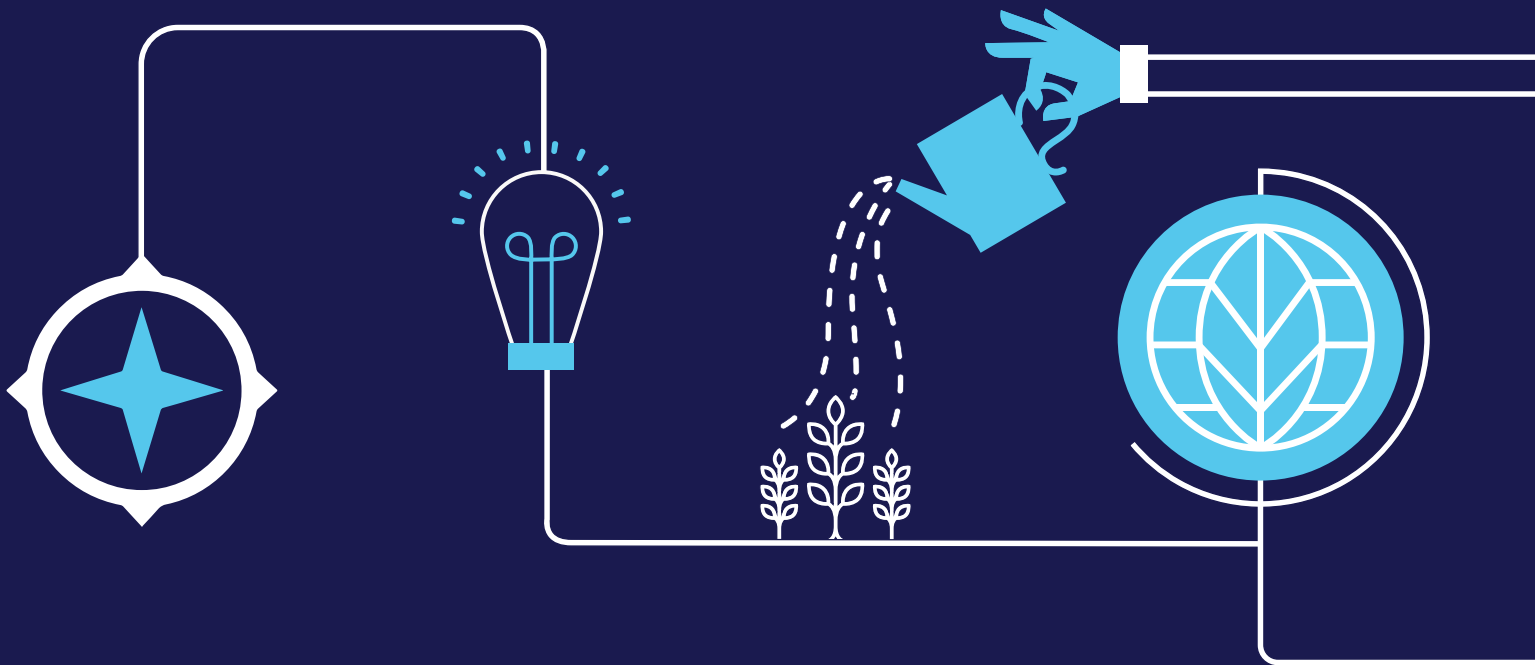


# GUIDED BY OUR COMPASS

## 2017 ENVIRONMENTAL & SOCIAL RESPONSIBILITY UPDATE



At Compass Minerals, we have a clear vision of our corporate purpose. Through the minerals we mine and harvest and the products we produce, we help keep people safe, feed the world and enrich lives every day. This means building a sustainable company. This means ensuring safety throughout our operations for our employees and the communities in which we operate. This means stewardship of the resources we manage and working to minimize or mitigate our environmental impact.

