experience in leading organization in the areas of strategic development and mergers and acquisitions at Spectra Energy and Duke Energy.

Other Board Service:

Spectra Energy Corp

Spectra Energy Partners

Robert L. Lumpkins

Retired, former Vice Chairman and Chief Financial Officer

Cargill, Incorporated

Non-Executive Chairman of Mosaic s Board

Mr. Lumpkins served as Vice Chairman of Cargill from August 1995 to October 2006 and as its Chief Financial Officer from 1989 to 2005. As Vice Chairman of Cargill, Mr. Lumpkins played a key role in the formation of Mosaic through the combination of IMC and Cargill s fertilizer businesses.

Skills and Qualifications:

Executive Leadership Experience in various senior executive and policy-making roles at Cargill, including as Vice Chairman for over a decade; international management; strong and effective Board leadership and governance.

Finance Served in various financial leadership roles at Cargill, including Chief Financial Officer for over ten years.

Age: 70

Director Since: January 2004

Stub Period Meeting Attendance: 100%

Independent: Yes

Mosaic Committee Membership:

Corporate Governance and Nominating (Chair)

Agricultural and Fertilizer Business Expertise; Formation of Mosaic Experience in Cargill s agricultural and fertilizer businesses and service as one of Cargill s key leaders in the conception and formation of Mosaic; possesses unique strategic and business insights into our business.

Other Board Service:

Ecolab, Inc. *(Chair, Safety, Health and Environment Committee; Audit Committee)*

Howard University

Airgas, Inc. (2010 August 2013)

Webdigs, Inc. (2007 2010)

Table of Contents

William T. Monahan

Retired, former Chairman of the Board, President and Chief Executive Officer

Imation Corp.

Age: 66

Director Since: October 2004

Stub Period Meeting Attendance: 93.75%

Independent: Yes

Mosaic Committee Membership:

Audit

Compensation (Chair)

Mr. Monahan served as Chairman of the Board, President and Chief Executive Officer of Imation Corp., a developer, manufacturer, marketer and distributor of removable data storage media products and accessories, from 1996 to 2004. Previously, he served as Group Vice President of 3M Company responsible for its Electro and Communications Group, Senior Managing Director of 3M s Italy business and Vice President of 3M s Data Storage Products Division.

Skills and Qualifications:

Executive and Operational Leadership Broad experience as CEO, Chairman, and lead director of other public companies. Experienced in international management, financial management, mergers and acquisitions and corporate structure development.

Marketing Experienced in worldwide marketing and distribution, and business to business sales development.

Executive Compensation Background Strong background in executive compensation matters as a former CEO and in other executive roles, as well as his service as a member and chairman of compensation committees for other public companies, facilitates his leadership of our Compensation Committee.

Other Board Service:

Pentair Ltd. *(Lead Director; Compensation Committee; Governance Committee*)

Hutchinson Technology, Inc. (2000 December 2012; *Chair, Compensation Committee*)

Solutia Inc. (2008 July 2012; *Lead Director*)

Novelis Inc. (2005 May 2007; *Chairman of the Board and Interim CEO, August 2006 to 2007*)

Class III Directors Whose Terms Expire in 2016

Timothy S. Gitzel

President and Chief Executive Officer

Cameco Corporation

Age: 51

Director Since: 2013

Stub Period Meeting Attendance: 100%

Mr. Gitzel has been President and Chief Executive Officer of Cameco Corporation, a uranium producer and provider of processing services required to produce fuel for nuclear power plants, since July 2011. From May 2010 to July 2011, Mr. Gitzel served as President of Cameco and from January 2007 to May 2010, as its Senior Vice President and Chief Operating Officer. Prior to joining Cameco, Mr. Gitzel was Executive Vice President, mining business unit for Areva SA in Paris, France from 2004 to January 2007 with responsibility for global uranium, gold, exploration and decommissioning operations in eleven countries, and served as President and Chief Executive Officer of Cogema Resources Inc., now known as Areva Resources Canada, from 2001 to 2004.

Skills and Qualifications:

Executive Leadership Executive leadership experience in multi-national companies.

Experience in Business, Government and Regulatory Affairs in Canada Extensive experience in business, governmental and regulatory affairs in Canada and the Province of Saskatchewan, where most of our Potash business mines are located.

Mining Experience More than 19 years of senior management experience in Canadian and international uranium and mining activities including global exploration and decommissioning operations.

Independent: Yes

Mosaic Committee Membership:

Corporate Governance and

Nominating

Other Board Service:

Cameco Corporation

Table of Contents

William R. Graber

Retired, former Senior Vice President and Chief Financial Officer

McKesson Corporation

Age: 70

Director Since: October 2004

Stub Period Meeting Attendance: 100%

Independent: Yes

Mosaic Committee Membership:

Audit

Corporate Governance and Nominating

Mr. Graber is the retired Senior Vice President and Chief Financial Officer of McKesson Corporation, a healthcare services company. Mr. Graber held this position since joining McKesson in February 2000 through his retirement in May 2004. From 1991 to 1999, Mr. Graber was with Mead Corporation where, prior to becoming Vice President and Chief Financial Officer, he served as Controller and Treasurer. From 1965 to 1991, Mr. Graber held a variety of financial management positions at General Electric Company.

Skills and Qualifications:

Financial Expertise and Leadership Experience as CFO and other financial and accounting leadership roles for several other companies; facilitates his service on our Audit Committee.

Executive Leadership: Extensive experience as both a senior executive and a director of other public companies in a wide variety of businesses, including cyclical businesses, short-cycle, long-cycle, manufacturing and service businesses.

Other Board Service:

Kaiser Permanente

Archimedes, Inc. (2005 2013)

Solectron Corporation (2004 2007)

Emery N. Koenig

Executive Vice President, Chief Risk Officer and member of Corporate Leadership Team

Cargill, Incorporated

Age: 57

Director Since: October 2010

Mr. Koenig was elected the Vice Chairman and Chief Risk Officer of Cargill in September 2013 and has served as a member of its Corporate Leadership Team since December 2009. Mr. Koenig has also served, concurrently since April 2006, as leader of the Cargill Agricultural Supply Chain Platform. Previously, Mr. Koenig served as Executive Vice President and Chief Risk Officer of Cargill from June 2011 to September 2013; as Senior Vice President at Cargill from June 2010 to June 2011; and as leader of the Cargill Energy, Transportation and Industrial Platform from June 2007 to July 2011. Since joining Cargill in 1978, Mr. Koenig has had 14 years of agricultural commodity trading and managerial experience in various locations in the United States and 15 years in Geneva, Switzerland leading Cargill s global trading and risk management activities. Mr. Koenig currently serves as Chairman of Black River Asset Management, a subsidiary of Cargill, a trustee for Minnesota Public Radio and a director of CARE USA and the Catholic Community Foundation.

Skills and Qualifications:

Executive Leadership Experience in various senior executive and policy-making roles at Cargill, including broad experience in management of a global business.

Finance Experience as executive and leader in commodity trading, international trading and asset management businesses.

Risk Management Executive experience in risk management functions of a large, multinational business.

Stub Period Meeting Attendance: 100%

Agricultural Business Expertise Extensive experience in agricultural commodity trading and management.

Other Board Service:

Cargill, Incorporated

Independent: No

Mosaic Committee Membership:

Environmental, Health, Safety

and Sustainable Development

Table of Contents

David T. Seaton

Chairman and Chief Executive

Officer

Fluor Corporation

Age: 52

Director Since: April 2009

Stub Period Meeting Attendance: 100%

Independent: Yes

Mosaic Committee Membership:

Compensation

Environmental, Health, Safety

and Sustainable Development

Mr. Seaton is the Chairman and Chief Executive Officer of Fluor Corporation, a professional services firm. He was elected chairman in February 2012 and became a member of Fluor s board of directors and Chief Executive Officer in February 2011. Prior to his appointment as Chief Executive Officer, Mr. Seaton was Chief Operating Officer of Fluor from November 2009 to February 2011. Mr. Seaton served as Senior Group President of the Energy and Chemicals, Power and Government business groups for Fluor from March 2009 to November 2009 and as Group President of Energy and Chemicals for Fluor from February 2007 to March 2009. Since joining Fluor in 1984, Mr. Seaton has held numerous positions in both operations and sales globally.

Skills and Qualifications:

Project Management Extensive experience in leading major projects.

Executive Leadership Experience as a CEO and in other executive leadership and policy-making roles in a public company.

Leadership of Global Operations Experience in leadership of a large, global business.

Energy and Chemicals Markets Experience Experience in energy and chemicals markets.

Other Board Service:

Fluor Corporation *(Chairman; Chair, Executive Committee)*

DIRECTOR STOCK OWNERSHIP GUIDELINES

We have stock ownership guidelines for non-employee directors. These guidelines call for each director to acquire shares with a value of at least $425,000 within five years of becoming a director. For purposes of computing a director s holdings under our stock ownership guidelines, restricted stock units (whether vested or unvested) owned by a director are included. The following table shows information about each non-employee director s status with respect to the ownership guidelines at February 28, 2014:

Director	Shares Included Under Guidelines #	Shares Included Under Guidelines Value (1)	Value (1) in Excess of Guidelines
Nancy E. Cooper	7,818	$405,428	(2)
Gregory E. Ebel	4,443	$323,481	(2)
Timothy S. Gitzel	1,997	$90,424	(2)
William R. Graber	23,302	$707,073	$282,073
Emery N. Koenig	13,609	$713,434	$288,434
Robert L. Lumpkins	25,663	$1,157,917	$732,917
William T. Monahan	30,181	$879,060	$454,060

James L. Popowich	15,863	$747,361	$322,361
David T. Seaton	10,807	$559,530	$134,530
Steven M. Seibert	19,669	$746,668	$321,668

(1) Under our stock ownership guidelines for non-employee directors, restricted stock units are valued at the date of grant and other shares are valued at their date of purchase.

(2) Director has not yet completed five years of service. Ms. Cooper, Mr. Ebel and Mr. Gitzel will complete five years of service on October 6, 2016, October 4, 2017 and October 3, 2018, respectively, if they remain as directors of Mosaic.

Our stock ownership guidelines for executive officers, including executive officers who are directors, are described under Stock Ownership Guidelines in our Compensation Discussion and Analysis on page 60.

20

Table of Contents

CORPORATE GOVERNANCE

Our Board oversees the management of our business and determines overall corporate policies. The Board s primary responsibilities are directing our fundamental operating, financial and other corporate strategies and evaluating the overall effectiveness of our management. Our Board currently is divided into three classes. The members of each class are elected to serve a three-year term with the term of office for each class ending in consecutive years. At the 2014 Annual Meeting, our Board is recommending that you approve an amendment to our Restated Certificate of Incorporation to declassify our Board, as discussed in above under Proposal No. 1 Approval of an Amendment to Mosaic s Restated Certificate of Incorporation to Declassify our Board of Directors.

