



K+S

Compendium

Information for investors, analysts, and interested parties

Publication October 2023

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K+S

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K+S Conspect



The roots of the K+S Group date back to the **middle of the 19th century**. At that time, miners in Germany exploited the world's first potash deposits and started fertilizer production.

Today, the K+S Group is an **internationally oriented raw materials company** with production sites in **Europe and North America**.



K+S Group financials H1/2023

Revenues
€2,017.8 million

EBITDA
€478.1 million

Adjusted free cash flow
€273.6 million

EBITDA margin
23.7%



Mining of **potash and salt** on **two continents**

About **11.000 employees** worldwide

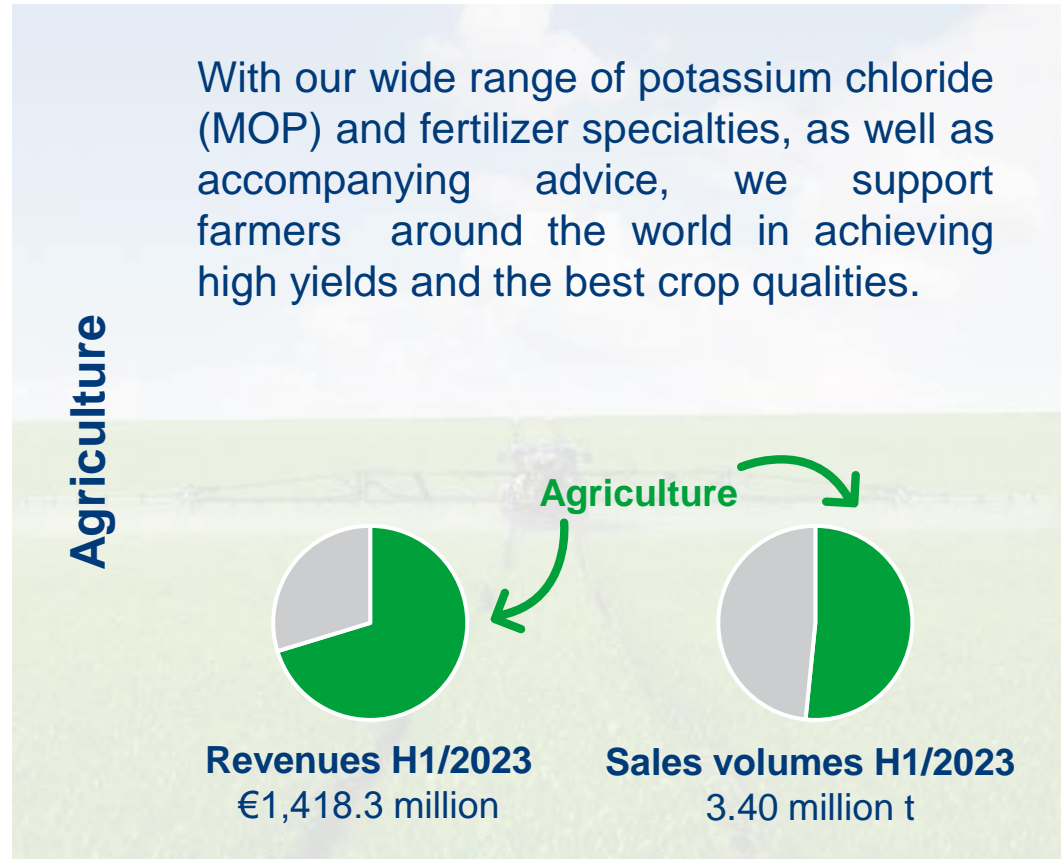
K+S strives for **sustainability** and acknowledges its responsibility towards people, the environment, communities, and the economy in the regions in which it operates.

The claim is to enrich life for generations and to be a **pioneer for environmentally friendly and sustainable mining**.