Sustainability for Compass Minerals also means achieving long-term growth to drive strong financial results and real returns for our shareholders. And, it means doing all of this with transparency and accountability. These concepts form the four points of our compass: **safety**, **growth**, **stewardship** and **transparency**. As we build our company, innovate and bring new products to market, we will always keep this compass in mind.



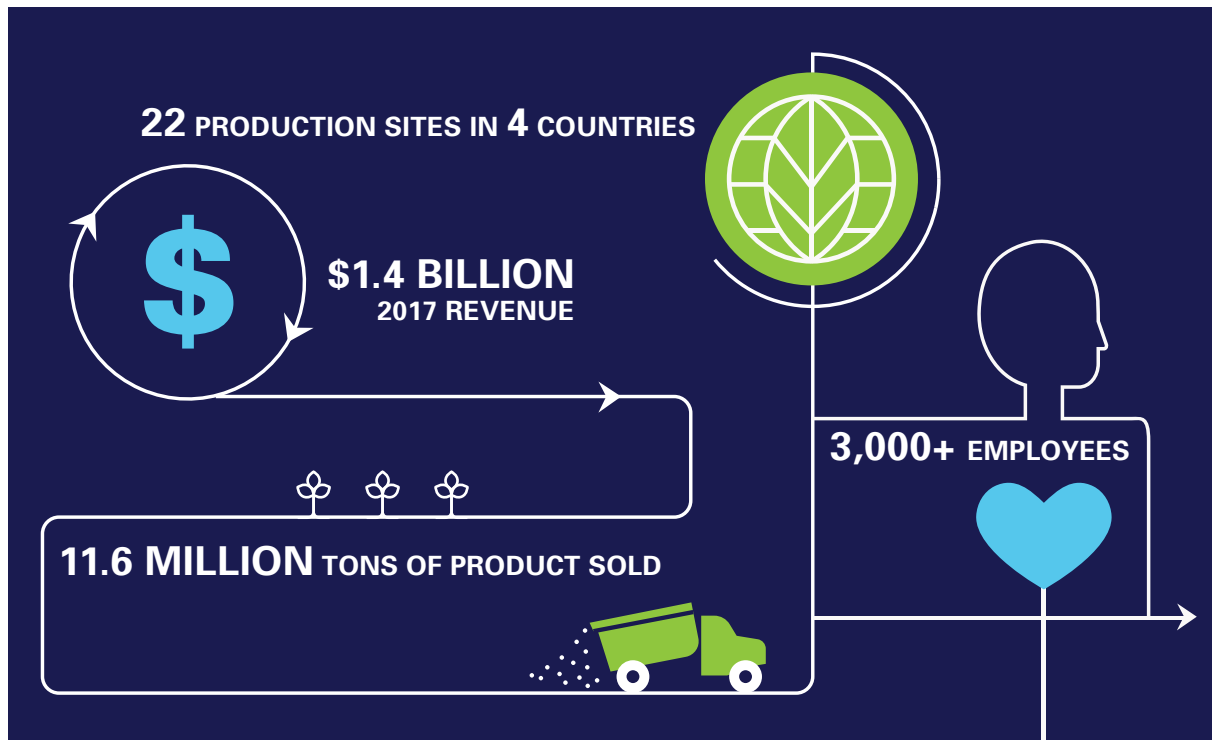
## WHO WE ARE

**Through the responsible transformation of the earth's natural resources, Compass Minerals helps keep people safe, feed the world and enrich lives every day.**

Compass Minerals provides essential minerals primarily to markets in North America, Brazil and the U.K. We call these minerals “essential” because there are few economical substitutes for their end uses, and they provide significant value relative to their cost.

We are committed to being the best essential minerals company—by safely delivering where and when it matters. In many cases, our products meet a critical, time-sensitive need for our customers, from the salt that keeps roadways safe in winter months to specialty plant nutrients that enable growers to increase crop yields and quality.