Board Independence

The New York Stock Exchange (NYSE) listing standards require our Board to formally determine each year which directors of Mosaic are independent. In addition to meeting the minimum standards of independence adopted by the NYSE, we do not consider a director independent unless our Board affirmatively determines that the director has no material relationship with us.

Our Board has adopted Director Independence Standards setting forth specific criteria by which the independence of our directors will be determined. These criteria include restrictions on the nature and extent of any affiliations directors and their immediate family members may have with us, our independent accountants, or any commercial or non-profit entity with which we have a relationship. A copy of our Director Independence Standards is available on our website at www.mosaicco.com under the Investors Corporate Overview Governance Documents caption.

Our Board, as recommended by the Corporate Governance and Nominating Committee, has determined that our directors, Nancy E. Cooper, Gregory L. Ebel, Timothy S. Gitzel, William R. Graber, Robert L. Lumpkins, William T. Monahan, James L. Popowich, David T. Seaton and Steven M. Seibert, and our director nominee, Denise C. Johnson, have no material relationships with us, satisfy all of the additional standards of independence included in our Director Independence Standards and are independent. Our Board previously made the same determinations with respect to our former directors, Phyllis E. Cochran and Harold H. MacKay, who retired from our Board at the 2013 Annual Meeting. In making its independence recommendations, our Corporate Governance and Nominating Committee reviewed all of our directors relationships with us based primarily on a review of each director s response to questions regarding employment, business, familial, compensation and other relationships with us and our management. James T. Prokopanko is not independent because he is our current President and Chief Executive Officer. Emery N. Koenig is not independent because he is a current executive of Cargill, our former parent company.

Board Oversight of Risk

It is the role of management to operate the business, including managing the risks arising from our business, and the role of our Board to oversee management s actions.

Management s ERM Committee assists us in achieving our business objectives by creating a systematic approach to anticipate, analyze and review material risks. The ERM Committee consists of a cross-functional team of our executives and senior leaders. The ERM Committee has the responsibility for establishing the context of our ERM process, as well as identifying, analyzing, evaluating and ensuring that appropriate protocols are in place to mitigate the risks.

Our Board is responsible for oversight of our management of enterprise risk. Our Board provides guidance with regard to our enterprise risk management practices; our strategy and related risks; and significant operating,

Table of Contents

financial, legal, regulatory, legislative and other risk-related matters relating to our business. As an integral part of the Board s oversight of enterprise risk management, the Board has directed the ERM Committee to review its activities with the full Board on a periodic basis, and the Board monitors management s processes, reviews management s risk analyses and evaluates our ERM performance. In addition, each regularly-scheduled meeting of our Board generally includes an in-depth review of one or more significant enterprise risk focus topics.

Pursuant to their respective charters, committees of our Board assist in the Board s oversight of risk:

- In accordance with its charter and NYSE governance requirements, our Audit Committee regularly reviews with management, our Vice President Risk Advisory and Assurance Services, and our independent registered public accounting firm, the quality and adequacy of our system of internal accounting, financial, disclosure and operational controls, including policies, procedures and systems to assess, monitor and manage business risks, as well as compliance with the applicable provisions of the Sarbanes-Oxley Act of 2002, and discusses with management and our Vice President Risk Advisory and Assurance Services policies regarding risk assessment and risk management.

- Our Environmental, Health, Safety and Sustainable Development (EHSS) Committee oversees management s plans, programs and processes to evaluate and manage EHSS risks to our business, operations and products; the quality of management s processes for identifying, assessing, monitoring and managing the principal EHSS risks in our businesses; and management s objectives and plans (including means for measuring performance) for implementing our EHSS risk management programs.

- Our Corporate Governance and Nominating Committee oversees succession planning for our CEO and oversees from a corporate governance perspective the manner in which the Board and its committees review and assess enterprise risk.

- Our Compensation Committee oversees risks related to our executive and employee compensation policies and practices, as well as succession planning for senior management other than our CEO.

Each of these Committees reports to the full Board on significant matters discussed at their respective meetings, including matters relating to risk oversight.

Committees of the Board of Directors

Our Board has four standing committees:

- Audit;

- Compensation;

- Corporate Governance and Nominating; and

- Environmental, Health, Safety and Sustainable Development.

Each of these Committees plays a significant role in the discharge of our Board s duties and obligations. Each of the committees routinely meets in private session without the CEO or other members of management in attendance. Each of the four committees operates under a written charter. The charters are available on our website at www.mosaicco.com under the Investors Corporate Overview Governance Documents caption.

Table of Contents

Audit Committee

Four Members:

Nancy E. Cooper, *Chair*

Gregory L. Ebel

William R. Graber

William T. Monahan

The Board has determined that all of the Audit Committee s members meet the independence and experience requirements of the NYSE and the SEC.

The Board has further determined that Nancy E. Cooper qualifies as an audit committee financial expert within the meaning of Item 407(d) of Regulation S-K promulgated by the SEC.

Meetings During the Stub Period: Five

Key Responsibilities:

appointment, retention, compensation and oversight of the work of our independent registered public accounting firm;

reviewing the scope and results of the annual independent audit and quarterly reviews of our financial statements with the independent registered public accounting firm, management and internal auditor;

reviewing the internal audit plan and audit results;

reviewing the quality and adequacy of internal control systems with management, the internal auditor and the independent registered public accounting firm; and

reviewing with the independent registered public accounting firm and management the application and impact of new and proposed accounting rules, regulations, disclosure requirements and reporting practices on our financial statements and reports.

Compensation Committee

Four Members:

William T. Monahan, *Chair*

Gregory L. Ebel

James L. Popowich

None of our Compensation Committee s members are officers or employees of ours, and all of its members, including its Chair, meet the independence requirements of the NYSE and the SEC.

David T. Seaton

Meetings During the Stub Period: Five

Key Responsibilities:

Assists the Board in oversight of compensation of our executives and employees and other significant human resource strategies and policies. This includes, among other matters, the principles, elements and proportions of total compensation to our CEO as well as other executive officers and key employees, the evaluation of our CEO s performance and broad-based compensation, benefits and rewards and their alignment with our business and human resource strategies. The responsibilities of our Compensation Committee include, among others:

Chief Executive Officer Compensation:

Ø reviewing and recommending to our independent directors the amount and mix of direct compensation paid to our CEO; and

Ø establishing the amount and mix of executive benefits and perquisites for our CEO.

Table of Contents

Other Executive Officers Compensation. Establishing the amount and nature of direct compensation and benefit programs for our other executive officers.

Severance, Change-in-Control and Other Termination Arrangements:

Ø reviewing and recommending to our independent directors the levels of compensation under severance, change-in-control and other termination arrangements for our CEO;

Ø establishing any change-in-control and other termination arrangements for our other executive officers; and

Ø adopting appropriate forms of agreements reflecting such arrangements.

Incentive Plans:

Ø reviewing and recommending to our Board performance goals and associated payout percentages under short- and long-term incentive plans for executive officers;

Ø recommending to our independent directors awards under these plans to our CEO; and

Ø approving awards under these plans to our other executive officers.

Other Benefit Plans. Overseeing the design and administration of our stock option, incentive and other executive benefit plans.

Also oversees:

our public disclosure of compensation matters in our proxy statements;

our solicitation of stockholder approval of compensation matters, including approval of the 2014 Stock and Incentive Plan included in this Proxy Statement as Proposal No. 3 and the advisory Say-on-Pay Proposal included in this Proxy Statement as Proposal No. 5;

risks related to our executive and employee compensation policies and practices, including the design of executive and employee compensation programs to mitigate financial, stockholder, reputation and operations risks; and

succession planning for senior management other than the CEO and related risks.

Additional information about our Compensation Committee s responsibilities and its processes and procedures for consideration and determination of executive compensation is included in our Compensation Discussion and Analysis, under the titles Compensation Philosophy and Objectives, Executive Compensation Setting Process and Participants, and Elements of Compensation.

Delegations of Authority:

Our Compensation Committee s charter provides that it may delegate its authority to a subcommittee of its members.

Our Compensation Committee also may delegate its authority when authorized to do so by one of our compensation plans. Our 2004 Omnibus Stock and Incentive Plan expressly permits the committee to delegate authority as it deems appropriate.

Our Compensation Committee has from time to time delegated authority to its Chair to review and approve particular matters, including services and fees of its independent compensation consultant.

Our Compensation Committee has also from time to time delegated to certain members of senior management the authority to grant long-term equity awards within prescribed parameters to certain employees. The employees to whom such awards have been made have not included any of our executive officers.

Table of Contents

Corporate Governance and Nominating Committee

Five Members:

Robert L. Lumpkins, *Chair*

All of the members of the Corporate Governance and Nominating Committee are independent.

Nancy E. Cooper

Timothy S. Gitzel

William R. Graber

Steven M. Seibert

Meetings During the Stub Period: Four

Key Responsibilities:

recommending to the Board a set of corporate governance principles and providing ongoing oversight of governance;

recommending to the Board nominees for director;

recommending to the Board all committee assignments;

developing a compensation and benefits program for the Board;

overseeing the Board and committee annual evaluation process;

overseeing from a corporate governance perspective the manner in which the Board and its Committees review and assess enterprise risk;

reviewing and approving certain transactions involving related persons; and

reviewing the succession plan for the CEO.

Table of Contents

Environmental, Health, Safety and Sustainable Development Committee

Four Members:

Steven M. Seibert, *Chair*

Emery N. Koenig

James L. Popowich

David T. Seaton

Meetings During the Stub Period: Three

Key Responsibilities:

Provides oversight of our environmental, health, safety and sustainable development (EHSS) strategic vision and performance, including the safety and health of employees and contractors; environmental performance; the systems and processes designed to manage EHSS risks, commitments, public responsibilities and compliance; relationships with and impact on communities with respect to EHSS matters; public policy and advocacy strategies related to EHSS issues; and achieving societal support of major projects. Its responsibilities include, among others:

overseeing the effectiveness of management s systems, policies and processes that support our EHSS goals, commitments and compliance obligations;

conducting an annual environment, health and safety management system review;

reviewing with management compliance with environmental, health and safety laws, and pending or threatened environmental, health and safety proceedings;

overseeing management s responses to significant emerging EHSS issues;

reviewing sustainability issues, including product stewardship;

reviewing our interactions relating to EHSS matters with communities, customers and other key stakeholders; and overseeing the management of EHSS risks.

Other Policies Relating to the Board of Directors

Board Leadership Structure

As provided in our Corporate Governance Guidelines, our Board retains the right to exercise its discretion in combining or separating the offices of Chairman and CEO. Our Board believes that this issue is part of the succession planning process and that it is in the best interests of Mosaic for the Board to make a determination when it elects a new CEO.

