



## **WORLDWIDE ECONOMIC SANCTIONS POLICY**

<b>Effective Date:</b>	January 1, 2017
<b>Last Revised:</b>	April 1, 2019
<b>Policy Owner – Name/Title:</b>	Diana Jagiella, Vice President, Chief Compliance Officer
<b>Review Due Date:</b>	January 1, 2020

### **1. Purpose/Objective**

- 1.1 The United States has various economic or financial sanctions regulations and trade embargoes (collectively, “U.S. sanctions”) against certain designated countries, groups and individuals that are administered and enforced by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”). Both Mosaic and any individual violating U.S. sanctions can face fines and imprisonment for violations of these U.S. sanctions. Violations of these U.S. sanctions are judged on a “strict liability” basis, meaning that Mosaic and any individual violating the U.S. sanctions can face penalties even if the violations were accidental or committed without knowledge that the sanctions were being violated. Additionally, there are economic or financial sanctions and trade embargoes imposed, administered or enforced by other countries or jurisdictions that may apply to or affect Mosaic based on its operations, activities or contractual relationships (we refer to these, together with U.S. sanctions, as “Sanctions Laws”).
- 1.2 The purpose of this Worldwide Economic Sanctions Policy (the “Policy”) is to ensure compliance by all Mosaic employees, officers and directors with Sanctions Laws.
- 1.3 The meaning of certain terms used in this Policy, but not otherwise defined, is provided in Section 5 of this Policy.

### **2. Policy Scope**

- 2.1 This Policy applies to all employees, officers and directors of Mosaic and its majority controlled subsidiaries and joint ventures worldwide. In the case of subsidiaries and joint ventures in which Mosaic does not have a controlling interest, Mosaic will make good faith efforts to ensure their compliance.

### **3. Administration**

- 3.1 Compliance Policy. In doing business anywhere in the world, Mosaic and its employees and directors must comply fully with all applicable Sanctions Laws.
- 3.2 Sanctions Laws. OFAC administers and enforces a range of economic sanctions regulations against certain designated countries, groups and individuals. These regulations are “foreign



policy"-driven controls and can come into effect and be terminated or changed quite quickly by the U.S. Government in response to evolving geopolitical events. In general, while the details of each sanctions program differ, U.S. Persons may not directly or indirectly import goods, services or technology ("Items") from, or export Items to, countries under a total trade embargo. Similarly, financial transactions with such countries and all dealings with nationals thereof are generally forbidden. Accordingly, if any Mosaic employee, officer or director suspects that any violation of a particular trade embargo is occurring or may have occurred that employee must notify Mosaic's Law Department.

The list of sanctioned countries changes periodically, as do the details of the sanctions program for each country. As of the Last Revised Date of this Policy, the United States had near total embargoes against the region of Crimea and the countries of Cuba, Iran, North Korea, Sudan and Syria. In addition, as of Last Revised Date of this Policy, the United States has less restrictive sanctions against certain individuals, groups and entities in other nations including the Balkans, Belarus, Burundi, Central African Republic, Congo, Iraq, Lebanon, Libya, Myanmar (Burma), Russia, Somalia, South Sudan, Ukraine, Venezuela, Yemen and Zimbabwe. Also, as of the Last Revised Date of this Policy, OFAC had sanctions against certain individuals, entities and organizations known as "Specially Designated Nationals" or "SDNs," because of certain activities such as cyber warfare, narcotics traffickers, terrorism or WMD proliferation. OFAC also maintains a Sectoral Sanctions Identifications List and a Foreign Sanctions Evaders List and it is unlawful for U.S. Persons to conduct business with individuals or entities on those lists in many circumstances.

As a general rule, unless authorized by an OFAC special export license issued to Mosaic, no U.S. Person may do any of the following:

- (a) Supply any U.S.-origin Item to an SDN or to any person in an OFAC sanctioned country or to the government (including any agency or instrumentality thereof) of an OFAC sanctioned country;
- (b) Supply any U.S.-origin Item to an SDN or to any person in a third country who intends specifically to reexport the same to any person in an OFAC sanctioned country or to the government (including any agency or instrumentality thereof) of an OFAC sanctioned country;
- (c) Supply any U.S.-origin Item to any person who intends to incorporate such Item into any goods or services that would be furnished to an SDN or to any person in an OFAC sanctioned country or to the government (including any agency or instrumentality thereof) of an OFAC sanctioned country; or
- (d) Process, route, approve or facilitate any of the transactions prohibited above by any third persons; or receive a purchase order, for example, that would be unlawful under the OFAC sanctions and then personally divert or re-route such an order to a Foreign Person to fulfill the order. For avoidance of doubt, any U.S. Person may be informed about such transactions in the course of that individual's managerial, director, officer or employment duties.



Additionally, parties with which Mosaic does business may impose restrictions or additional requirements in their efforts to ensure compliance with applicable Sanctions Laws. Accordingly, it is expected that any Mosaic employee or director will notify the Law Department of any of the following circumstances:

- (a) An employee, officer or director of Mosaic, or any Third Party, is a Sanctioned Person or has been notified or is otherwise aware that it is currently the subject or target of any Sanctions applicable to Mosaic.
- (b) Mosaic and/or any employee, officer or director of Mosaic, or any Third Party, is in violation of any applicable Sanctions Laws.