Headquartered in Overland Park, Kansas, Compass Minerals operates 22 production and packaging facilities across the U.S., Canada, Brazil and the U.K. [Learn more about our locations.](#)



## ABOUT THIS REPORT

Compass Minerals began publishing sustainability reports using the Global Reporting Initiative (GRI) G4 framework in 2015 on a bi-annual basis. We selected the GRI framework because we believe it represents the most widely recognized structure for holistic, data-driven sustainability reporting, and is in keeping with our commitment to transparency and accountability to our stakeholders. This report is an interim update and is intended to keep our stakeholders informed regarding our environmental, social and economic progress. This report covers three years of performance, unless otherwise noted. All financial metrics are presented in U.S. dollars, and all environmental data is reported in metric units unless noted otherwise. With the exception of safety data, this report does not include statistics from our Brazil operations, which we acquired late in 2016. We anticipate including environmental and social data for Brazil sites, which will serve as a performance baseline for this geography, in our 2018 sustainability report. This report provides a sampling of our GRI-based data metrics. Complete data reporting and GRI Content Index is available in our web-based [Sustainability Report](#).



At Compass Minerals we believe that achieving operational excellence begins with maintaining a safe working environment for our employees. Our success is based on instilling a strong safety culture throughout all of our operations and following a risk-based approach to identify and eliminate our top risks and hazards. Our safety targets for 2017 reflected this emphasis.

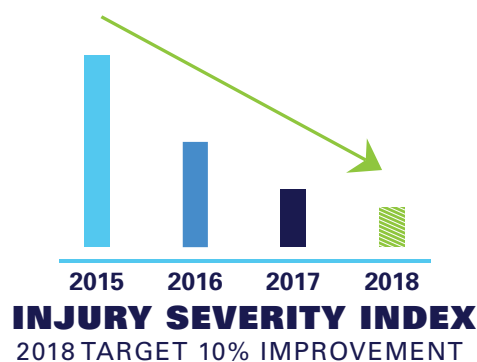


Our safety culture is shaped by our Hearts & Minds (H&M) safety campaign, which began in 2015 to engage our employees in driving a progressively more evolved and pervasive safety culture. This program uses the Energy Institute's Hearts & Minds safety excellence toolkit for assisting in enhancing safe work practices, effective change management and improved supervisory skills, among other focus areas. Each H&M action plan is a unique framework developed by an employee-driven collaborative process that assesses site specific risks and needs. Because embedding this safety culture is critical to our success, one of our 2017 objectives was to achieve 100% execution of our H&M actions plans as well as safety management system action plans. Of the sites for which action plans were developed and tracked, we approached 90% execution. Improvements in action plan tracking were implemented at the end of 2017, which were augmented with a series of updated training events. Understanding that culture change is a long-term, continuous improvement effort, the H&M approach continues to be the foundation of our safety culture.

Also critical to our safety success is following through with the mitigation and elimination of safety issues related to our Top 9 Risks. Beginning in 2014, we initiated Top 9 Risk annual audits at select sites. In 2017, all three audited sites demonstrated a material year-over-year decrease in the number of audit findings. Our ongoing focus on mitigation of risks associated with Significant Injuries and Fatalities (SIFs) continues to drive down the severity of our workplace injuries.

We have implemented our Top Risk strategy in Brazil with local customization. Because of the production processes specific to these operations, we determined that process safety is a top risk. This has resulted in the introduction of process safety management tools to ensure that our manufacturing processes are as safe as possible. We continue to leverage our North American internal expertise augmented by expert consultants and our Brazil team to facilitate process hazards analysis and improve process safety.