At the present time, we have separated these two offices, with Mr. Lumpkins serving as our non-executive Chairman and Mr. Prokopanko serving as our CEO. In continuing the separation of the offices of Chairman and CEO, which is an emerging good governance practice, our Board has taken into account a number of factors, including:

- Separating these positions allows our non-executive Chairman to focus on the Board s role of providing advice to, and independent oversight of, management; and

- The time and effort our CEO needs to devote to the management and operation of Mosaic, and the development and implementation of our business strategies.

In his role as non-executive Chairman, Mr. Lumpkins, among other things:

- Leads the Board s process for assessing the performance of the CEO;

Table of Contents

- Acts as a liaison between the Board and senior management;
- Establishes, prior to the commencement of each fiscal year and in consultation with the Corporate Governance and Nominating Committee, a schedule of agenda subjects to be discussed during the year;
- Establishes the agenda for each regular Board meeting;
- Presides over each Board meeting; and
- Presides over private sessions of the non-management directors at regular Board meetings.

Private Sessions of Non-Management Directors

The non-management directors meet in private session at each regular Board meeting without the CEO or other members of management in attendance. Our Chairman of the Board, Robert L. Lumpkins, presides at these sessions. Similarly, all Board committees regularly meet in executive session without management. In addition, our independent directors meet separately in executive session without the presence of any other non-management directors at least annually.

Compensation of Directors

Non-Employee Directors. The Corporate Governance and Nominating Committee reviews our director compensation program on an annual basis to ensure that it is competitive with market practices. Although matters of director compensation ultimately are the responsibility of the full Board, the Corporate Governance and Nominating Committee evaluates director compensation levels, makes recommendations regarding the structure of director compensation, and develops a director pay philosophy that is aligned with the interests of our stockholders. Although our director compensation program is reviewed annually, our Corporate Governance and Nominating Committee expects that, absent special circumstances, director compensation levels would be adjusted no more frequently than every two years.

As provided in our Corporate Governance Guidelines, our Corporate Governance and Nominating Committee, in making recommendations regarding director compensation, is guided by three goals:

- Compensation should fairly pay directors for work required for a company of our size and scope;
- Compensation should align directors interests with the long-term interests of stockholders; and
- The structure of compensation should be simple, transparent and easy for our stockholders to understand.

In the course of conducting its review of director compensation, the Corporate Governance and Nominating Committee from time to time reviews various formal studies regarding director compensation practices at public companies, as well as a variety of other data sources. Our Corporate Governance and Nominating Committee also has the sole authority to select, retain and terminate an independent compensation consultant and to approve the consultant s fees and other retention terms. In addition, our Corporate Governance and Nominating Committee routinely seeks information from management on matters for consideration by our Corporate Governance and Nominating Committee. Our Executive Vice President, General Counsel and Corporate Secretary participates in meetings of our Corporate Governance and Nominating Committee but is not generally present during private sessions.

In fiscal 2013, our Corporate Governance and Nominating Committee retained Hugessen Consulting Inc. to assist it in assessing our director compensation policy in relation to those of peer companies. No changes to our director compensation policy were made in fiscal 2013 or the Stub Period. We have included a description of our non-employee director compensation under Director Compensation on page 32.

Employee Directors. Employee directors (currently, Mr. Prokopanko) receive no fees or remuneration for service on the Board or any committee of the Board.

27

Table of Contents

Attendance

Directors are expected to regularly attend Board meetings and meetings of committees on which they serve and to spend the time necessary to properly discharge their responsibilities. In addition to attendance at Board and committee meetings, directors discharge their responsibilities throughout the year by personal meetings and telephone contact with our executive officers and others regarding our business and affairs. Our full Board held three regular and four special meetings during the Stub Period. Each director was present for at least 93% of the aggregate number of meetings of the Board and committees of the Board of which such director was a member that occurred during the Stub Period and subsequent to the election of such director to the Board.

All directors and director nominees for election or re-election to the Board at an Annual Meeting of Stockholders are expected to attend that annual meeting. Last year, all of our then serving directors and our director nominee attended the 2013 Annual Meeting.

Majority Vote Standard for Election of Directors

Our Bylaws provide that in uncontested elections a nominee for director will be elected to our Board if the number of votes cast FOR the nominee s election exceeds the number of votes cast AGAINST that nominee s election. The vote standard for directors in a contested election (an election in which the number of nominees for director is greater than the number of directors to be elected) is a plurality of the votes cast at the meeting.

In accordance with our Corporate Governance Guidelines, our Board will nominate for election or re-election as a director only candidates who agree to tender, promptly following their failure to receive the required vote for election or re-election at the next meeting at which they would face election or re-election, an irrevocable resignation letter that will be effective upon acceptance by our Board. In addition, our Board will fill director vacancies and new directorships only with candidates who agree to tender the same form of resignation letter, promptly following their appointment to our Board.

Our Corporate Governance Guidelines further provide that if an incumbent director fails to receive the required vote for re-election, our Corporate Governance and Nominating Committee will act within 90 days after certification of the stockholder vote to determine whether to accept the director s resignation, and will submit a recommendation for prompt consideration by our Board. Our Corporate Governance and Nominating Committee and our Board may consider any factors they deem relevant in deciding whether to accept a director s resignation. Our Board expects the director whose resignation is under consideration to abstain from participating in any decision regarding his or her resignation.

Thereafter, our Board will promptly disclose its decision and decision-making process regarding whether to accept the director s resignation offer (and the reason(s) for rejecting the resignation offer, if applicable) in a Form 8-K furnished to the SEC.

If directors constituting less than a quorum of the members of our Corporate Governance and Nominating Committee receive the required vote in favor of their elections in the same election, then those independent directors who did receive the required vote will appoint a committee amongst themselves to consider the resignation offers and recommend to our Board whether to accept any or all of them. Furthermore, if the only directors who received the required vote in the same election constitute three or fewer directors, all independent directors may participate in the decision regarding whether to accept any or all of the tendered resignations.

Each director nominee named in this Proxy Statement has offered to tender an irrevocable resignation as a director in accordance with our Corporate Governance Guidelines, which resignation will become effective if he or she fails to receive the required vote for election at the annual meeting and our Board accepts his or her resignation.

Table of Contents

Retirement from the Board

The Board has a retirement policy which provides that a non-employee director will voluntarily retire from the Board by submitting a letter of resignation to the Chairman to be effective not later than the date on which our Annual Meeting of Stockholders is to be held during the calendar year in which the non-employee director has attained or will attain the age of 72. A director who meets this criteria shall submit his or her letter of resignation without regard to the term for which he or she was previously elected to the Board. In addition, it is the policy of the Board that employee-directors (other than the CEO) resign from the Board upon their retirement from Mosaic. The Board also has a policy that any non-employee director or the CEO of Mosaic submit his or her resignation if he or she has a material change in employment, is the subject of media attention that reflects unfavorably on his or her continued service on the Board or has an unresolved conflict of interest with Mosaic. The Board will accept or reject any of the foregoing resignations based on the best interests of Mosaic.

Communications with the Board

The Board believes that accessibility to the members of our Board is an important element of our corporate governance practices and, pursuant to the recommendation of the Corporate Governance and Nominating Committee, has adopted a policy regarding communications with our Board. The policy sets forth the methods of communication with the Board as a whole and with individual directors. Pursuant to the policy, our Executive Vice President, General Counsel and Corporate Secretary serves as confidential intermediary between stockholders or other interested parties and our Board.

Stockholders and interested parties are offered several methods for communication with the Board, including via e-mail and through a toll-free telephone number monitored by the office of our Executive Vice President, General Counsel and Corporate Secretary. They may:

- contact our Board via our toll-free telephone number at (877) 261-2609 inside the United States, or call collect to (503) 726-3224 outside the United States;
- send written communication in care of our Executive Vice President, General Counsel and Corporate Secretary at The Mosaic Company, Atria Corporate Center, Suite E490, 3033 Campus Drive, Plymouth, Minnesota 55441;
- send e-mail messages to our Board, including the presiding director of our non-management directors or the non-management directors as a group, to directors@mosaicco.com; or
- send communications relating to accounting, internal accounting controls or auditing matters by means of e-mail messages to auditchair@mosaicco.com.

Any such communications by employees may be made on a confidential and/or anonymous basis. Stockholders making such communication are encouraged to state that they are security holders and provide the exact name in which their shares are held and the number of shares held.

It is the responsibility of our Executive Vice President, General Counsel and Corporate Secretary to process in a timely manner each communication from stockholders or other interested parties and to forward such communications:

- for communications addressed to the Board as a whole, to the Chairman of the Board;
- for communications addressed to the presiding director of the non-management directors private sessions or to the non-management directors as a group, to the director designated by the Corporate Governance and Nominating Committee;
- for communications addressed to a committee of the Board, to the chair of such committee;

for communications addressed to an individual director, to such named director; and

for communications relating to accounting, internal accounting controls or auditing matters, to the members of the Audit Committee.

Table of Contents

Spam such as advertising, solicitations for business, requests for employment or requests for contributions will not be forwarded.

Our Executive Vice President, General Counsel and Corporate Secretary, or a member of his staff under his direction, may handle in his discretion any communication that is described within any of the following categories. In that case, he will provide a copy of the original communication to the Chairman of the Board (or to the Chair of the Corporate Governance and Nominating Committee) and advise of any action taken with respect to the communication:

- routine questions, complaints and comments that management can appropriately address;
- routine invoices, bills, account statements and related communications that management can appropriately address;
- surveys and questionnaires; and
- requests for business contacts or referrals.

Our Executive Vice President, General Counsel and Corporate Secretary, or a member of his staff, will forward any communications not clearly addressed as set forth above to the Chairman of the Board for handling.

Our Executive Vice President, General Counsel and Corporate Secretary, or a member of his staff under his direction, will maintain a summary log of all communications (other than those excluded as described above), and on a periodic basis will provide to the Chairman of the Board (or to the Chair of the Corporate Governance and Nominating Committee) a copy of all log entries made (to the extent any communications have been received) since the immediately preceding report was provided. Our Executive Vice President, General Counsel and Corporate Secretary will promptly provide to any director, upon his or her request, a copy of any part, or all, of the log.

Any director receiving such communications may, at his or her discretion, forward copies of any such communications to any other directors, any Board committee, the other non-employee directors or the entire Board for information and/or action as deemed appropriate.

The full text of our policy regarding stockholder communications with the Board is available on our website at www.mosaicco.com under the Investors Corporate Overview Governance Documents caption.

Policy and Procedures Regarding Transactions with Related Persons

Our Board, upon the recommendation of the Corporate Governance and Nominating Committee, has adopted a Related Person Transactions Approval Policy. A copy of the policy is available on our website at www.mosaicco.com under the Investors Corporate Overview Governance Documents caption.

