Supplementary Material

735 S1.1 Risk perception and Risk aversion

The DUE functions in Equations 1, 2, and 3 are a function of risk aversion (Equation S1), which is assumed to be constant based on Gandelman, Nestor (2015).

$$U(x) = \frac{x^{1-\sigma}}{1-\sigma}$$
(S1)

The risk perception parameter β is used to capture bounded rationality. Following Ruig et al. (2022) and Haer et al. (2020), we define β over time, as in Equation S2:

 $\beta_t = c * 1.6^{-d*t} + 0.01 \tag{S2}$

S1.2. Annexures

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FAO Annexure for crop data

Farm distribution from Lowder et al. (2016)



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Figure S1 Spatial distribution of crops in Mozambique in 2015. Downscaled and resampled from the GAEZ v4 portal (https://gaez.fao.org/)

S1.3. Model scenarios

We modelled the input scenarios for different climate scenarios based on RCP-SSP-coupled scenarios. We used RCP4.5

- coupled to SSP2 and RCP8.5 coupled to SSP5 use a baseline scenario of no SLR under SSP2. IIASA projections for SSP2 (coupled with RCP 4.5) and SSP5 (coupled with RCP 8.5) scenarios are used for population growth. In this procedure, we adjust the total population of the country to the population projected under the medium population growth scenario of the World Population Prospects (United Nations 2019). Since we do not know future fertility rates, we adjust the natural population change *r* (Kummu M et al., 2013) for each department using a factor *a* (equation below) and optimize it at each time step using the Nelder-Mead optimization algorithm (Gao, F. & Han, L. 2010). In addition, the income growth captured by GDP per capita
- (Figure S2 b) has a direct impact on the cost parameters (F, Equation S4), such as property value, adaptation cost, seed cost and farmer's selling price in the market, according to Equation S4, where r_t is the growth rate at time t.

$$r_{i} = \begin{cases} r_{i} * (1+a) \text{ if } r_{i} \ge 0 \\ r_{i} * (1-a) \text{ if } r_{i} < 0 \end{cases}$$
(S3)

$$F(t) = r_t * F(t-1)$$
(S4)





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Figure S2 Population growth (a) and GDP PPP growth (b) over time for Mozambique based on IIASA

S1.4 Initiate attributes for coastal households

Socio-economic characteristics: Ton, Marijn, (2023) provide characteristics of people and households in a global agent database and wealth classes for households. We use the mean income and the ratio of wealth to income for Mozambique to estimate absolute household wealth. In addition, we classify households living in the coastal zone using the floodplain

770 projected for 2080 by Ward et al. (2020) for a 1/100-year return period under the RCP8.5 scenario. *Farm size allocation:* Lowder et al. (2016) provide the distribution of farm size under ranges of farm size in hectares (for ranges and distribution per country, see Annex 2 in S1.2). We use a log-normal distribution to generate absolute farm sizes and allocate them to farming households, assuming that the farm area owned by the farming household is directly proportional to its wealth.

- Soil salinity map: We use the latest available global soil salinity map from Hassani et al. (2020) as our base map in 2015 and project it for different SLR scenarios discussed in the Methods section. The maps produced by Hassani et al. (2020) are quite detailed, but for missing data values in the floodplain, we adjust the data by performing a bilinear interpolation. There is also a dynamic map that runs within the model and is updated every year based on two physical processes: SLR and storm surge. Based on individual locations and this dynamic map, households experience soil salinity on their farms.
- *Crop type:* GAEZ provides harvested area per crop per unit area (100 km²). We first downscale these land use maps using the nearest resampling approach and then use the harvested area as a proxy for the probability of cultivating a particular crop to assign a crop type. For example, if a 1 km² area has 0.4 km² of rice, 0.3 km² of maize, 0.2 km² of cassava and 0.1 km² of sorghum, then a farming household is likely to cultivate a crop with a probability of [0.4, 0.3, 0.2, 0.1] for rice, maize, cassava and sorghum, respectively.
- 785 *Household location:* Household agents in the coastal flood zone are assigned locations based on the GHS 2015 population map (Schiavina, M. et al., 2019).



S1.5 Coastal population projection





Figure S4 Percentage adapted under a) no perception and b) no adaptation setting.



Figure S5 Number of farmers that have adapted or not adapted to salinity and flood risk in 2080 under increasing salt intrusion; left: individual households that have adapted; right: percentage of farmers that have adapted in each region.

S 2.1 Spin-up period

To start the model and simulate a situation in 2015, we ran the model for 15 periods, called "spin-up periods". During this period, agents can make a decision to adapt or migrate, but no population growth or GDP growth rate is taken into account. These runs are made so that agents with the ability to adapt or migrate in 2015 can adapt or migrate and ensure that the results for the first year of our simulation (2016) are stable and not affected by sudden changes. After the spin-up period, it was found that about 9% of households in Sofala Province adapted, which is similar to the result based on the survey conducted by Sem J. Duijndam et al. (2023).

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S 2.2 Coastal amenity function

Based on Conroy and Milosch, we construct a function to calculate the value of coastal amenities at a location in the floodplain as a function of distance to the coast (Figure S6). Household agents sample amenities based on their wealth and distance to the coast.



Figure S6 The coastal amenity function applied to determine the amenity value for a household in the floodplain.

810 Supplementary references

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