



# Policy Regarding Identification and Evaluation of Potential Director Nominees

<b>Effective Date:</b>	March 1, 2019
<b>Policy Number:</b>	
<b>Policy Owner – Name/Title:</b>	Mark J. Isaacson, Senior Vice President, General Counsel and Corporate Secretary
<b>Review Due Date:</b>	March 1, 2020

## 1. Purpose/Objective

- 1.1 The Governance Committee of the Board of the Company identifies and evaluates potential director candidates in a variety of ways. Periodically the Governance Committee solicits input on potential director candidates from its membership and from the membership of the full Board.

## 2. Policy Scope

- 2.1 This policy applies to the identification by the Board or stockholders, and evaluation by the Board, of potential director nominees of the Company.

## 3. Administration

- 3.1 The Board administers this policy.
- 3.2 The Company’s Amended and Restated Bylaws (the “Bylaws”) provide that a stockholder entitled to vote in the election of directors generally may nominate one or more persons for election as directors at an annual meeting of stockholders or a special meeting of stockholders at which directors are to be elected pursuant to the Company’s notice of meeting in one of only two ways: either by (i) nominating a director pursuant to Section 2.12 of the Company’s Bylaws, or (ii) using the “proxy access” rights of stockholders to nominate directors for inclusion in the Company’s proxy statement with respect to such meeting, pursuant to Section 2.13 of the Bylaws. Sections 3.3 through 3.6 below apply to the Section 2.12 method, Sections 3.7 through 3.14 below apply to the Section 2.13 method, and Sections 3.15 through 3.17 apply to both methods. If the Company has received notice that a stockholder intends to nominate a director pursuant to Section 2.12 of the Bylaws, the Company will not be required to include director nominations pursuant to Section 2.13 of the Bylaws in its proxy statement.
- 3.3 A stockholder may nominate a person for election as director pursuant to Section 2.12 of the Bylaws only if such stockholder gives written notice to the Corporate Secretary of the Company of his or her intention to make such a nomination. In order to nominate a director for election to the Board at an annual meeting of stockholders, a stockholder must have given written notice of such nomination to the Corporate Secretary, delivered or mailed to and received at the principal offices of the Company not more than one hundred twenty (120) days and not less than ninety (90) days prior to the anniversary date of the immediately preceding annual meeting; *provided, however*, that in the event that no annual meeting was held in the previous year or the annual meeting is called for a date that is not within thirty (30) days from



the anniversary date of the preceding year's annual meeting, written notice by a stockholder in order to be timely must be received by the later of (x) the twentieth (20<sup>th</sup>) day following the day on which the first public disclosure of the date of the annual meeting was made or (y) ninety (90) days prior to the date of such annual meeting. In order to nominate a director for election to the Board at a special meeting of stockholders for the election of directors, a stockholder must have given written notice of such nomination to the Corporate Secretary, delivered or mailed to and received at the principal offices of the Company prior to the close of business on the tenth (10<sup>th</sup>) day following the date on which the first public disclosure of the date of the special meeting was made.

- 3.4 Delivery of a notice of nomination pursuant to Section 2.12 of the Bylaws shall be by hand, or by certified or registered mail, return receipt requested. A notice of nomination is required to contain information about both the nominee and the stockholder making the nomination.
- 3.5 The foregoing notice of nomination shall set forth as to each person whom the stockholder proposes to nominate for election or re-election as a director the following:
  - a. the name, age, business address and residence address of such person;
  - b. the principal occupation or employment of such person;
  - c. the class and number of shares of stock of the Company which are beneficially owned by such person (for the purposes of the regulations under Section 13 of the Securities Exchange Act of 1934, as amended);
  - d. any other information relating to such person that would be required to be disclosed in solicitations of proxies for the election of such person as a director of the Company pursuant to Regulation A14 under the Securities Exchange Act of 1934, as amended; and
  - e. such person's written consent to being named in any proxy statement as a nominee and to serving as a director if elected.
- 3.6 As to the stockholder giving such notice pursuant to Section 2.12 of the Bylaws, the notice of nomination shall set forth the following:
  - a. the name and address as they appear on the Company's records, of such stockholder;
  - b. the class and number of shares of stock of the Company which are beneficially owned by such stockholder (determined as set forth above for the nominee);
  - c. a representation that the stockholder is a holder of record of stock of the Company entitled to vote on the election of directors at such meeting and that such stockholder intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; and
  - d. a description of all agreements, arrangements or understandings between the stockholder and each nominee of the stockholder and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the stockholder.