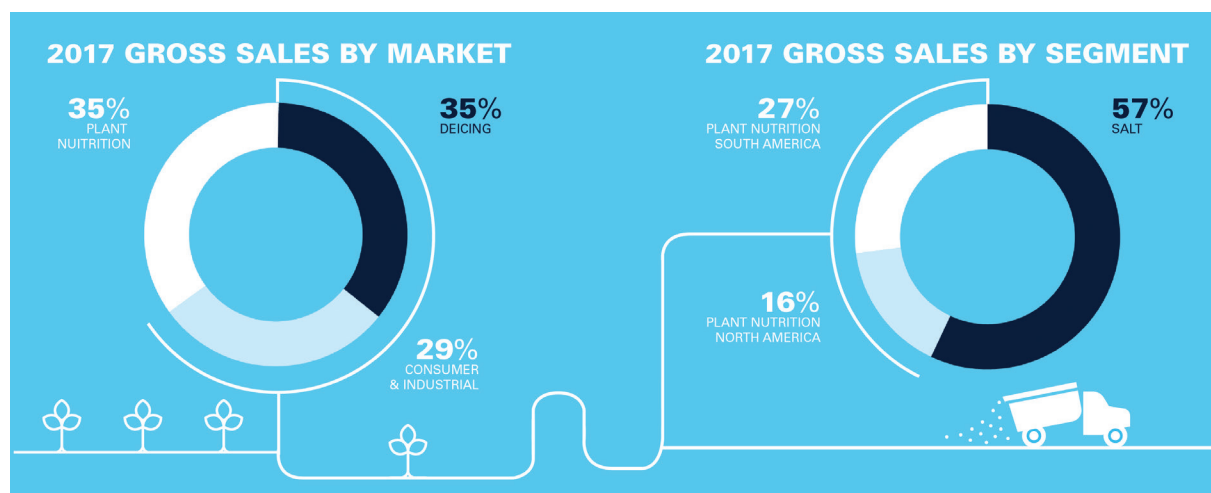
Implementation of these programs as well as the diligence of our employees has been critical to building a safer workplace for Compass Minerals' employees. Not only did we exceed our target of a 10 percent reduction in the average Severity Index of injury cases in 2017, our Total Case Injury Rate (TCIR) declined 36 percent from 2016 results. The 2017 results include our Brazil sites for the first time. In 2018 we expect to continue our focus on a robust safety culture and risk elimination to drive continued improvement in key safety metrics.





Our strategy is to build a stronger, more balanced company—one that we believe will drive increased shareholder value for years to come. Key components of this plan include the expansion of our specialty plant nutrition business into Brazil with the 2016 purchase of Produquímica, an increased focus on innovation, advancing our major capital investment program in existing assets and building a high performance culture.

The benefits of building a more balanced company with growth potential by expanding our specialty plant nutrition business were demonstrated in 2017. This was the first year we enjoyed a full year of contribution from our Plant Nutrition South America segment (the acquired Produquímica business), which delivered \$375 million in revenue and \$49 million in operating earnings in 2017. Together with our Plant Nutrition North America segment, these earnings provided a significant offset to the year-over-year decline in Salt earnings.



Our investments in our Plant Nutrition business offer Compass Minerals significant growth opportunities. We believe we have strong growth potential in Brazil due to our portfolio of advanced micronutrient and specialty plant nutrition products, which are highly suitable for Brazil's poor soil conditions. Our expectations of future growth are further supported by the expected increase in hectares being farmed in Brazil and our robust direct-to-grower sales model. In North America, we have organic growth opportunities stemming from our investment in additional SOP capacity at our Ogden facility and our ability to cross-sell our products throughout the Americas. In 2017, we introduced a new North American product line of highly soluble micronutrients called ProAcqua™ that was developed by our Brazil team. In addition, we began cross-selling our Wolf Trax™ dry dispersible power micronutrients into Brazil.

We are also working diligently to advance next generation products that address our customers' evolving needs and in 2017 we opened our North American Innovation Center. In conjunction with our research and development resources in Brazil, we have a unique opportunity to collaborate on product development and manufacturing.