K+S at a glance

Customer segments (no segments according to IFRS)



Sale of the OU Americas in 2021

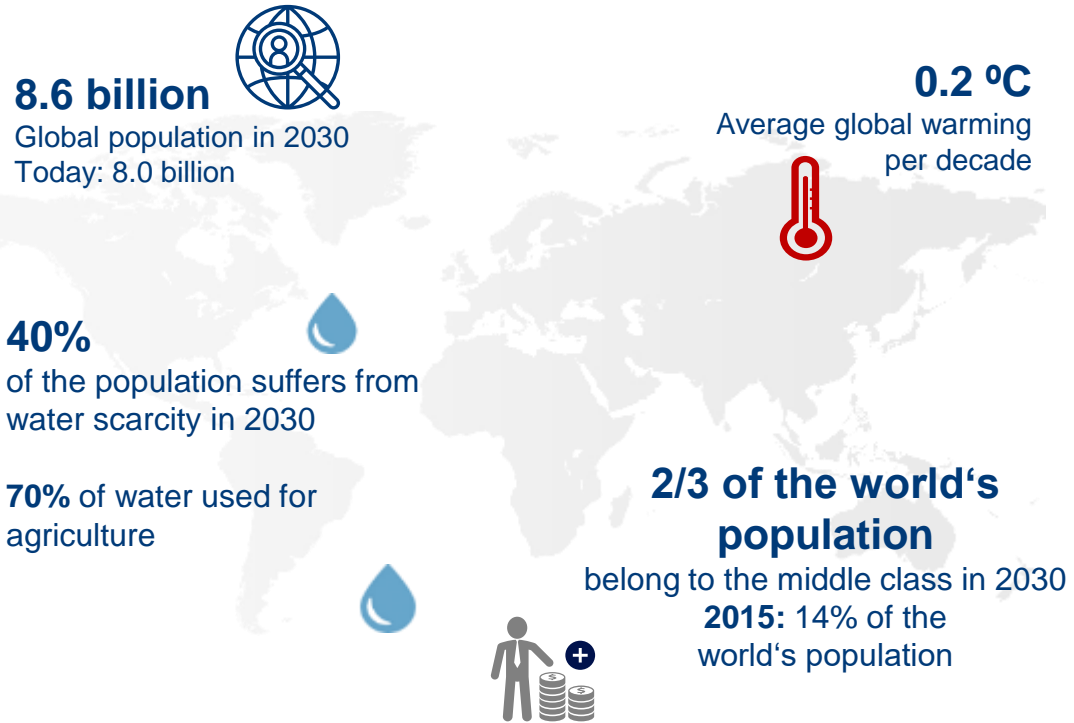
Key data of the signed agreement

Buyer	Stone Canyon Industries Holdings LLC, Mark Demetree and Partner
Gross proceeds	USD 3.2 billion
EV/EBITDA	12.5x 2019 EBITDA of USD 257 million
Closing	April 30, 2021
Net proceeds	€2.6 billion after tax
Preliminary gain on disposal	€742 million



Important megatrends and their implications

Implications for K+S



- **Arable** land shrinking
- **Yield** needs to be **improved**
- Higher efficiency of **fertilization** and **irrigation** needed
- Plants have to be more **stress resistant**
- **Infrastructure** needs to be improved
→ focus on **renewable energy**
- **Growing population**, especially in **Asia**, needs **more salt** for various purposes

Sources: United Nations, 2017; World Population Clock of the Deutsche Stiftung Weltbevölkerung (dated July 2022); "Global temperature change" from James Hansen et al. (September 25, 2006); World Water Report 2021 of the UNESCO; James Davies, Rodrigo Lluberas and Anthony Shorrocks, Credit Suisse Global Wealth Databook 2015

Why use fertilizers?