3.3 Agents and Other Third Parties. Mosaic may not use a Third Party to do something indirectly that Mosaic may not do directly under applicable Sanctions Laws. This Policy therefore prohibits Third Parties acting on Mosaic's behalf in violation of applicable Sanctions Laws. Third Parties should be retained only after appropriate due diligence. The purpose of due diligence is to ensure, to the extent possible, that Mosaic retains only reputable and honest Third Parties. In addition, contracts with Third Parties should, to the extent possible, include provisions to mitigate the risk of potential violations of the applicable Sanctions Laws.

3.4 Customer Screening. All Third Parties, and as permitted by applicable law or regulation, all directors and officers and other key personnel, must be screened against various lists of prohibited or sanctions persons or entities including the Denied Persons List, the Unverified List and the Entity List maintained by the U.S. Department of Commerce; the Nonproliferation Sanctions and Debarred Parties List maintained by the U.S. Department of State; the Specially Designated Nationals and Blocked Persons List, the Sectoral Sanctions Identifications List and the Foreign Sanctions Evaders List maintained by OFAC; and the lists maintained by the World Bank, the European Union and Her Majesty's Treasury.

3.5 Due Diligence for Mergers and Acquisitions. Before entering into a binding agreement to acquire an equity or similar interest in another company, Mosaic's Law Department must be consulted to determine the proper amount of due diligence that should be performed in order to analyze the sanctions law risks presented by such potential acquisition.

3.6 Training and Audits. All Mosaic employees, officers, directors and Third Parties acting on Mosaic's behalf must adhere to this Policy. Certain Mosaic employees, officers and directors also must receive formal training on applicable Sanctions Laws on a regular basis. The Company will maintain a log of all such training and will have all Mosaic employees, officers and directors sign a certification that they understand and will adhere to this Policy. Audits of Mosaic's sites, operating units, and contractors will be conducted on a regular basis to ensure that the requirements of this Policy and applicable procedures and guidelines are being met. Audits may be conducted internally by Mosaic, or externally by retained third parties.

3.7 Violations of this Policy. Mosaic employees, officers and directors must promptly report violations or potential violations of this Policy or applicable laws or regulations to the Mosaic Law Department or to Mosaic's designated ethics helpline (e.g., *EthicsPoint*). An employee who suspects a violation and reports it in good faith will not be subject to retaliation. Violations of applicable Sanctions Laws may result in criminal, civil and regulatory penalties to Mosaic and its



employees, and could negatively affect Mosaic's reputation and ability to do business. The failure to comply with this Policy will also result in disciplinary action, up to and including termination of employment.

#### 4. Related Policies/References

- 4.1 Mosaic's Code of Business Conduct and Ethics
- 4.2 Mosaic's Accounting Policies
- 4.3 Mosaic's Worldwide Third Party Screening Policy

#### 5. Definitions

- 5.1 "Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced by the U.S. Government, the European Union or Her Majesty's Treasury that are applicable to Mosaic.
  - 5.2 A "Sanctioned Person" includes:
    - (a) Any person listed in a Sanctions-related list of persons designated persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union or Her Majesty's Treasury.
    - (b) Any person operating, organized or resident in a country, region or territory that is the target of any Sanction that broadly prohibits trade or investment with that country. As of the Last Revised date of this Policy, sanctioned regions include the Crimea region of Ukraine, Cuba, Iran, North Korea, Sudan and Syria.
    - (c) Any person owned, directly or indirectly, 50% or more by any person described in clause (a) or (b) above.
  - 5.3 For purposes of the U.S. sanctions, "U.S. Person" means:
    - (a) any U.S. citizen or permanent resident alien (sometimes referred to as a "green card holder") or protected individual (i.e., a person protected in the United States on asylum status), regardless of place of work or residency;
    - (b) any entity (e.g., a corporation) organized under the laws of the United States (including any state thereof) or a foreign branch of such a U.S.-organized entity that is not separately chartered under local law;
    - (c) any Foreign Person who is physically within the United States, to the extent of any obligation or duty under the U.S. export control laws; and
    - (d) under the OFAC sanctions against Cuba and Iran, any non U.S.-chartered legal subsidiary that is owned or controlled by a U.S. Person.
  - 5.4 For purposes of this Policy, a "Foreign Person" is any person (including any individual or legal entity) who is not a U.S. Person.
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## Economic Sanctions Compliance Certifications

The United States has various economic sanctions regulations and trade embargoes against certain designated countries, groups and individuals that are administered and enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC). We refer to these as "U.S. sanctions laws." Both Mosaic and any individual violating the U.S. sanctions laws can face fines and imprisonment, even if the violations were accidental or committed without knowledge that the laws were being violated. Additionally, there are sanctions laws in other countries that may apply to Mosaic. We refer to these as "Other sanctions laws." The certifications below are required in order to confirm compliance with applicable sanctions laws. You can find Mosaic's Worldwide Economic Sanctions policy at {LINK}.

I hereby certify and agree that:

1. I do not reside in or, to my knowledge, have business dealings in any country or region that is the subject or target of any U.S. sanctions law or Other sanctions law, including any of the following geographic regions: the Crimea region of the Ukraine, Cuba, Iran, North Korea, Sudan or Syria.
2. To my knowledge, I am not listed in any list of designated persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union or Her Majesty's Treasury.
3. To my knowledge, I am not the subject or target of any sanctions imposed by the U.S. Government, the EU or Her Majesty's Treasury and am not aware of any violation of anti-corruption laws, anti-money laundering laws, U.S. sanctions laws or Other sanctions laws that apply to Mosaic.

I understand that a violation of U.S. sanctions laws or Other sanctions laws can be grounds for termination of my employment with Mosaic.