We completed many significant capital investments in 2017. These included the installation of continuous mining and continuous haulage systems throughout our mining operations in Goderich, Ontario. This investment is expected to significantly reduce our operating costs and create a safer, cleaner work environment due to the reduced use of diesel-powered heavy equipment and the elimination of the explosives, which were used in the old drill and blast mining process. Also in 2017, we began commissioning of our expansion and improvement projects at our Ogden, Utah, sulfate of potash (SOP) manufacturing facility. With these investments in place, we expect to have a ready supply of SOP in the years to come to respond to growing domestic and international demand.

## Our People

Our people are critical to driving sustainable growth at Compass Minerals. With over 3,000 employees globally, Compass Minerals strives to attract and retain the best talent. Essential to our success is building an inclusive, high performance culture that provides growth and development opportunities for all, offers competitive total rewards programs and strives to reflect the diversity of the communities where we live and work.

2017 highlights of our efforts to build and enable this inclusive, high performance workforce include:

- Increased spending on training and development by 38% compared to 2016.
- Fully integrated our new employees following the acquisition of Produquímica.
- Increased number of Diversity & Inclusion learning events across the organization.
- Launched pilot mentoring program, expanded program expected to launch in 2018.
- Piloted Compass Minerals Academy, an online learning tool, which will fully launch in 2018.



In keeping with our commitment to transparency and accountability, we have identified several key metrics, which we are monitoring to assess our progress on our social targets. Each of these metrics specifically relates to one of the three core areas of our people strategy. As we continue to collect baseline data, we expect to establish performance goals for select metrics in the future.

PERFORMANCE GOALS	
	2017 ASSESSMENT
<b>EMPLOYEE DEVELOPMENT AND RETENTION</b>	
Spend on employee training/development	On track
Retention rate, employees with tenure of two years or less	On track
Participation in employee resource groups	On track
<b>DIVERSITY AND INCLUSION</b>	
Diversity in candidate pool for salaried positions	In process
Diversity of new hires and internal promotions	In process
Diversity in manager-level positions and above	In process
<b>COMPENSATION AND BENEFITS</b>	
Gender pay equity	In process
Health and retirement benefit programs compared to regional markets	On track

*The designation 'On track' means that programs are in place to address the metric and that progress has been made. The designation 'In process' means that programs to address the metric are in development or early stages of implementation.*



## Caring for our Environment

Compass Minerals is, at our core, a minerals company. Because we rely on natural resources throughout our operations, it is incumbent upon us to be good stewards of these resources. In addition, the markets for many of our products are dependent on climate conditions.



In 2017, we developed our Climate Statement to frame the challenges and opportunities we face from climate change. We continue to evaluate these challenges and opportunities as we evolve our strategy for sustainable growth.

We believe that climate change is a critical challenge in our era. We recognize the science of climate change and are committed to moving toward a future with a lower carbon footprint. We acknowledge the risks posed by climate change, which can create challenges for local communities and increase stress on the earth's natural resources. Furthermore, the markets we serve are subject to certain climate-related risks. From a farmer using our plant nutrition products whose livelihood is dependent upon growing conditions, to cities that rely on our deicing products, our customers are also subject to a changing climate. With this in mind, we understand we have a role to play in limiting global warming to 2°C above pre-industrial levels by the end of the century, in partnership with the governments of several countries in which we operate.

Compass Minerals aims to capitalize on available climate-related opportunities, including exploring innovative ways of reducing carbon emissions and influencing our vendors and other partners to move with us accordingly. We are aware of the opportunities that are made available to Compass Minerals through global food and water security, air quality and healthy ecosystems. In the coming year, we will further develop and execute a climate strategy that reflects our commitment to improving energy efficiency, innovating creative solutions and reducing our Greenhouse Gas (GHG) emissions in the coming years.