“The Natural Laws of Husbandry“, Justus von Liebig, 1863

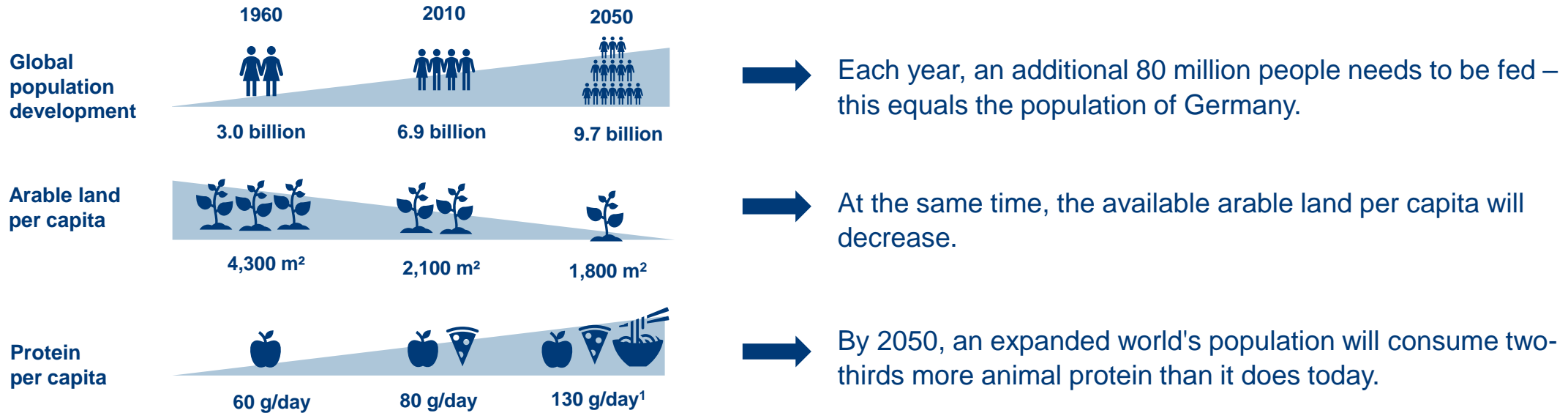


„The growth and yield of a plant is limited by the nutrient available in the smallest amount.“

- Plants need sunlight, water, and **minerals** to thrive.
- There are few soils on earth which have a sufficient content and availability of **plant nutrients** to achieve **high yields** over a longer period without fertilization.
- Potash is an **indispensable** addition to the natural nutrient content of arable soils.
- The deprivation of nutrients by harvesting and other factors must be compensated by **balanced fertilization**.

Long-term key drivers for our fertilizer business

Less arable land – but more protein consumption per capita

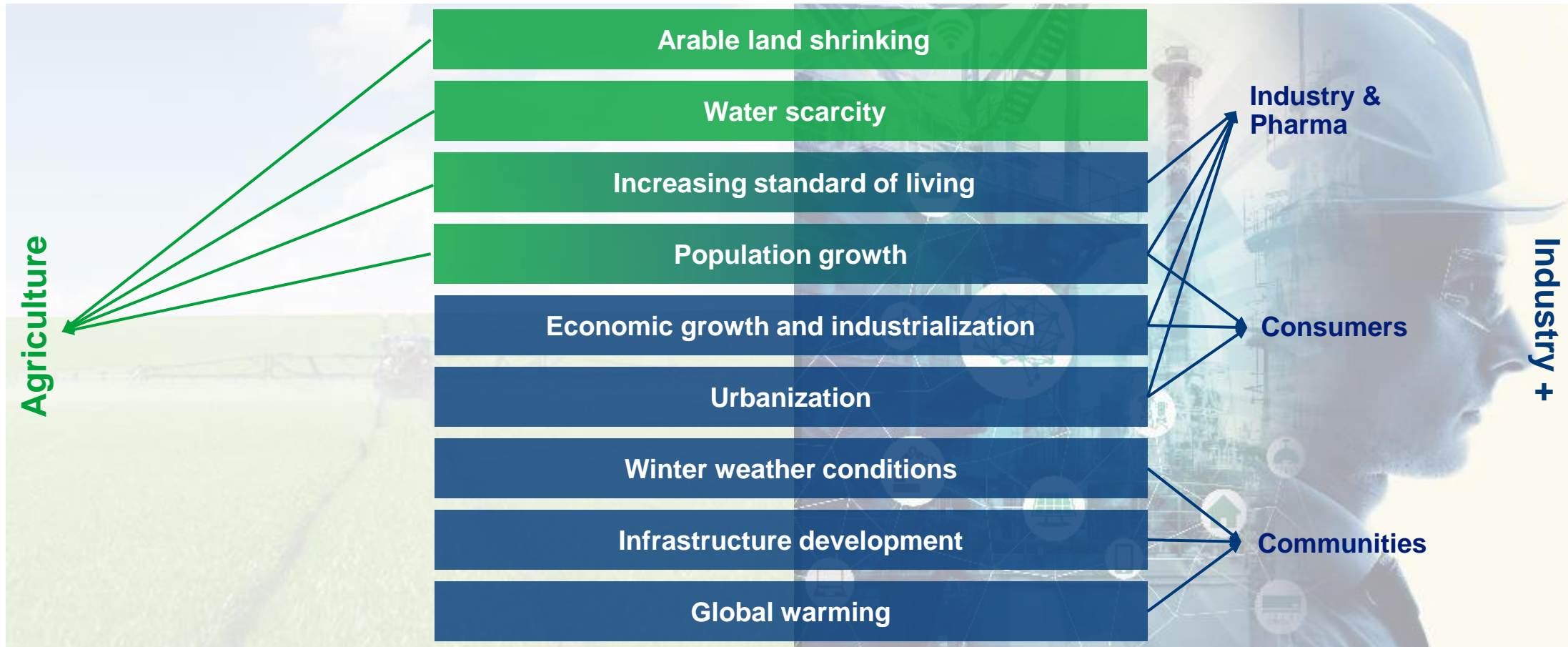


In 2050, only roughly 25% of a soccer field will be available for a person's annual food supply – 80% of the future growth in agricultural commodity production will result from increases in yields. This is achieved through the use of balanced fertilization.