This policy delegates to our Corporate Governance and Nominating Committee responsibility for reviewing, approving or ratifying transactions with related persons that are required to be disclosed under the rules of the SEC. Under the policy, a related person includes any director, executive officer or 5% stockholder and members of their immediate family.

Our Related Person Transactions Approval Policy applies to transactions that involve a related person where we are a participant and the amount involved exceeds, or is reasonably expected to exceed, $120,000, and in which the related person otherwise has a direct or indirect material interest, as well as any amendment or modification to an existing related person transaction.

No director may participate in any discussion or approval of a related person transaction for which he or she is a related person, except that the director is required to provide to the Corporate Governance and Nominating Committee all material information concerning the related person transaction as may be requested by the committee. Any related person transaction that is not approved or ratified, as the case may be, will be voided, terminated or amended, or such other actions will be taken in each case as determined by the Corporate Governance and Nominating Committee so as to avoid or otherwise address any resulting conflict of interest.

Table of Contents

Related person transactions under the policy do not include:

- Any transaction where the related person s interest derives solely from the fact that he or she serves as a director or officer of a not-for-profit organization or charity that receives donations from us in accordance with a matching gift program of ours that is available on the same terms to all of our employees;

- Indemnification payments made pursuant to our Certificate of Incorporation or Bylaws or pursuant to any agreement between us and the related person;

- Any transaction that involves compensation to a director (if such arrangement has been approved by our Board) or executive officer (if such arrangement has been approved, or recommended to the Board for approval, by the Compensation Committee of our Board or is otherwise available generally to all of our salaried employees) in connection with his or her duties to us, including the reimbursement of business expenses incurred in the ordinary course in accordance with our expense reimbursement policies that are applicable generally to all salaried employees; or

- Any transaction entered into in the ordinary course of business pursuant to which the related person s interest derives solely from his or her service as a director or employee (including an executive employee) of another corporation or organization that is a party to the transaction and (i) the related person does not receive directly any compensation or other direct material benefit of any kind from the other corporation or organization due, in whole or in part, to the creation, negotiation, approval, consummation or execution of the transaction, and (ii) the related person is not personally involved, in his or her capacity as a director or employee of the other corporation or organization, in the creation, negotiation or approval of the transaction.

In determining whether to approve or ratify a related person transaction, the Corporate Governance and Nominating Committee will consider, among others, the following factors to the extent it deems relevant:

- Whether the terms of the related person transaction are fair to us and on terms at least as favorable as would apply if the other party was not or did not have an affiliation with a director, executive officer or 5% stockholder of ours;

- Whether there are demonstrable business reasons for us to enter into the related person transaction;

- Whether the related person transaction could impair the independence of a director under our Director Independence Standards;

- Whether the related person transaction would present an improper conflict of interest for any of our directors or executive officers, taking into account the size of the transaction, the overall financial position of the director or executive officer, the direct or indirect nature of the interest of the director or executive officer in the transaction, the ongoing nature of any proposed relationship, and any other factors our Corporate Governance and Nominating Committee deems relevant; and

- Whether the related person transaction is permitted under the covenants pursuant to our material debt agreements.

Code of Business Conduct and Ethics

Our Board and management are dedicated to sound corporate governance principles. Our Code of Business Conduct and Ethics (the Code of Ethics) is a statement of our high standards for ethical and legal compliance, and it governs the manner in which we conduct our business. All of our employees, officers, directors, agents and representatives, including consultants, are expected to comply with our Code of Ethics. Each of our directors and officers, as well as over 3,300 other employees, is requested annually to certify compliance with the Code of Ethics. A copy of our Code of Ethics is available on our website at www.mosaicco.com under the Investors Corporate Overview Governance Documents caption.

31

Table of Contents

DIRECTOR COMPENSATION

Non-Employee Directors

The director compensation policy in effect for the Stub Period provides for cash compensation to non-employee directors as follows:

- an annual cash retainer of $180,000 to our Chairman of the Board and $90,000 to each other director;
- an annual cash retainer of $20,000 to the Chair of our Audit Committee;
- an annual cash retainer of $15,000 to the Chair of our Compensation Committee; and
- an annual cash retainer of $10,000 to each director who serves as Chair of our Corporate Governance and Nominating Committee or Environmental, Health, Safety and Sustainable Development Committee.

In addition, the policy in effect during the Stub Period provided for a single annual grant of restricted stock units, valued at $260,000 for our Chairman of the Board and $155,000 for each other director. The annual grant of restricted stock units awarded to the non-employee directors during the Stub Period was prorated to 7/12 of the normal annual award under our director compensation policy. Additional information about our annual grants of restricted stock units to directors is included in note (4) to the Non-Employee Director Compensation Table below.

We also reimburse our directors for travel and business expenses incurred in connection with meeting attendance. We do not pay meeting fees, and we do not provide any perquisites to our non-employee directors except for reimbursement of travel expenses when spouses attend Board functions.

Employee Directors

Directors who are employees receive no director fees or other separate compensation for service on the Board or any committee of the Board for the period during which they are employees. During the Stub Period, James T. Prokopanko, our current CEO, was both an employee and a director. All of our compensation to our CEO for the Stub Period is set forth under Executive Compensation Tables beginning on page 61.

The following table and accompanying narrative and notes provide information about our compensation for service during the Stub Period by directors who were not employees at any time during the Stub Period.

Stub Period Non-Employee Director Compensation Table

Name	Fees Earned or Paid in Cash ($) (1)(2)	Stock Awards ($) (3)(4)(5)	All Other Compensation ($) (6)	Total ($)
Phyllis E. Cochran (7)	30,734		2,313	33,047
Nancy E. Cooper	57,337	90,424		147,761
Gregory L. Ebel	52,500	90,424		142,924
Timothy S. Gitzel	22,101	90,424		112,526
William R. Graber	59,330	90,424	2,313	152,067
Emery N. Koenig	52,500	90,424	2,313	145,237
Robert L. Lumpkins	110,833	151,688	4,628	267,149
Harold H. MacKay (7)	30,734		2,313	33,047
William T. Monahan	61,250	90,424	2,313	153,987

James L. Popowich	52,500	90,424	2,313	145,237
David T. Seaton	52,500	90,424	2,313	145,237
Steven M. Seibert	58,333	90,424	2,313	151,071

(1) Reflects the aggregate amount of the cash retainers paid for the Stub Period.

(2) Our unfunded non-qualified deferred compensation plan permits a director to elect to contribute up to 100% of the director s fees on a tax-deferred basis until distribution of the participant s plan balance. A participant s balance accrues gains or losses at rates equal to those on various investment alternatives selected by the participant. The available investment alternatives are the same as are available for selection

32

Table of Contents

by participants as investments under the Mosaic Investment Plan, a defined contribution plan qualified under Section 401(k) of the Internal Revenue Code (Code), except that our Common Stock is excluded. Because the rate of return is based on actual investment measures, no above-market earnings are paid. No directors participated in the non-qualified deferred compensation plan during the Stub Period.

Our non-qualified deferred compensation plan provides that our Board, as constituted immediately before a change-in-control (as defined in the plan), may elect to terminate the plan. A termination would result in lump-sum payments to participants of their account balances under the plan.

(3) Reflects the grant date fair value for restricted stock units granted to directors, determined in accordance with Accounting Standards Codification (ASC) 718. The assumptions used in our valuation of these awards are discussed in note 18 to our audited financial statements for the Stub Period.

(4) The date of our annual grant of restricted stock units to non-employee directors in the Stub Period was October 4, 2013, the date of our 2013 Annual Meeting.

We establish the number of shares subject to the grant of restricted stock units by dividing the target value of the grant by the closing price of a share of our Common Stock on the date of grant.

The restricted stock units granted in the Stub Period to non-employee directors represent 7/12 of the Annual Equity Compensation Award most recently approved under Mosaic s Non-Employee Director Compensation Program and will vest completely on the date of the 2014 Annual Meeting. If a director ceases to be a director prior to vesting, the director will forfeit the restricted stock units except in the event of death (in which case the restricted stock units will vest immediately) or unless otherwise determined by our Corporate Governance and Nominating Committee. For vested restricted stock units, Common Stock will be issued immediately, in the event of the director s death, or on the second anniversary of the vesting date, except that restricted stock units of a director who is removed for cause will be forfeited. The Stub Period restricted stock unit awards include dividend equivalents which provide for payment of an amount equal to the dividends paid on an equivalent number of shares of our Common Stock and which will be paid at the same time as we issue shares of our Common Stock after the awards vest. A director may elect that up to half of the restricted stock units granted to the director in the Stub Period be paid in cash rather than shares of Common Stock.

(5) The following table shows the number of restricted stock units held at December 31, 2013 by each director who was not an employee at any time during the Stub Period:

Director	Restricted Stock Units Held at December 31, 2013 (#)	Vesting Date (a)
Robert L. Lumpkins	4,878	10/6/2012
	4,719	10/4/2013
	3,350	(b)
Each of Nancy E. Cooper, William R. Graber, Emery N. Koenig,	2,908	10/6/2012
William T. Monahan, James L. Popowich, David T. Seaton and	2,813	10/4/2013
Steven M. Seibert	1,997	(b)
Each of Phyllis E. Cochran and Harold H. MacKay	2,908	10/6/2012
	2,813	10/4/2013
Gregory L. Ebel	2,813	10/4/2013
	1,997	(b)
Timothy S. Gitzel	1,997	(b)

(a) These restricted stock units vest or vested on the earlier of (a) the date indicated in this column or (b) subject to the approval of the Corporate Governance and Nominating Committee in its sole discretion, a director s departure from the Board, for reasons other than removal for cause, before the one year anniversary of the date of grant. See note (4) above with respect to issuance of Common Stock following the vesting date.

(b) These restricted stock units vest on the date of the 2014 Annual Meeting.

(6) Reflects dividend equivalent payments for the Stub Period. Dividend equivalents are unfunded, do not bear interest and are not paid unless the shares that are subject to the restricted stock unit are issued.

(7) Ms. Cochran and Mr. MacKay retired from the Board upon conclusion of the 2013 Annual Meeting.

Table of Contents

EXECUTIVE COMPENSATION

TABLE OF CONTENTS

Table of Contents

Compensation Discussion and Analysis

In this section, we explain the material elements of our executive compensation program for our CEO and our other Named Executive Officers whose compensation is in the Executive Compensation Tables section beginning on page 61:

- **James T. Prokopanko,** *President and Chief Executive Officer*
- **Lawrence W. Stranghoener,** *Executive Vice President and Chief Financial Officer*
- **James (Joc) C. O Rourke,** *Executive Vice President Operations and Chief Operating Officer*
- **Richard L. Mack,** *Executive Vice President, General Counsel and Corporate Secretary*
- **Richard N. McLellan,** *Senior Vice President Commercial*

The Executive Compensation Tables section provides additional important information regarding the compensation and benefits awarded to, earned by or paid to our Named Executive Officers over the Stub Period and our last three fiscal years, as well as the compensation programs in which the Named Executive Officers are eligible to participate, and you should read that section in conjunction with this one.