Continuing to build our climate strategy is just one aspect of our commitment to sustainability improvements. These efforts include a range of activities from educating our customers on the proper storage of deicing salt, to using higher-efficiency, lower carbon footprint equipment in our operations, to creating new avian habitats as we champion the value of biodiversity. In addition, we are committed to educating our employees on a broad range of sustainability topics in order to promote environmental stewardship and innovative thinking, which we expect will generate powerful sustainability initiatives across our company.

The drive to reduce our environmental impact is the same drive we have to build a more efficient and effective company. Reducing our emissions, our use of fossil fuels and fresh water and our waste generation is not just good for the environment, it is also good for the long-term financial health of our company. Our 2020 environmental targets further support our commitment to limit, reduce or mitigate our environmental impact.



### ENERGY INTENSITY

- Reduce by at least 4%

### GHG EMISSIONS INTENSITY

- Scope 1: Reduce by at least 7%
- Scope 1+2: Reduce by at least 8%

### FRESH WATER INTENSITY

- Reduce by 5%

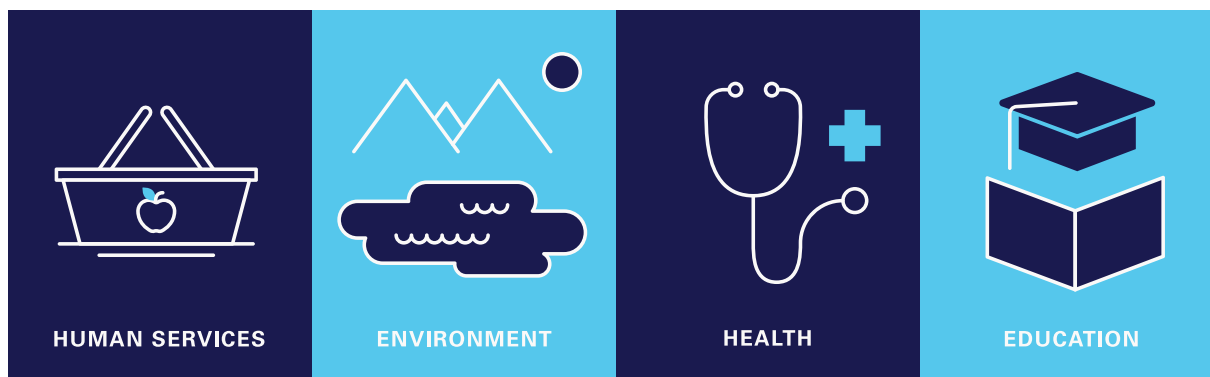
In 2017, we continued to execute the projects that we expect will ultimately assist us in achieving these goals. In total, our results for the targeted metrics this year were above the prior baseline. This was primarily a result of lower production volumes at our North American salt mines following a mild winter, which reduced the demand for highway deicing salt. We estimate that variations from average production levels elevated our per-unit energy and emissions results by approximately 20 percent. On a site-by-site basis we are achieving success. In fact, four of our sites achieved their 2020 goals in 2017.

We have elected to add a new environmental metric to our reporting in 2018—waste generation. This is important for the broad sustainability benefit, and because it provides an opportunity for all of our employees to engage in having a more direct role in achieving our sustainability goals. Many of our other metrics are dependent upon naturally occurring events or market demands, which are beyond our direct control. We believe incorporating this metric will empower engagement and innovation at our sites to address their unique opportunities in this area.

### Caring for our Community

Compass Minerals strives to create value for the communities where we live and operate. By providing jobs, sourcing locally and fostering local economic development activities, we contribute economic and social benefits to support community vitality. We also support local communities through charitable contributions and volunteering. This community engagement is not only the right thing to do as a business, it is welcomed and appreciated by our employees who have a vested interest in the role they play in and outside the workplace. We support our communities in many ways to make a positive impact and enrich the lives of others. Over the years, we've made generous donations of time, money and resources to local food banks, hospitals, environmental organizations, children's charities and more.