Source: UN, World Population Prospects, 2022 Revision, UNDP, 2013; FAOStat 2014; ¹ FAO 2014 - Forecasts based on expected increase in animal protein

Long-term demand drivers

Demand drivers



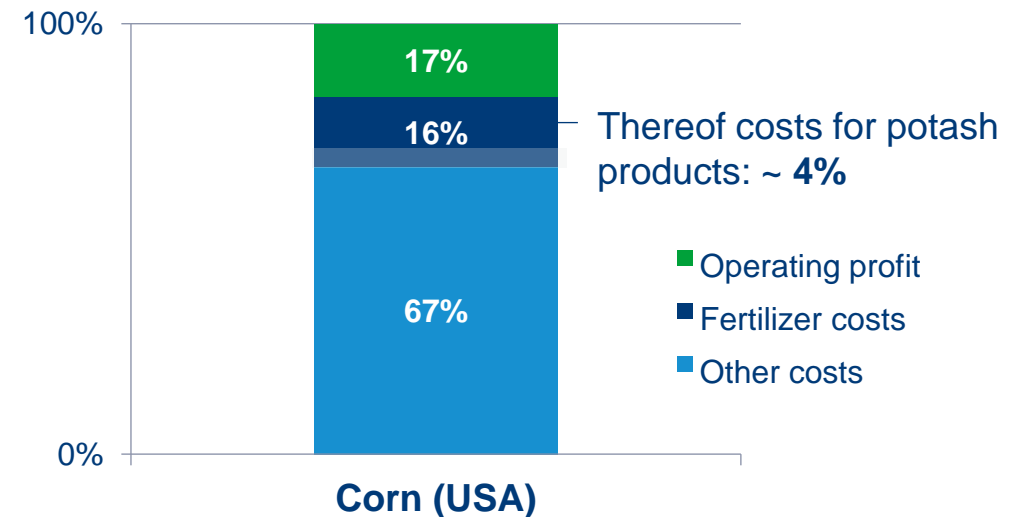
Farmer profitability of corn (USA)

Expenditure for potash products of an agricultural farm: approx. 4% of the total cost



The earnings prospects should give the agricultural industry sufficient incentive to increase the yield per hectare by using plant nutrients.

Profit potential in % of revenues



Board of Executive Directors



Dr. Burkhard Lohr
Chief Executive Officer
Mandate until May 31, 2025



Dr. Christian H. Meyer
Chief Financial Officer
Mandate until March 14, 2026



Dr. Carin-Martina Tröltzsch
Member of the Board
Mandate until February 19, 2026

The Supervisory Board of K+S Aktiengesellschaft has appointed Mrs. Christina Daske as a further member of the Board of Executive Directors of the Company. She will assume her duties as Labor Director on December 1, 2023.

For current information on the responsibilities of the individual members of the Board of Executive Directors, please refer to our bylaws which can also be found on the K+S website at: www.kpluss.com/executivedirectors

Guiding principles of strategy and management focus



Financial ambitions

- Earn cost of capital over a 5-year cycle
- At the same time, an EBITDA margin of > 20% is aimed for over this cycle
- Maximum accepted leverage (net debt/EBITDA), also on the low end of the cycle: 1.5x

Optimize the existing

70 %

EBITDA impact: around €30 million p.a. from 2023

Agriculture

- Increase of marketing in USA ex Bethune
- Increase of trading business in Middle East, China and India
- Improved leveraging of local sales network

Industry+

- Focus on potash product groups for industrial product sales
- Capacity expansion of high-purity salts
- Optimization of de-icing salt setup

Supply Chain

- Warehouse and network optimization for European salt logistics
- Optimization of warehousing
- Improved use of infrastructure

Clear focus of our sites

70 %

Bethune

- Long-term ramp-up to up to four million tonnes of capacity
- Improvement of cost position
- Increase in granulated products



Zielitz

- Improvement of the cost position
- Optimization of maintenance
- Increase in energy efficiency
- Increase in KaliSel production capacity



Werra

- Optimization of product mix & production volumes
- Optimization of maintenance
- Increase in energy efficiency
- Increase in granulation capacity for potassium sulphate



Neuhof-Ellers

- Improvement of the mineral content through AI
- Increase of the granulating capacity of kieserite



➔ **EBITDA impact: around €50 million p.a. from 2023**

Werra 2060 – Securing a sustainable future

70 %

How do we want to achieve this?