Executive Summary

Pay-for-Performance Highlights

As discussed above under Summary Information Business Highlights on page 4, during the Stub Period, we made significant progress on our strategic plans and priorities. Earnings were lower compared to the same period in the prior year, impacted by lower phosphate and potash selling prices, among other matters. Our compensation decisions described in the following pages were generally made in July 2013 or earlier, and our pay-for-performance decisions that affected the Stub Period were primarily based upon Company and individual performance in fiscal 2013. For fiscal 2013, net earnings attributable to Mosaic were $1.9 billion, or $4.42 per diluted share. We generated $1.9 billion in cash flows from operations, and maintained cash and cash equivalents of $3.7 billion as of May 31, 2013.

During fiscal 2013, we concluded an extensive strategy review, establishing the strategic priorities listed below in order to create value for stockholders, and took the following steps toward achieving them:

- *People:* We continued to improve on safety performance, setting a second straight annual record low for our recordable injury frequency rate.
- *Growth:*
  - Ø We entered into an agreement to form the Northern Promise Joint Venture. We have a 25% interest in the joint venture and will market approximately 25% of its production.

- Ø We continued the expansion of capacity in our Potash segment.

- Ø We ended our obligation to supply potash from our Esterhazy mine under a tolling agreement and received credit for 1.2 million tonnes of potash capacity at our Esterhazy mine for purposes of calculating our relative share of annual sales of potash to Canpotex Limited, an export association of certain Canadian potash producers.

Market Access: We announced plans to increase our investment in our distribution operations in Brazil a key growth region and strategically important country.

Innovation: Sales of our premium MicroEssentials® product increased approximately 28%, setting a new record.

Table of Contents

Total Stockholder Return:

- Ø We increased our annual dividend rate 100%, to $1.00 per share, from the level of $0.50 per share announced in February 2012.

- Ø We reviewed our capital management philosophy, which is founded on the principals of maintaining a solid, sustainable financial foundation that will allow us to take advantage of strategic opportunities, while improving the efficiency of our balance sheet. This review led to several of the key strategic initiatives we have taken since the beginning of the Stub Period to improve the efficiency of our balance sheet, including issuing long-term debt, increasing the size of our revolving credit agreement and stock repurchases, as discussed under Summary Information- Business Highlights on page 4.

Other highlights for fiscal 2013 included:

Continued Progress on our Land Use Strategy: Two golf courses and the clubhouse opened at our Streamsong® destination resort and conference center, built on reclaimed property that we had previously mined, as part of our long-term business strategy to maximize the value and utility of our extensive land holdings in Florida.

Fiscal Year Change: We announced the change of our fiscal year end to December 31 from May 31.

We have included additional information on these matters in this Proxy Statement or in our accompanying Stub Period Report to Stockholders.

As a result of these financial results and other accomplishments, as well as the relative positioning of our Named Executive Officers compensation compared to market data and the other factors discussed under Compensation Decisions in the Stub Period on page 40 below and elsewhere throughout this Executive Compensation section of our Proxy Statement, we increased target total direct compensation for Mr. Prokopanko, our CEO, by 1.5%, and for our other Named Executive Officers by 1.7% to 16.9%. Compensation for our Named Executive Officers remains primarily in the form of at-risk long-term performance-based equity incentives and performance based short-term cash incentives.

The compensation information for the Stub Period that we report in this Proxy Statement also includes actual results for Stub Period performance under our short-term incentive plan. Our short-term incentive plan payouts for the Stub Period performance were made in March 2014 and reflected overall achievement of the performance measures at 75.63% of the target level. This below-target performance, in turn, reflected a level of operating earnings that was below our target, and below-threshold performance under an incentive measure based on severity of employee and contractor injuries. We achieved performance against our goals for controlling cost of goods sold and selling, general and administrative expenses, and continued reduction in the number of employee and contractor injuries, that was better than our target levels.

Table of Contents

Compensation Highlights

Compensation Governance

Our Compensation Committee consisting solely of independent directors or the independent members of our Board, oversees our executive compensation program for our executive officers.

For the Stub Period, our Compensation Committee retained Hay Group, Inc. as its independent compensation consultant. Hay Group furnished data and advice to our Compensation Committee independent of management, and regularly attended meetings of our Compensation Committee.

Our Compensation Committee has determined that Hay Group is independent within the meaning of NYSE listing standards and that Hay Group s work has raised no conflict of interest within the meaning of SEC rules.

Our Compensation Committee facilitates the consideration by the independent directors of our CEO s compensation, with the advice of Hay Group, based on a comprehensive and rigorous set of business objectives established at the beginning of each fiscal year.

Our Compensation Committee also sets the compensation of our executive officers (other than our CEO) after consideration of our CEO s recommendations and with the advice of Hay Group.

Compensation Philosophy

We seek to utilize our executive compensation program to align our strategic interests with our stockholders interests, achieve our short and long-term business objectives, and optimize our ability to attract, retain and motivate employees to create stockholder value.

We operate in a cyclical industry whose profitability is heavily influenced by, among other factors, worldwide supply and demand for our products and the key inputs we use to produce them. While some of these factors are controllable, others are not. As a result, our executive compensation program seeks to provide short-term rewards that balance financial and operating criteria and align with longer-term value creation, to promote sustainability, financial health and stockholder value over the longer term.

We develop compensation programs for our Named Executive Officers that are designed to take into account evolving best practices of the companies with which we compete for executive talent while focusing on considerations that are unique to us.

Pay positioning of individual executive officers is established based on the judgment of our Compensation Committee and/or Board about company and individual performance in light of competitive market practices as well as other factors they believe to be relevant.

We embrace a pay-for-performance philosophy for our executive officers, with a large portion of potential compensation in the form of at risk incentive compensation;

Ø Our short-term incentive compensation program ties payouts to achievement of pre-established goals. Half of the target

Table of Contents

payout for the Named Executive Officers under our short-term incentive plan was based on the levels of operating earnings and return on invested capital that we achieved. The other half was based on achievement of operational excellence objectives, consisting of cost control measures to help further our competitive position and safety measures to enhance our sustainability; and

Ø Our long-term incentives consist of stock-based awards that, together with our executive stock ownership guidelines, create an ownership culture, tie compensation to total stockholder return over time and serve as a tool for our retention of key management talent.

Compensation Risk

We believe that our executive compensation program does not create risks that are reasonably likely to have a material adverse effect on us. We have included additional information on compensation risk under Compensation Risk Analysis on page 61.

Stub Period Executive Compensation Changes

We changed the basis for payouts under the Operating Earnings measure under our short-term incentive plan from a fixed payout determined by performance against our budgeted level of Operating Earnings to a sharing rate concept under which participants share in a percentage of Operating Earnings that is determined by reference to our Return on Invested Capital, or ROIC.

We changed to a sharing rate concept for the Operating Earnings measure to address the cyclical swings that affect our industry and made it difficult to set realistic target levels of our operating earnings at the beginning of the year while continuing to focus employees on the importance of our overall level of profitability. In addition, by increasing the sharing rate as ROIC increases, the revised measure incorporates capital management decisions into the short-term incentive program.

We substituted the OSHA recordable Lost-Time Injury Frequency Rate for our prior self-constructed Safety Index measure for assessing the severity of injuries.

The Lost-Time Injury Frequency Rate is a widely-recognized measure of injury severity and its use allows us to benchmark our performance against data that is readily publicly available.

Stub Period Short-term incentive Results

Payouts for our Named Executive Officers at 75.63% of their targeted individual bonus opportunities under our short-term incentive plan reflected:

Ø Our level of operating earnings and return on invested capital were below our targets, resulting in performance at 21% of the targeted level under the Operating Earnings measure.

Ø A continued strong focus on cost control resulted in performance at 130% of the targeted level under the Controllable Operating Costs measure and performance at 184% of the targeted level under the Adjusted Selling, General and Administrative Expenses measure.

Ø We improved our employee and contractor recordable injury frequency rate, resulting in performance at 155% of the targeted level under that component of our Safety performance measure, while our lost-time injury frequency rate for our employees and contractors did not meet the threshold level for any payouts despite an improvement from the comparable period of the prior year.

Table of Contents

Other Significant Compensation Features

We have stock ownership guidelines for our executive officers. Each Named Executive Officer has satisfied the applicable requirements of the guidelines or has not yet served in his current position for the full six-year compliance period, except for Mr. McLellan who plans to acquire additional shares of Common Stock to satisfy his ownership guidelines.

Our executive change-in-control agreements do not provide for tax gross-ups.

Our executive change-in control agreements require a double trigger (change-in-control coupled with termination of employment) before they provide benefits. Long-term equity incentive awards granted beginning in fiscal 2012 also require a double trigger before vesting in the event of a change-in-control.

We offer limited perquisites and other special executive benefits.

Our equity award plan prohibits repricing of stock options.

We do not have employment agreements with any of our executive officers.

Our insider trading policy includes an anti-hedging policy for our directors and executive officers.

Stockholder Say-on-Pay Votes

We provide our stockholders with the opportunity to cast a Say-on-Pay vote each year. At our 2013 Annual Meeting, approximately 98% of the votes cast on the Say-on-Pay proposal were voted in favor of it.

Our Compensation Committee considered this favorable outcome and believed it conveyed our stockholders strong support for our Compensation Committee s decisions and our executive compensation programs and practices. After considering this support and other factors, our Compensation Committee made no material changes in its decision-making process or our executive compensation programs or practices for the Stub Period except as discussed above.

In keeping with your 95% approval of our proposal to do so at our 2011 annual meeting of stockholders, we submit Say-on-Pay advisory proposals to you on an annual basis. Our Compensation Committee will continue to consider results from future Say-on-Pay advisory proposals in its ongoing evaluation of our compensation programs and practices.

Compensation Philosophy and Objectives

The philosophy of our executive compensation program is to align our strategic interests with our stockholders interests, to achieve our business objectives, and to optimize our ability to attract, retain and motivate key executives to create stockholder value. Within this overall compensation philosophy, our Compensation Committee makes performance-based executive officer compensation decisions in light of its judgment about both internal and external factors:

Internal factors include, among others, key accountabilities of the role; leadership of our business strategies; individual attributes (such as experience, competencies and reputation); relative value of the position to the positions of other executive officers; three-year growth in total compensation; and performance against individual goals.

External factors include, among others, the relevant compensation market data for a compensation comparator peer group that our Compensation Committee selects as described below under Benchmarking, as well as other compensation market data for general industry and the chemical and mining industries reported for comparable executive officer positions and general corporate market data, including changes in the mix of compensation and our performance on key financial and stockholder measures relative to our comparator group, including those members of our comparator group that are direct competitors.