In 2017, our employees continued to engage in a variety of community enrichment activities. Following are some highlights of Compass Minerals' community engagement activities, which reflect our four pillars of giving:



- **HUMAN SERVICES** – child and family services; youth development; crisis and shelter services; and food banks, pantries and distribution
- **ENVIRONMENT** – environmental protection and conservation; and botanical gardens, parks and nature centers
- **HEALTH** – diseases, disorders and health-related disciplines; patient and family support treatment and prevention services; and medical research
- **EDUCATION** – schools, colleges, universities and technological institutes; and other educational programs and services focusing on STEM (science, technology, engineering and math) or the industries in which we operate





## HUMAN SERVICES

- Goderich Mine partnered with Community Living - Central Huron (CL-CH) in a work program designed to facilitate adults with developmental disabilities in sharing all aspects of living within the community. This includes the CL-CH team conducting a spring clean-up of the grounds at the site. Ongoing lawn maintenance and gardening services for Goderich Mine and Goderich Plant are provided throughout the season with this work program.
- Partnering with the Women in Agribusiness Summit, Compass Minerals sponsored the Hurricane Relief Project, which encouraged conference attendees to fill toiletry bags for those impacted by Hurricanes Harvey, Irma and Maria.
- For the 10th year, our Unity plant partnered with other corporate sponsors to host an indoor Easter egg hunt for children in the community. In addition, food and drink were provided at the community event to more than 300 guests.
- Employees at our Ogden facility assembled and delivered food boxes for Ogden's Catholic Community Services Joyce Hansen Hall Food Bank. This was the 10th year employees participated in providing baskets of food and personal items for more than 1,600 Utah families in need.
- As part of their 14th annual Adopt-A-Family-Program, Overland Park employees bought and wrapped gifts, personal care items and home supplies for Midwest Foster Care and Adoption Association.
- Our Environmental, Health, Safety and Security team partnered with Wish for Wheels to assemble 25 BMX bikes to be donated to K-2nd grade students from low-income schools in the Kansas City Metro.



## ENVIRONMENT

- As a part of the annual International Coastal Cleanup, the world's largest volunteer effort for the protection of oceans, waterways and lakes, Compass Minerals' employees, family and friends, helped clean up the Great Salt Lake's shoreline. For the past six years, Compass Minerals has partnered with FRIENDS of the Great Salt Lake and several other groups, including the State of Utah Department of Forestry, Fire and State Lands, the Great Salt Lake State Park, The Nature Conservancy in Utah and Great Salt Lake Audubon, to make this volunteer effort a success. Our Ogden employees worked together with other volunteers to remove more than 2,000 pounds of trash from the lake bed and shoreline.





- Compass Minerals' Winsford site, along with the Cheshire Wildlife Trust, planted 1,400 trees around the site. The Cheshire Wildlife Trust's Health and Wellbeing program, which takes those in recovery from physical or mental illness outdoors and closer to nature as part of their wellbeing, worked with our employees to plant U.K.-sourced trees, such as oak, goat willow, alder and birch.



## HEALTH

- Every December, our Cote Blanche employees participate in an annual Charity Day Hoisting event. For every ton of salt produced and hoisted that day, Compass Minerals donates \$1 to local charities. In 2017, the mine donated \$9,000 between Louisiana Organ Procurement Agency, a nonprofit organ and tissue recovery agency, and Miles Perret Cancer Services, a haven for individuals and their families fighting cancer.
- Our Wynyard site purchased an auto drain valve system for the Wynyard Fire Department's self-contained breathing apparatus air fill station. The new system allows for automated filling of the air bottles, freeing up the firefighters to clean and prep equipment for their next call.
- Our Chicago plant employees raised funds in support of the 12th annual Joe Betustak Jr. Memorial Benefit. This event is organized by retired Chicago Plant Manager Joe Betustak in memory of his son, Detective Sgt. Joe Betustak Jr. Proceeds from the event are used to help local community members battling cancer.
- More than 350 runners participated in the annual Winsford 10k hosted by Compass Minerals, raising more than £2,000. The 2017 event contributed to a variety of local charities, including St. Luke's Hospice, Cardiac Risk in the Young and cancer research.