Innovations in extraction and production



- Unterbreizbach and Wintershall sites: Focus on wastewater-free processing methods
- Unterbreizbach mine: Expansion of secondary mining operations (drill and blast)
- Hattorf-Wintershall mine: Introduction of secondary mining (drill and blast)
- Unterbreizbach and Hattorf-Wintershall mines: Dry backfill utilization
- Hattorf plant: Continued operation unchanged for the time being

Methods already tested or in use on other sites!

Future-oriented product portfolio



- New processing methods in Unterbreizbach and Wintershall have an energy-saving effect with CO₂-reduction, and also change the product portfolio:
- Further development of specialties portfolio with unchanged production volumes
- Increase in share of round granules
- The products become more competitive under cost, sustainability, and quality criteria.

Reduction in environmental impact



Reduction solid residues:
by 8 to 7 million t eff. p.a.
▶ avoiding tailings pile expansion
Wintershall beginning of the 2030s


CO₂ emissions reduced
by 190kt to 650kt p.a.;
Reduced steam requirement: higher
flexibility regarding the energy source



Saline process waters reduced:
by 1.2 to 1.0
million m³ p.a.

Value contribution of Werra 2060

70 %

	NPV drivers	Ø FCF advantage p.a. 2026-2060
Significantly higher and more stable production over time/changed product mix	+€100m	+€45m
ESG improvements <ul style="list-style-type: none"> • Reduction of solid residues and thus avoiding tailings pile expansions and enabling backfill and secondary mining • Reduction of CO₂ emissions • Reduction of saline process waters and thus reducing remote disposal 	+€425m	+€40m
Mid-term adjusted personnel requirement	+€275m	+€25m
Present value of additional capex compared to unchanged operation mode	-€275m	
Total	>~500€m	+~€110m

We create value for our stakeholders!

70 %

Werra 2060 increases site NPV by > €0.5 bn to > €1.5 bn



Total NPV Werra site

with Werra 2060 project

> €1.5 billion or 7.80 €/share



Even an eternal price of ~330 \$/t (MOP Brazil) after 2026 results in NPV of more than €1 billion.



Even 50% higher initial capex would still result in NPV advantage of more than €300 million.



Sensitivities

Variation of
MOP Brazil price
after 2026:

+/- 10 \$/t



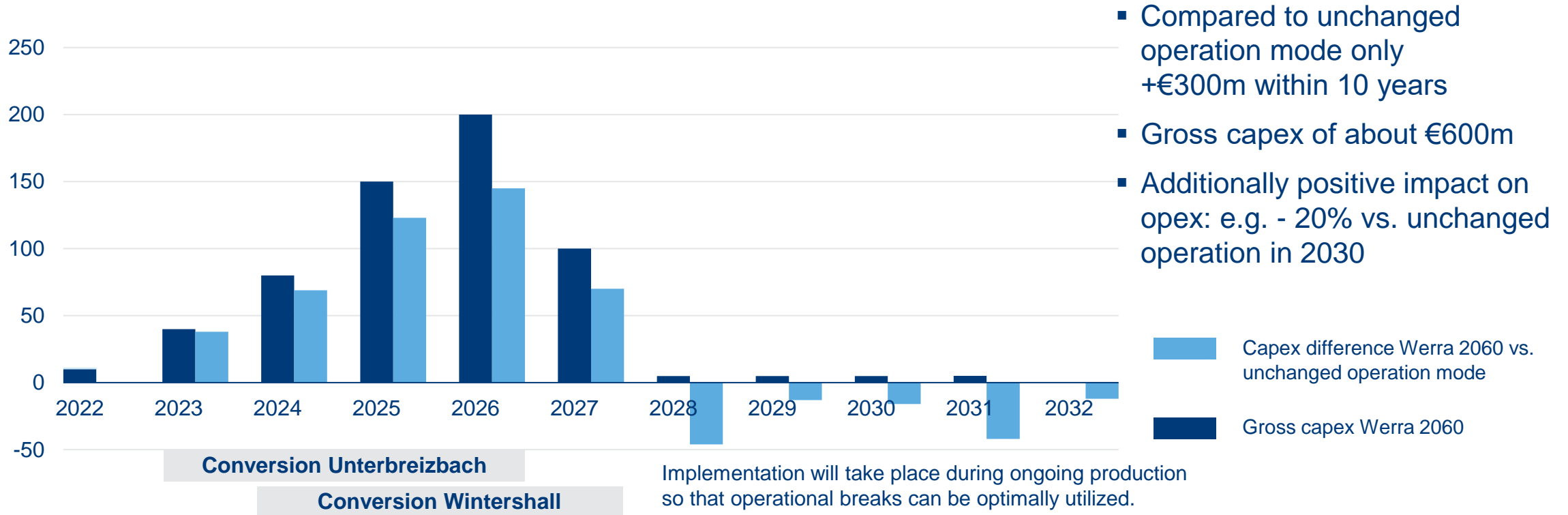
Change in NPV

+/- ~ €150 m

Capex: Werra 2060

70 %

Schematic course of capex



➔ Capex amortization period: < 10 years (as of today)

Grow the core

20 %

We enable farmers to achieve greater economic success



Expansion of the portfolio

- Fertilization
- Micronutrients
- Biostimulants
- Concepts for soil health
- Further additions to the portfolio

Logistic access

- Circular economy
- Last Mile Distribution

Digital sales

- Agronomic services
- Digital sales channels (e.g., web shops)
- New digital business models
- Direct access to the farmer

New business areas

10 %

Subsequent use of existing assets and development of new business areas

Renewable and green energy

- Increasing use of renewable energies (wind, sun) at our sites
- Use of available space at our sites
- Research into the production and use of green hydrogen

Carbon dioxide (CO₂)

- CCS: underground storage (solid and gaseous)
- CCU: use for the production of biomass or as a raw material for basic chemicals

Waste management and circular economy

- Underground recovery, underground storage
- Extraction of valuable minerals from waste streams (e.g., magnesia)

Reuse of our mines

- Research into alternative uses for agriculture or as a production area for biotechnology

Mines

Caverns

Tailings piles

Land

Technical/structural
infrastructure

Technological
know-how

Agronomic
know-how



A photograph of a man carrying a young child on his back in a cornfield. The man is wearing a red shirt and dark pants, and the child is wearing a straw hat and a white shirt. They are both looking towards the horizon where the sun is setting, creating a warm, golden glow. The corn plants are tall and green. The image is framed by a blue diagonal shape in the top right corner.

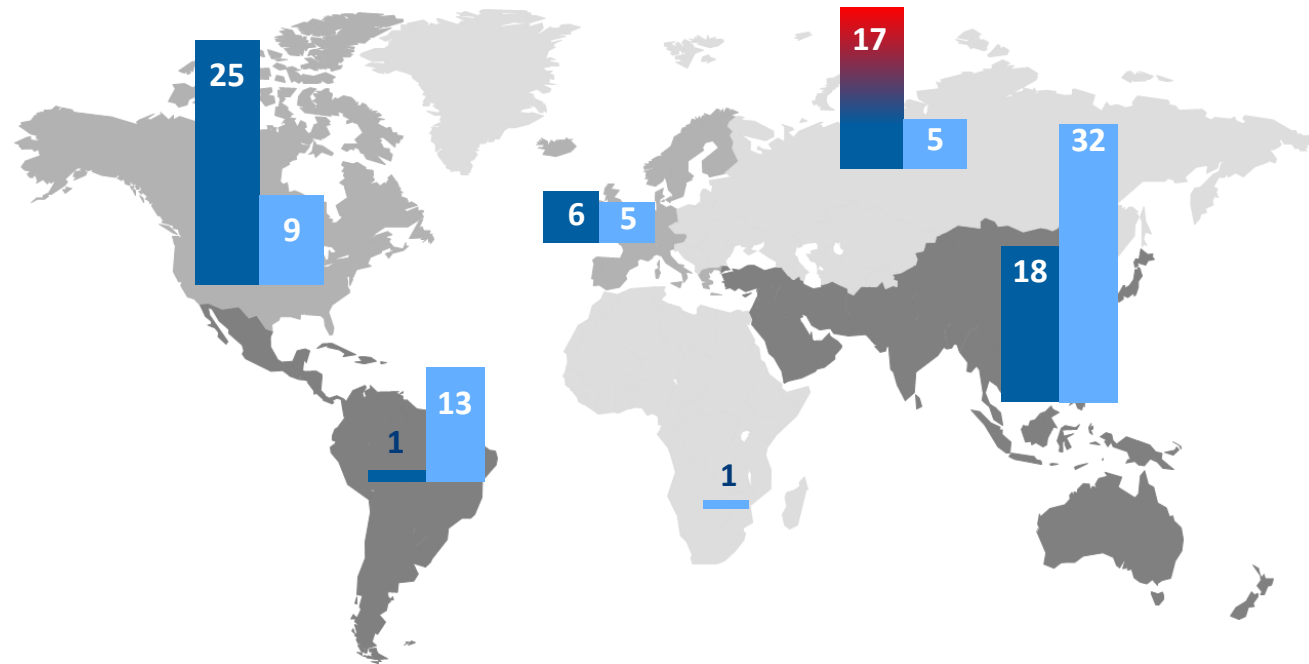
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2 | 7 Market situation