Table of Contents

These factors help provide our Compensation Committee with a comprehensive understanding of how total compensation for each executive officer relates to the external value of the position (as determined by the use of compensation market data) and the internal value of the position (as determined by our Compensation Committee). The factors are not given specific weightings by our Compensation Committee but contribute to a holistic view of the comprehensive set of information our Compensation Committee has available in exercising its judgment about compensation decisions.

We believe that directly linking compensation to the achievement of the business priorities that our Board has established and to the market price of our Common Stock best serves stockholder interests and creates stockholder value. We believe that this occurs both by motivating our key executives to achieve those business priorities and by attracting and retaining key executives by extending a total compensation opportunity with a strong risk and reward relationship. We also seek to design our employee compensation policies and practices so that they are not reasonably likely to have a material adverse effect on us, as we discuss in more detail in the Compensation Risk Analysis on page 61. We intend that total compensation to key executives, including base salary, short-term incentives, long-term incentives and benefits, be consistent with the compensation philosophy adopted by our Compensation Committee described above.

Executive Compensation Program

Our executive compensation program is comprised of a mix of elements designed to work together as parts of an integrated total compensation package to further our compensation objectives. The elements of our executive compensation program include:

- direct compensation in the form of base salary, short-term incentives and long-term incentives;
- special awards to address specific individual circumstances; and
- indirect compensation in the form of standard employee benefit programs, limited perquisites and other special executive benefits, matching charitable contributions and severance and change-in-control agreements.

In making compensation decisions, our Compensation Committee (together with our other independent directors, in the case of our CEO) exercises its judgment on the overall level of compensation provided by this total compensation package rather than on individual elements of compensation in isolation from each another.

We discuss the separate elements of our Named Executive Officers total compensation in more detail under Elements of Compensation on page 50.

Compensation Decisions in the Stub Period

Our Compensation Committee (together with our other independent directors, in the case of our CEO) establishes the target levels of direct compensation consisting of base salary, short-term incentive awards and annual long-term incentive awards for the Named Executive Officers in a manner consistent with our executive compensation philosophy, based upon their judgment about both internal and external factors and a desired mix of total compensation, as discussed above under Compensation Philosophy and Objectives. Historically, they generally made these decisions in July of each year. Accordingly, the decisions with respect to the target levels of direct compensation for the Stub Period were made in July 2013, and the decisions for fiscal 2013, fiscal 2012 and fiscal 2011 were made in July 2012, 2011 and 2010, respectively. As a result of our transition to a December 31 fiscal year end, beginning in 2014 these decisions are expected to generally be made in February of each year.

Individual considerations with respect to the target direct compensation decisions made in July 2013 for each of the Named Executive Officers Period are discussed below. For comparative purposes, the levels of base salary and short-term incentive awards shown below are set forth on an annualized basis that reflects a full twelve months although actual base salary and target short-term incentive awards for the Stub Period were prorated to 7/12ths of the amounts shown to reflect the seven month length of the Stub Period. Because we are making our

Table of Contents

annual long-term incentive awards only once each year both before and after our transition to a December 31 fiscal year end, the actual long-term incentive awards shown in the tables and charts below were not prorated as a result of our change in fiscal year end.

James T. Prokopanko, President and Chief Executive Officer

The following table and chart show the components of Mr. Prokopanko s target direct compensation as set by our independent directors in July 2013 and 2012, as well as the positioning of his target direct compensation within our comparator group:

James T. Prokopanko	July 2013	July 2012	Change Dollars	Change Percent
Annual Base Salary	$1,200,000	$1,150,000	$50,000	4.3%
Annualized Short-Term Incentive Plan				
Target Percent of Base Salary	135%	135%		
Target Dollars	$1,620,000	$1,552,500	$67,500	4.3%
Long-Term Incentive Target				
Target as Percent of Base Salary	442%	461%		
Target Dollars	$5,300,000	$5,300,000	$	0.0%
Target Total Direct Compensation	$8,120,000	$8,002,500	$117,500	1.5%

(dollars in thousands)

In July 2013, our Board, upon the recommendation of our Compensation Committee, increased Mr. Prokopanko s target total direct compensation to $8,120,000 from the $8,002,500 set in July 2012, or 1.5%, in the form of a 4.3% increase in base salary and a corresponding increase in the target dollar amount of his short-term incentive. Our Board s and Compensation Committee s decision primarily reflected the overall level of pay increases for the Company as a whole. In setting the new amount and mix of Mr. Prokopanko s target total direct compensation, our Board and Compensation Committee also considered the relative positioning of his compensation within our comparator group; specific results against CEO objectives including our significant process in fiscal 2013 on our strategic priorities as discussed above under Stub Period Pay-for-Performance Highlights on page 35; and our financial performance for fiscal 2013. Our Board, upon the recommendation of our Compensation Committee, maintained Mr. Prokopanko s target short-term incentive award as a percentage of base salary, and the target dollar amount of his long-term incentive award, at the same levels as in the prior year, because our Board believed these levels continued to reflect an appropriate amount of compensation in light of the factors discussed above.

Table of Contents

Lawrence W. Stranghoener, Executive Vice President and Chief Financial Officer

The following table and chart show the components of Mr. Stranghoener s target direct compensation as set by our Compensation Committee in July 2013 and 2012, as well as the positioning of his target direct compensation within our comparator group:

Lawrence W. Stranghoener	July 2013	July 2012	Change Dollars	Change Percent
Annual Base Salary	$675,000	$650,000	$25,000	3.8%
Annualized Short-Term Incentive Plan				
Target Percent of Base Salary	85%	85%		
Target Dollars	$573,750	$552,500	$21,250	3.8%
Long-Term Incentive Target				
Target as Percent of Base Salary	222%	231%		
Target Dollars	$1,500,000	$1,500,000	$	0.0%
Target Total Direct Compensation	$2,748,750	$2,702,500	$46,250	1.7%

(dollars in thousands)

In July 2013, our Compensation Committee increased Mr. Stranghoener s target total direct compensation to $2,748,750 from the $2,702,500 set in July 2012, or 1.7 %, in the form of a 3.8% increase in base salary and a corresponding increase in the target dollar amount of his short-term incentive. In setting the new amount and mix of Mr. Stranghoener s target total direct compensation, our Compensation Committee considered the relative positioning of his compensation within our comparator group; their assessment of his individual performance, leadership behaviors and contributions to the progress we made on our strategic priorities as discussed above under Stub Period Pay-for-Performance Highlights; the contributions of our Finance team to our financial performance for fiscal 2013 and future periods; and our financial performance for fiscal 2013. Specific achievements included his leadership roles in the establishment of our dividend policy, development and communication of our capital management philosophy, the change in our fiscal year end to December 31 and our entry into the Northern Promise Joint Venture. Our Compensation Committee maintained Mr. Stranghoener s target short-term incentive award as a percentage of his base salary, and the target dollar amount of his long-term incentive award, at the same levels as in the prior year, because our Compensation Committee believed these levels continued to reflect an appropriate amount of compensation in light of the factors discussed above.

Table of Contents

James (Joc) C. O Rourke, Executive Vice President Operations and Chief Operating Officer

The following table and chart show the components of Mr. O Rourke s target direct compensation as set by our Compensation Committee in July 2013 and July 2012, as well as the positioning of his target direct compensation within our comparator group and survey data described under Benchmarking Third Party Surveys on page 49:

			Change	
James (Joc) C. O Rourke	**July 2013**	**July 2012**	**Dollars**	**Percent**
Annual Base Salary	$730,000	$700,000	$30,000	4.3%
Annualized Short-Term Incentive Plan				
Target Percent of Base Salary	100%	100%		
Target Dollars	$730,000	$700,000	$30,000	4.3%
Long-Term Incentive Target				
Target as Percent of Base Salary	260%	271%		
Target Dollars	$1,900,000	$1,900,000	$	0.0%
Target Total Direct Compensation	$3,360,000	$3,300,000	$60,000	1.8%

(dollars in thousands)

In July 2013, our Compensation Committee increased Mr. O Rourke s target total direct compensation to $3,360,000 from the $3,300,000 set in July 2012, or 1.8%, in the form of a 4.3% increase in base salary and a corresponding increase in the target dollar amount of his short-term incentive. In setting the new amount and mix of Mr. O Rourke s target total direct compensation, our Compensation Committee considered the relative positioning of his compensation within our comparator group; their assessment of his individual performance, leadership behaviors and contributions to the progress we made on our strategic priorities as discussed above under Stub Period Pay-for-Performance Highlights; and our financial performance for fiscal 2013. Specific achievements included his leadership roles in expansion of the production capacity of our Potash business segment and our premium MicroEssentials® phosphates product, operational effectiveness initiatives including continuing cost control and operating efficiency efforts and employee and contractor safety improvements, and initiation of an environmental, health and safety management system. Our Compensation Committee maintained Mr. O Rourke s target short-term incentive award as a percentage of his base salary, and the target dollar amount of his long-term incentive award, at the same levels as in the prior year, because our Compensation Committee believed these levels continued to reflect an appropriate amount of compensation in light of the factors discussed above.

Table of Contents

Richard L. Mack, Executive Vice President, General Counsel and Corporate Secretary

The following table and chart show the components of Mr. Mack s target direct compensation as set by our Compensation Committee in July 2013 and July 2012, as well as the positioning of his target direct compensation within our comparator group and survey data:

			Change	
Richard L. Mack	**July 2013**	**July 2012**	**Dollars**	**Percent**
Annual Base Salary	$550,000	$525,000	$25,000	4.8%
Annualized Short-Term Incentive Plan				
Target Percent of Base Salary	80%	70%		
Target Dollars	$440,000	$367,500	$72,500	19.7%
Long-Term Incentive Target				
Target as Percent of Base Salary	218%	229%		
Target Dollars	$1,200,000	$1,200,000	$	0.0%
Target Total Direct Compensation	$2,190,000	$2,092,500	$97,500	4.7%

(dollars in thousands)

In July 2013, our Compensation Committee increased Mr. Mack s target total direct compensation to $2,190,000 from the $2,092,500 set in July 2012, or 4.7 %, in the form of a 4.8% increase in base salary and an increase in his target percent under our short-term incentive plan from 70% to 80% of base salary. In setting the new amount and mix of Mr. Mack s target total direct compensation, our Compensation Committee considered the relative positioning of his compensation within our comparator group; their assessment of his individual performance, leadership behaviors and contributions to the progress we made on our strategic priorities as discussed above under Stub Period Pay-for-Performance Highlights; and our financial performance for fiscal 2013. Specific achievements included his leadership roles in successful resolution of several significant pending legal matters, including termination of the tolling agreement at our Esterhazy mine, his contribution to our entry into the Northern Promise Joint Venture, and his leadership of the development of our land use strategy in Florida. Our Compensation Committee maintained the target dollar amount of Mr. Mack s long-term incentive award at the same level as in the prior year, because our Compensation Committee believed this level continued to reflect an appropriate amount of compensation in light of the factors discussed above.