## EDUCATION

- Compass Minerals' Ogden site continued its strong partnership with FRIENDS of Great Salt Lake, a non-profit organization, which aims to preserve and protect the Great Salt Lake Ecosystem and increase public awareness and appreciation of the Lake through education, research, advocacy and the arts, in 2017. For the second year, we contributed \$15,000 to their Lakeside Learning Field Trip program. The Lakeside Learning Field Trip Program emphasizes learning through participation. The field trips combine informal environmental education strategies while incorporating science, technology, engineering, art and math (STEAM) to reinforce the Utah Common Core State Standards.
- Our Duluth site participated in United Way's "Stuff the Bus" campaign, joining other area businesses in collecting donations to aid local children in need of school supplies.





Our commitment to building a more sustainable company and supporting the sustainability of our communities and the world's natural resources stretches across every facet of our company and runs throughout our business strategy. This commitment begins with our board of directors and flows to our senior management team to our sustainability steering committee and to all employees. Reporting on our progress is a key element to this commitment. While only a sample of our key metrics are provided below, additional data on 2017 results can be found in our web-based report, [GUIDED BY OUR COMPASS](#).

KEY PERFORMANCE INDICATORS			
	2015	2016	2017
<b>OUR BUSINESS</b>			
Revenue (\$ in millions)	\$1,098.7	\$1,138.0	\$1,364.4
Net Income (\$ in millions)	\$159.2	\$162.7	\$42.7
Net Income Excluding Special Items (\$ in millions) <sup>(1)</sup>	—	—	\$93.3
Capital Investments (\$ in millions)	\$217.6	\$182.2	\$114.1
Employees at Year End	1,984	3,103 <sup>(2)</sup>	3,090
<b>OUR PEOPLE</b>			
Injury Severity Index	16.0	10.7	5.7
Total Case Injury Rate	2.33	3.38	2.15
Women in Workforce	12%	12%	12%
Women on Board of Directors	25%	25%	22%
Ethnic Diversity of Board of Directors	12%	12%	22%
<b>ENVIRONMENTAL STEWARDSHIP</b>			
Energy Intensity (GJ/ton of production) <sup>(3)</sup>	0.40	0.52	0.54
Scope 1 Intensity (Kg CO <sub>2</sub> e/tons production) <sup>(3)</sup>	17.3	22.5	20.8
Scope 1+2 Intensity (Kg CO <sub>2</sub> e/tons production) <sup>(3)</sup>	24.8	31.7	29.1
Fresh Water Intensity (gallons per ton)	986	1,054	1,261

- (1) On December 22, 2017, the U.S. enacted the Tax Cuts and Jobs Act, which significantly changes U.S. corporate income tax laws by reducing the U.S. corporate income tax rate to 21% beginning in 2018 and imposes a one-time mandatory tax on previously deferred foreign earnings. As a result of this new tax legislation, the company recorded a provisional net charge of \$46.8 million during the fourth quarter of 2017.
- (2) The increase in employees in 2016 relates to the company's acquisition of Produquímica in October 2016. Because Compass Minerals only controlled Produquímica for a portion of the year, all statistics regarding diversity, safety and environmental stewardship exclude results from Produquímica.
- (3) Our 2016 and 2017 Greenhouse Gas (GHG) emissions intensity and energy intensity metrics were each impacted by reduced production levels at our salt mines in 2016, which was caused by lower demand for our deicing rock salt due to mild weather throughout the 2015-2016 and the 2016-2017 winter seasons in our markets. We estimate that variations from normalized production levels negatively impacted our per-unit GHG and energy intensity results by approximately 20%.