World potash production and sales volumes by region

in million tonnes

temporary



- Even before limitation of Russian exports and sanctions against Belarus, the potash market was fully used at capacity limit.
- Russia's Uralkali and Belarus each account for approx. 16% of global potash production.
- Most of the capacity expansion projects would have come from Russian potash producers.
- 28% of global *wheat* exports come from Russia and Ukraine.

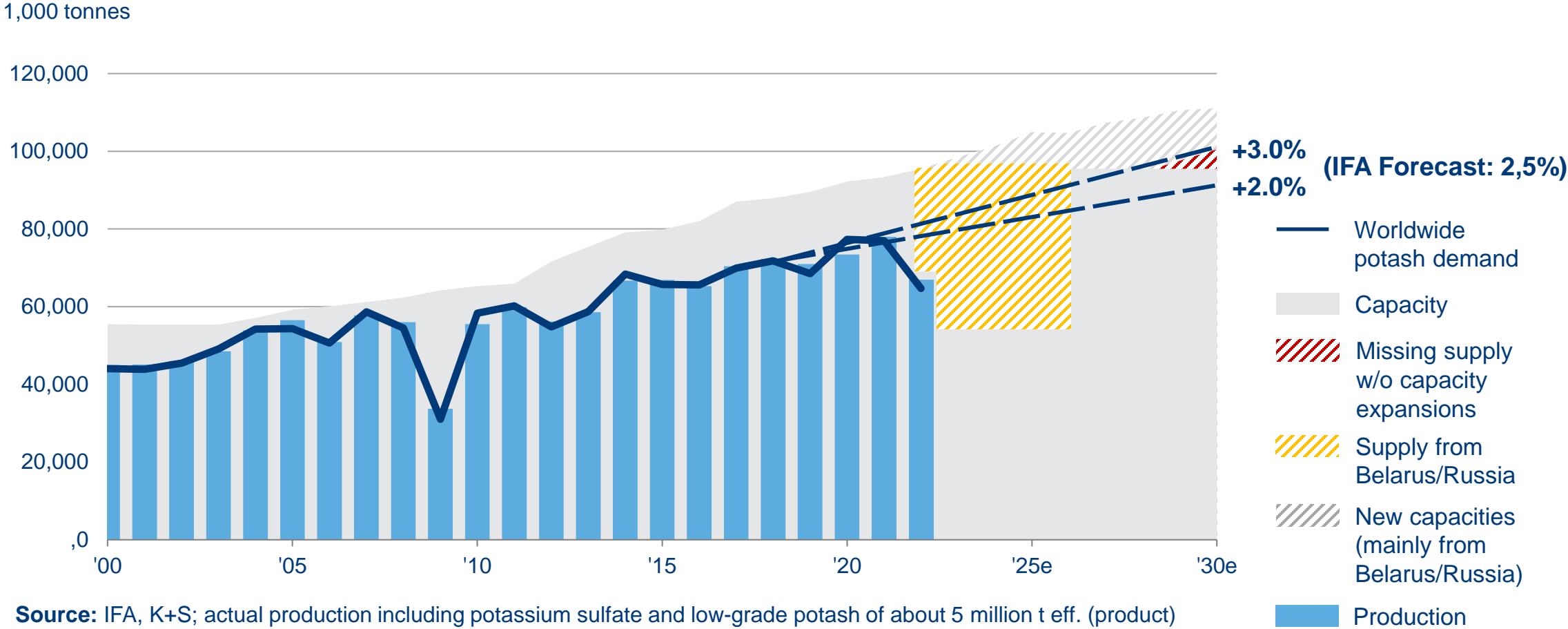
	2020	2021	2022 temporary
World potash production	75.3 mt	77.9 mt	67.0 mt
World potash sales volume	77.3 mt	77.0 mt	64.7 mt