Table of Contents

Richard N. McLellan, Senior Vice President Commercial

The following table and chart show the components of Mr. McLellan s target direct compensation as set by our Compensation Committee in July 2013 and July 2012, as well as the positioning of his target direct compensation within survey data:

Richard N. McLellan	July 2013	July 2012	Change Dollars	Change Percent
Annual Base Salary	$485,000	$460,000	$25,000	5.4%
Annualized Short-Term Incentive Plan				
Target Percent of Base Salary	75%	70%		
Target Dollars	$363,750	$322,000	$41,750	13.0%
Long-Term Incentive Target				
Target as Percent of Base Salary	206%	174%		
Target Dollars	$1,000,000	$800,000	$200,000	25.0%
Target Total Direct Compensation	$1,848,750	$1,582,000	$266,750	16.9%

(dollars in thousands)

In July 2013, our Compensation Committee increased Mr. McLellan s target total direct compensation to $1,848,750 from the $1,582,000 set in July 2012, or 16.9%, in the form of a 5.4% increase in base salary, an increase in his target percent under our short-term incentive plan from 70% to 75% of base salary and a 25% increase in the dollar amount of his target long-term incentive award. In setting the new amount and mix of Mr. McLellan s target total direct compensation, our Compensation Committee considered the relative positioning of his compensation within our comparator group; their assessment of his individual performance, leadership behaviors and contributions to the progress we made on our strategic priorities as discussed above under Stub Period Pay-for-Performance Highlights; and our financial performance for fiscal 2013. Specific achievements included his leadership roles in our increased sales of MicroEssentials® and improvements in customer loyalty metrics.

Table of Contents

Executive Compensation Setting Process and Participants

Our executive compensation program is the result of a continuing interaction between our Compensation Committee and management. It is the role of management to operate the business and the role of our Board and Compensation Committee to oversee management s actions. The table below lists the primary roles of the key participants in our executive compensation setting process:

Participants	Key Roles in Named Executive Officer Compensation Process
Board	
Compensation Committee	*Executive Compensation Oversight:* Assist Board in oversight of executive and employee compensation and other significant human resource strategies and policies. Establish principles, elements and proportions of total executive compensation, including for CEO. Evaluate broad-based compensation, benefits and rewards. Establish compensation philosophy. Oversee design and administration of executive compensation programs. Recommend to Board overall performance goals under incentive plans. *CEO Compensation:* Annually recommend to Board corporate goals and objectives relevant to the compensation of our CEO. Facilitate Board processes for approval of mix and amount of CEO direct compensation. Approve CEO benefits and the forms of any CEO compensation agreements. *CEO pay decisions are not recommended by management but management does furnish the Committee with market data and proxy analyses for market context.* *Compensation of Other Named Executive Officers:* Annually set target level and mix of base salary, short-term incentives and long-term incentives as part of a total compensation decision, exercising its discretion in making or changing its compensation decisions based upon factors it determines are relevant, which may include, among others: Ø Our compensation philosophy and objectives. Ø Advice from its independent compensation consultant. Ø CEO recommendations. Ø Past performance. Ø Internal and external factors including market data.
Independent Directors (including Compensation Committee)	Annually review performance of CEO. Annually approve mix and amount of CEO direct compensation based on performance evaluation. Establish level of compensation payable to CEO under any employment, severance, change-in-control or similar compensation arrangements.

	Members of Environmental, Health, Safety and Sustainable Development Committee furnish Compensation Committee with input on short-term incentive plan safety measures.
Chairman of the Board	Independent, non-executive Chairman.
All Directors	Lead Board processes for CEO goals and objectives, performance evaluation and compensation. Approve overall performance goals under significant incentive plans as recommended by Compensation Committee.

46

Table of Contents

Independent Compensation Consultant

Hay Group Inc.

Selected by our Compensation Committee as its independent consultant based on the Committee s interviews with, and other information requested by Committee from, a number of compensation consulting firms.

Our Compensation Committee has sole authority to select, retain and terminate its independent compensation consultant and to approve the consultant s fees and other retention terms.

Furnishes independent data and advice to our Compensation Committee.

The Committee or its Chair directly retains and approves all services provided to us by Hay Group. During the Stub Period, Hay Group did not provide us with any services other than services related to executive compensation and market data reports.

Regularly attends and participates in Compensation Committee meetings as requested by our Compensation Committee.

Ø Advises Committee on the principal aspects of our executive compensation program, including compensation philosophy and specific elements of executive compensation.

Ø Advises Committee on specific matters under consideration.

Ø Provides market information and analysis regarding competitiveness of program design and evolving practices and trends.

Management

CEO

Attends Compensation Committee meetings as requested by the Committee.

Not present during executive sessions except at the invitation of the Committee and does not participate in deliberations regarding his own compensation.

Leads management in furnishing the advice and recommendations requested by the Compensation Committee.

Provides perspective on operating the business including attracting, retaining and motivating our workforce, including key executives, and focusing our workforce s attention on established goals. Includes:

Ø Compensation philosophy and program design.

	Ø Specific recommendations for non-CEO executive compensation.
	Annually reviews with Compensation Committee compensation of each other executive officer and presents compensation recommendations to Compensation Committee.
Human Resources Department	Senior Vice President Human Resources and Senior Director Compensation generally attend Compensation Committee meetings as requested by the Committee.
	Furnishes the Compensation Committee with market data and proxy analyses for market context and other information and analyses as requested.
	During the Stub Period, our Human Resources Department retained Towers Watson to assist in reporting to our Compensation Committee on our pay for performance practices, furnish market data and make recommendations regarding our long-term equity incentive grant guidelines and furnish market data regarding our executive severance and change in control arrangements. In assessing the material prepared by Towers Watson, our Compensation Committee took into account the retention of Towers Watson by management.
Other Support	The Compensation Committee s charter provides it authority to retain counsel and other experts and consultants as appropriate to discharge its duties and responsibilities.
	Law, Finance, Tax and other internal departments and external advisors also furnish support as requested.

47

Use of Tally Sheets

To facilitate our Compensation Committee s understanding of the nature and amounts of total compensation under our executive compensation program, our Compensation Committee makes use of tally sheets which show targeted and actual compensation to our executive officers for the past three fiscal years, as well as company stock ownership. The tally sheets are intended to assist our Compensation Committee in their overall evaluation of our executive compensation program.

Benchmarking

Use of Market Data

We use compensation market data as a reference for understanding the competitive pay positioning of each pay element and total compensation. Our Compensation Committee does not seek to manage total compensation of our executive officers within a prescribed competitive position or percentile of the comparator group or compensation market data. Instead, in exercising its judgment about compensation decisions, our Compensation Committee reviews compensation for each executive officer in relation to the middle of the market (defined by the 25th, 50th and 75th percentiles of the compensation market data) that, along with internal and other external factors, provides context for executive pay decisions.

Comparator Group

We benchmark the total compensation of our top four paid Named Executive Officers using proxy data reported by a comparator group. Our comparator group for the Stub Period consisted of 18 companies in the basic materials industry, including three direct competitors. Our Compensation Committee, with the advice of its independent compensation consultant and recommendations of our CEO and our Senior Vice President Human Resources, reviews the composition of our comparator group annually. The criteria used to determine our Stub Period comparator group focused on companies in the basic materials sector (such as agricultural chemicals, specialty chemicals, industrial metals and minerals, and nonmetallic mining). The specific criteria used for the Stub Period comparator group were three-year average revenue, return on total capital, total assets, operating profit, number of employees, business complexity, international presence and markets served. Our Compensation Committee believes that the use of the current comparator group and selection criteria provided useful compensation benchmark information as a result of a close fit between Mosaic and the comparator group companies in terms of the industry and performance profile.

Our comparator group for the Stub Period consisted of:

COMPARATOR GROUP

Agrium Inc.	CONSOL Energy Inc.	Newmont Mining Corp.
Air Products & Chemicals, Inc.	Eastman Chemical Company	Peabody Energy Corporation
Ashland Inc.	Ecolab, Inc.	Potash Corporation of Saskatchewan Inc.
Barrick Gold Corporation	Freeport-McMoRan Copper & Gold Inc.	PPG Industries, Inc.
Celanese Corp.	Huntsman Corporation	Praxair, Inc.
CF Industries Holdings, Inc.	Monsanto Company	Teck Resources Limited

Table of Contents

The table below compares Mosaic to the members of our comparator group across several key metrics for their respective most recent fiscal periods ending on or before May 31, 2013, prior to the compensation decisions we made in July 2013 for the Stub Period:

(dollars in billions)

	3-Year Average Revenue ($)	Return on Total Capital (%)	Total Assets ($)	Operating Profit ($)	Employees (#)
Comparator Group					
75th Percentile	10.8	13.9	18.2	2.9	21,400
50th Percentile	9.6	10.4	16.5	2.0	14,000
25th Percentile	7.1	7.2	12.6	1.1	8,524
Mosaic	10.3	10.3	18.1	2.2	8,400

Third-Party Surveys

For the compensation decisions we made in July 2013, our Compensation Committee also utilized compensation market data for companies in the chemical and mining industries and from general industry. This data was compiled for us by Towers Watson from several sources that included:

2012 Mercer Benchmark Database Executive Compensation Survey Greater Than $5 Billion Revenue Sample;

2012 Hay Executive Survey Total Sample Data;

2012 Towers Watson CDB Executive Compensation Survey $6 Billion to $20 Billion Revenue Sample;

2012 Towers Watson Compensation Survey Resource Total Sample Data (Size Adjusted to Mosaic Revenue Scope Using Regression Analysis); and

2012 Towers Watson CDB Executive Compensation Survey Chemical and Gases Industry (Median Revenue Size $6 Billion).

This survey data was among the competitive market data used to benchmark the compensation decisions for Messrs. O Rourke, Mack and McLellan. We have listed in Appendix C to this Proxy Statement the companies included in the survey data.

We also review broad-based third-party survey data for the United States and market trends to obtain a general understanding of current compensation practices and evolving best practice.