- 3.7 A stockholder (or group of stockholders) may nominate a person for election as director pursuant to Section 2.13 of the Bylaws only if such stockholder meets the eligibility requirements and gives written notice to the Corporate Secretary of the Company of his or her intention to make such a nomination. In order to nominate a director for inclusion in the Company's proxy statement for an annual meeting of stockholders, a stockholder must have given written notice of such nomination to the Corporate Secretary, delivered or mailed to and received at the principal offices of the Company not more than one hundred fifty (150) days and not less than one hundred twenty (120) days prior to the first anniversary of the date that the Company first distributed its proxy statement to stockholders for the preceding year's annual meeting.
- 3.8 To be eligible to nominate a person for inclusion in the Company's proxy statement, a nominator must be a stockholder, or a group of no more than twenty (20) stockholders, that has continuously owned at least three percent (3%) of the Company's stock for at least three (3) years as of the date notice is given to the Corporate Secretary and through the date of the annual meeting of stockholders, and such nominator must satisfy all of the other requirements of Section 2.13 of the Bylaws.
- 3.9 Nominations pursuant to Section 2.13 of the Bylaws are limited to persons who (i) are "independent" and not a "bad actor" under applicable the rules of the Securities and Exchange Commission and the New York Stock Exchange, (ii) would not, as a result of such person's election, cause the Company to be in violation of its organizational documents or any applicable law or listing standard, (iii) have not provided untruthful information to the Company or the nominating stockholder in respect of the nomination, and (iv) have not breached or failed to comply with the obligations of Section 2.13 of the Bylaws.
- 3.10 The maximum number of stockholder nominees the Company will include in its proxy statement is the greater of two (2) and twenty percent (20%) of the number of directors then in office (rounded down to the closest whole number below 20%). The following will count towards the maximum number of stockholder nominees: (i) a director currently in office who was included in the Company's proxy statement as a stockholder nominee for any of the three (3) preceding annual meetings and whom the Board decides to nominate for re-election; (ii) a stockholder nominee who is subsequently withdrawn; (iii) a stockholder nominee whom the Board decides to nominate for election. If the number of stockholder nominees exceeds the maximum permitted number, nominees are prioritized based on nominators' share ownership. If a nominator submits multiple stockholder nominees, he or she must rank the priority of their nominees.
- 3.11 Delivery of a notice of nomination pursuant to Section 2.13 of the Bylaws shall be by hand, or by certified or registered mail, return receipt requested. A notice of nomination is required to contain information about both the nominee and the stockholder making the nomination.
- 3.12 The foregoing notice of nomination shall set forth as to each person whom the nominator proposes to nominate for election or re-election as a director the following:
- a. the information set forth in Section 3.5 above; and
  - b. a representation and agreement that such nominee (i) will disclose to the Company any voting commitment and will not make any voting commitment that could interfere with



such nominee's fiduciary duties if elected as a director, (ii) will disclose to the Company any compensation agreement for services as a director, (iii) would be in compliance, if elected as a director, and will comply with the Company's policies and guidelines, including the Company's code of business conduct and ethics, corporate governance guidelines, and stock ownership and trading policies and guidelines, and (iv) will provide any information and enter into any agreements as required of all directors.

3.13 As to the stockholder giving such notice pursuant to Section 2.13 of the Bylaws, the notice of nomination shall set forth the following:

- a. the information set forth in Section 3.6 above;
- b. a written statement certifying the required share ownership, an agreement to provide a bring-down certification through the record date, and a promise to notify the Company immediately of any change to share ownership prior to the annual meeting;
- c. written statements from the record holder(s) of the shares verifying the required share ownership and an agreement to provide a bring-down certification through the record date;
- d. a copy of the Schedule 14N that has been or will be concurrently filed with the Securities and Exchange Commission;
- e. a representation that the nominator (i) acquired the shares in the ordinary course of business and not with the intent to change or influence control of the Company, and does not presently have such intent, (ii) has not nominated and will not nominate any person for election other than under Section 2.13 of the Bylaws, (iii) has not engaged and will not engage in a solicitation in support of the election of an individual as a director at the annual meeting other than its nominee(s), (iv) has not distributed and will not distribute any form of proxy other than the Company's form, (v) has not violated and will not violate laws and regulations regarding solicitation in connection with the annual meeting, (vi) will file with the Securities and Exchange Commission any solicitation or other communication with the stockholders of the Company relating to the annual meeting, and (vii) has been and will be truthful in communications with the Company and its stockholders;
- f. a representation that the nominator intends to maintain the required share ownership through the date of the annual meeting and for at least one (1) year following the annual meeting;
- g. an assumption of liability and indemnification of the Company for all liabilities related to the nomination, including communications with the Company's stockholders; and
- h. if the nominator is a group of stockholders, a designated representative.

3.14 A nominator may include in its notice a written statement of support of no more than five hundred (500) words total, regardless of the number of nominees, for inclusion in the Company's proxy statement. The Company may omit from its proxy statement any information that it believes would violate law, is not true and correct or is misleading, or impugns the



character or makes charges of improper conduct without factual foundation with respect to any person.

3.15 The Governance Committee may require that the proposed director nominee furnish other information to determine that person's eligibility to serve as a director. A nomination which does not comply with the above procedures will be disregarded by the Governance Committee.

3.16 All director nominees should possess, in the judgment of the Governance Committee, the director qualifications set forth in Section II of the Company's Corporate Governance Guidelines, to-wit:

3.16.1 Personal characteristics

- a. highest personal and professional ethics, integrity and values,
- b. an inquisitive and objective perspective, and
- c. practical wisdom and mature judgment;

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

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

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

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

3.16.6 Involvement only in activities or interests that do not create a material conflict with the director's responsibilities to the Company and its stockholders; and

3.16.7 A personality reasonably compatible with the existing Board members.

In addition to the above criteria applicable to each director nominee, diversity in the broadest sense, including background, experience, geographic location, gender and ethnicity, is an important consideration in the composition of the Board as a whole.

3.17 This policy will be reviewed on a periodic basis by the Governance Committee to determine whether any modifications or revisions are required or appropriate.

#### **4. Related Policies/References**

4.1 Corporate Governance Guidelines

#### **5. Definitions**

5.1 The following terms used in this policy have the following meanings:



- a. "Board" means the Company's Board of Directors.
- b. "Company" means The Mosaic Company.
- c. "Governance Committee" means the Corporate Governance and Nominating Committee of the Board.