Table of Contents

Elements of Compensation

The elements of our executive compensation program for our executive officers include:

What We Pay	Why We Pay It	
Direct Target Compensation		
Annual		
Base Salary	Provide a fixed compensation level competitive in the marketplace.	
Short-Term Cash Incentives	Motivate short-term performance against specified financial or other targets. Performance based.	
Long-Term		
Long-Term Incentives		
Stock Options	Link management compensation to stockholder returns. Link management compensation to stock price increase. Performance based.	
Performance Units	Link management compensation to stockholder returns. Retention. Performance based.	
Restricted Stock Units	Link management compensation to stockholder returns. Retention.	
Special Awards	Address special situations, such as rewarding special achievements, promoting specific retention goals or addressing other objectives that are not fully addressed by other elements of our executive compensation program.	*Stub Period: None* *Fiscal 2013: None* *Fiscal 2012: One-time, fixed value retention awards payable in Mosaic stock to help assure continuity of management, strategy and execution of our business priorities following the New Horizon Transaction.* *Fiscal 2011: One-time cash awards to recognize extraordinary efforts in achieving the New Horizon Transaction.*
Indirect Compensation		
Benefit Programs	Provide competitive programs for wellness, health care, financial security and capital accumulation for retirement.	
Health Care		
Retirement		
Deferred Compensation		
Limited Perquisites	Optimize the ability of our executives to devote their attention to our affairs and/or to facilitate accomplishment of our business objectives.	
Charitable Matching		
Contributions	Further our overall program of community giving; encourage community involvement by our employees.	

Severance and Change-in-Control Agreements	Provide protection against job loss due to reasons beyond the executive s control.

Base Salary

Our Compensation Committee establishes base salary levels for executive officers based on their judgment about internal and external factors, as discussed above under Compensation Philosophy and Objectives and Compensation Decisions for the Stub Period. Our Compensation Committee reviews base salary levels annually, but adjustments to individual base salaries are not automatically made on an annual basis. Historically, any adjustments to base salary were typically made effective October 1; in light of our change in our fiscal year end, we are now typically making base salary adjustments effective March 1 of each year.

Table of Contents

Short-Term Cash Incentives

Short-term incentives for key employees, including executive officers, consist of cash awards under our Management Incentive Plan. Our Management Incentive Plan was established pursuant to our 2004 Omnibus Stock and Incentive Plan, which we refer to as our 2004 Stock and Incentive Plan. Our executive officers share in the incentive pool established under the plan as set forth below.

Individual Target Bonus Opportunity and Percentage. Our Compensation Committee establishes, or, in the case of our CEO, our independent directors establish, an individual target bonus opportunity for each participant based on the same types of factors as are used for setting base salary. The individual target amount is set as a percentage of the participant s base salary. For the Stub Period, the target bonus opportunity was prorated to reflect the seven month length of the Stub Period.

Individual Base Salary ($) x **Individual Bonus Opportunity, at Target (%)** = **Individual Bonus Opportunity, at Target ($)**

For the Stub Period, the target percentage for Mr. Prokopanko was 135% of base salary and for the other Named Executive Officers ranged from 75% to 100%. The target bonus opportunity was prorated to reflect

the seven month length of the Stub Period.

Amount of Pool. The amount of the incentive pool, at target, is the sum of the target bonus opportunities for all participants. For the Stub Period, after proration to reflect its seven month length, the total incentive pool, at target, was $14.0 million.

Total Incentive Pool, at Target ($14.0 million) = S **(Individual Bonus Opportunity, at Target, all Participants) ($)**

The total pool, at target, has two equally weighted components: Operating Earnings and Operational Excellence. For the executive officers, the Operational Excellence pool has three components: Controllable Operating Costs per Tonne; Selling, General and Administrative Expense; and Safety.

Amount of Actual Individual Payouts. Actual individual payouts are established by multiplying the individual s bonus opportunity, at target, by a Performance Factor:

Individual Bonus Opportunity, at Target ($) x **Performance Factor** = **Payout**

The Compensation Committee reserves the right under the plan to exercise negative discretion to reduce the payout for any executive officer by up to 25% or to eliminate payouts if it deems appropriate. Our Compensation Committee did not exercise this discretion for the Stub Period.

Performance Factor. The Performance Factor has two components, one for Operating Earnings and one for Operational Excellence.

Table of Contents

For the Operating Earnings component, an actual Operating Earnings Pool is established by multiplying Adjusted Operating Earnings by a Sharing Rate, and dividing that amount by the Operating Earnings Pool, at target, to a maximum of 150%:

		Actual Stub Period Adjusted Operating Earnings ($) x Sharing Rate (%)
Operating Earnings Performance Factor	=	÷
(Maximum 150%)		
		Operating Earnings Pool, at Target ($)

The Operational Excellence component is based on the level of performance achieved under each of the Operational Excellence performance measures, to a maximum of 100%:

		Operational Excellence Performance Factor
S **{Performance Factor for each Operational Excellence Measure}**	=	
		(Maximum 100%)

Performance Measures. Our Compensation Committee, or our Board, after recommendations by our Compensation Committee, pre-establishes performance goals for our executive officers for each performance period. Stub Period performance goals for executive officers were generally similar to those for fiscal 2013 and reflected broad overall goals for Mosaic as a whole. The most significant change for the Stub Period was that, instead of basing the payout for the Operating Earnings measure on our budgeted level of Operating Earnings, the Operating Earnings portion of the Management Incentive Plan pool was determined by multiplying Adjusted Operating Earnings by a sharing rate that was determined by reference to the level of our Return on Invested Capital, or ROIC. We made this change to address the cyclical swings that affect our industry and made it difficult to set realistic target levels of our operating earnings at the beginning of the year, while continuing to focus employees on the importance of our overall level of profitability. In addition, by increasing the sharing rate as ROIC increases, the revised measure incorporates capital management decisions into the short-term incentive program.

We also substituted the OSHA recordable Lost-Time Injury Frequency Rate for our prior self-constructed Safety Index measure for assessing the severity of injuries, because the new measure is a widely-recognized measure of injury severity and its use allows us to benchmark our performance against data that is readily publicly available.

Table of Contents

Performance Measures for Executive Officers

Metric	Weight	Basis of Metric, Purpose, and Importance
Adjusted Consolidated Operating Earnings	50%	**Basis:** Consolidated operating earnings determined in accordance with GAAP and adjusted as specified below multiplied by a sharing rate determined by our ROIC:

Consolidated operating earnings are adjusted to exclude any restructuring charges, non-cash write-offs of long-term assets and expenses related to merger and acquisition activities. Our Compensation Committee provided for these adjustments because it did not want the incentive plan to discourage management from undertaking activities that impose a cost in the current year but are intended to increase stockholder value in the longer term.

Return on Invested Capital is:

Adjusted Operating Earnings + Equity in net earnings (loss) of nonconsolidated

companies Provision for income taxes (before discrete items)

÷

Average Invested Capital

Average Invested Capital is the average as of each month end of total assets minus non-interest bearing liabilities, excluding goodwill, expansion construction in progress, new borrowing arrangements, stock repurchases and non-cash write-offs of long-term assets.

Purpose: Focus attention on:

the production of earnings and cash flow to support and grow our business, drive positive stock appreciation, pay dividends and build cash reserves for economic downturns; and

use of capital.

Importance: Assigned the highest weight because the primary purpose of the Management Incentive Plan was to motivate and reward participants for profitability and to align participant and stockholder interests.

Controllable Operating Costs	25%	**Basis:** Arithmetic average of payout percentages for separate measures for our Phosphates and Potash business	*Controllable Operating Costs:*

segments controllable operating costs per sales tonne.	*cost of goods sold as determined under GAAP at specified levels of sales tonnes, less any restructuring charges*
	+
Purpose: Promote control of costs that management can directly influence and establish an incentive for keeping production tonnes consistent with prevailing sales volumes.	*adjusted selling, general and administrative expenses as defined below*
Importance: Assigned the second highest weight because of the strategic importance of improving upon our position as a low cost producer of fertilizer products.	*costs of purchased commodities, depreciation, depletion and amortization, Esterhazy brine inflow costs, Potash segment income-based royalties and taxes, costs paid by third parties, unrealized derivative gains and losses, corporate allocations of selling, general and administrative expenses, incentive program and employee benefit expense and eliminations under GAAP for profits for sales to Canpotex Limited for product remaining in Canpotex inventory*
	for U.S. and Canadian operations of our Phosphates and Potash business segments.
	Potash sales tonnes includes muriate of potash and K-Mag®. Phosphates sales tonnes includes intrasegment sales to our international distribution operations and excludes specialty items.

53

Table of Contents

Performance Measures for Executive Officers

Metric	Weight	Basis of Metric, Purpose, and Importance	
Safety:			
Recordable Injury Frequency Rate (RIFR)	6.25%	**Basis:** OSHA recordable injury frequency rate for employees and contractors. **Purpose:** Direct attention to the effectiveness of our safety systems, policies, programs and procedures in relation to the incidence rates reported for companies in similar industries.	**Importance:** Assigned equal weighting and a combined weighting of 12.5% because of our continuing commitment to providing safe workplaces for employees and contractors, as measured by the frequency and severity of recordable injuries.
Lost-Time Injury Frequency Rate (LTIFR)	6.25%	**Basis:** OSHA recordable lost-time injury frequency rate for employees and contractors. Any fatality results in a 0% payout under this measure. **Purpose:** Direct attention to the severity of work-related injuries.	*Our Compensation Committee selected the two safety measures and the respective goals for them after discussion with our Chief Operating Officer and members of our Environmental, Health, Safety and Sustainable Development Committee about the operational goals for safety established for the Stub Period by management and the Environmental, Health, Safety and Sustainable Development Committee.*
Adjusted Selling, General and Administrative Expenses	12.5%	**Basis:** Selling, general and administrative expenses determined in accordance with GAAP less incentive program and other employee benefits expenses, any restructuring charges and expenses related to merger and acquisition activities. **Purpose:** Promote the efficient management and control of expenses not included in costs of goods sold for services relating to finance, treasury, strategy development, information technology, legal, risk management and public affairs functions. **Importance:** Assigned a weighting of 12.5% to drive continuous improvement in expenses that are not included in cost of goods sold.	

Operating Earnings Sharing Rate. For the Operating Earnings measure, no payout was to be made unless ROIC was 5% or higher, and the maximum Operating Earnings Pool was capped at $21 million. The following table shows the Operating Earnings sharing rates at different levels of ROIC:

ROIC %	<5	5	6	7	8	9	10	11	12	13	14	³15
Sharing Rate %	0	0.1	0.2	0.3	0.5	0.6	0.7	0.8	1.0	1.2	1.4	1.6

Operational Excellence Measure Metrics. For each of the Operational Excellence performance measures, we set minimum, target and maximum levels of performance:

	Minimum		Target		Maximum	
Measure	Performance Level	Payout Percentage	Performance Level	Payout Percentage	Performance Level	Payout Percentage

Controllable Operating Costs	$144	0%	$137	25%	$130	50%
Safety-RIFR	1.30	0%	1.15	6.25%	0.95	12.5%
Safety-LTIFR	0.11	0%	0.09	6.25%	0.08	12.5%
Adjusted Selling, General and Administrative Expense ($ in millions)	$182	0%	$173	12.5%	$165	25%
Total Payout		0%		50%		