Sources: IFA 2022 temporary, K+S

Basis: Year 2022 – incl. Potassium sulfate and low-grade potash

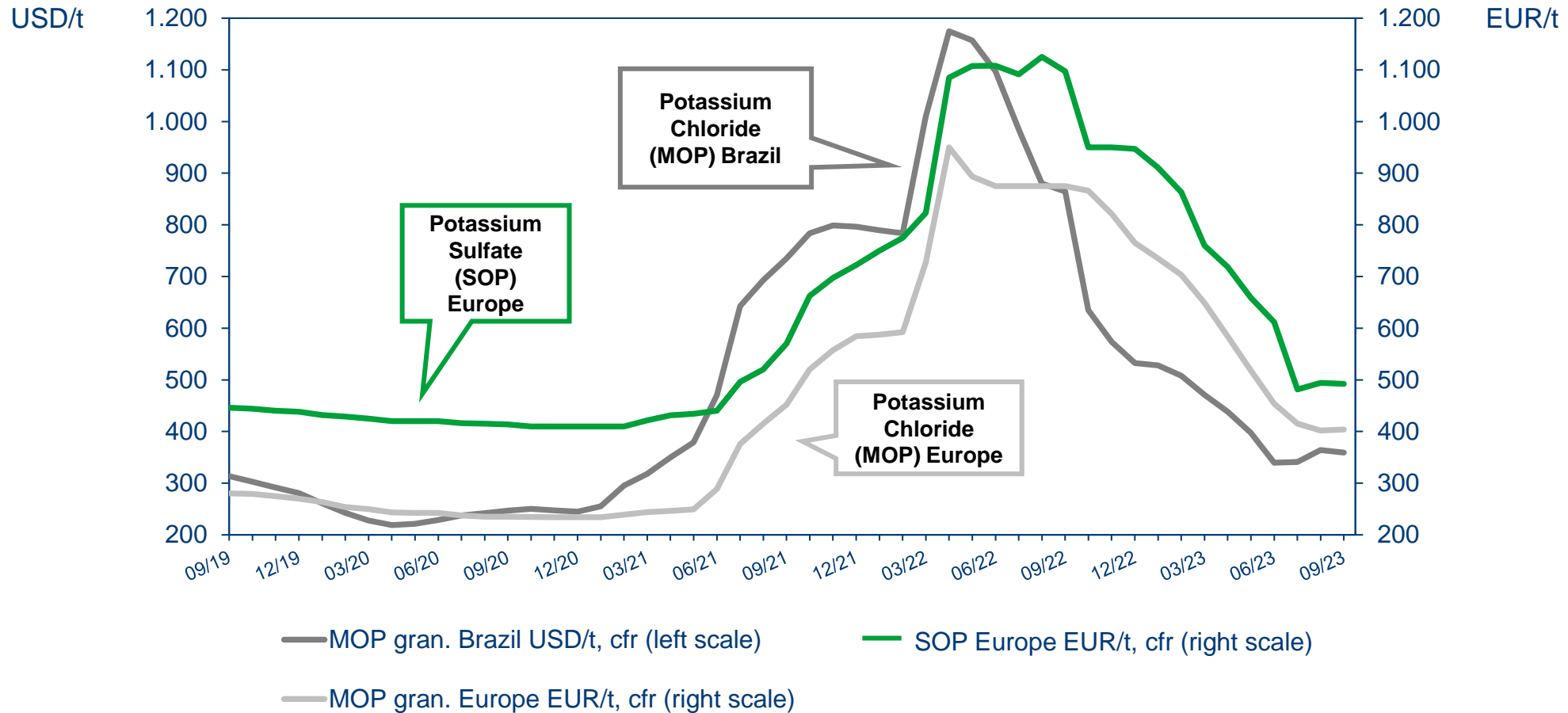
Increasing demand for potash

New potash capacities needed to meet rising demand



Source: IFA, K+S; actual production including potassium sulfate and low-grade potash of about 5 million t eff. (product)

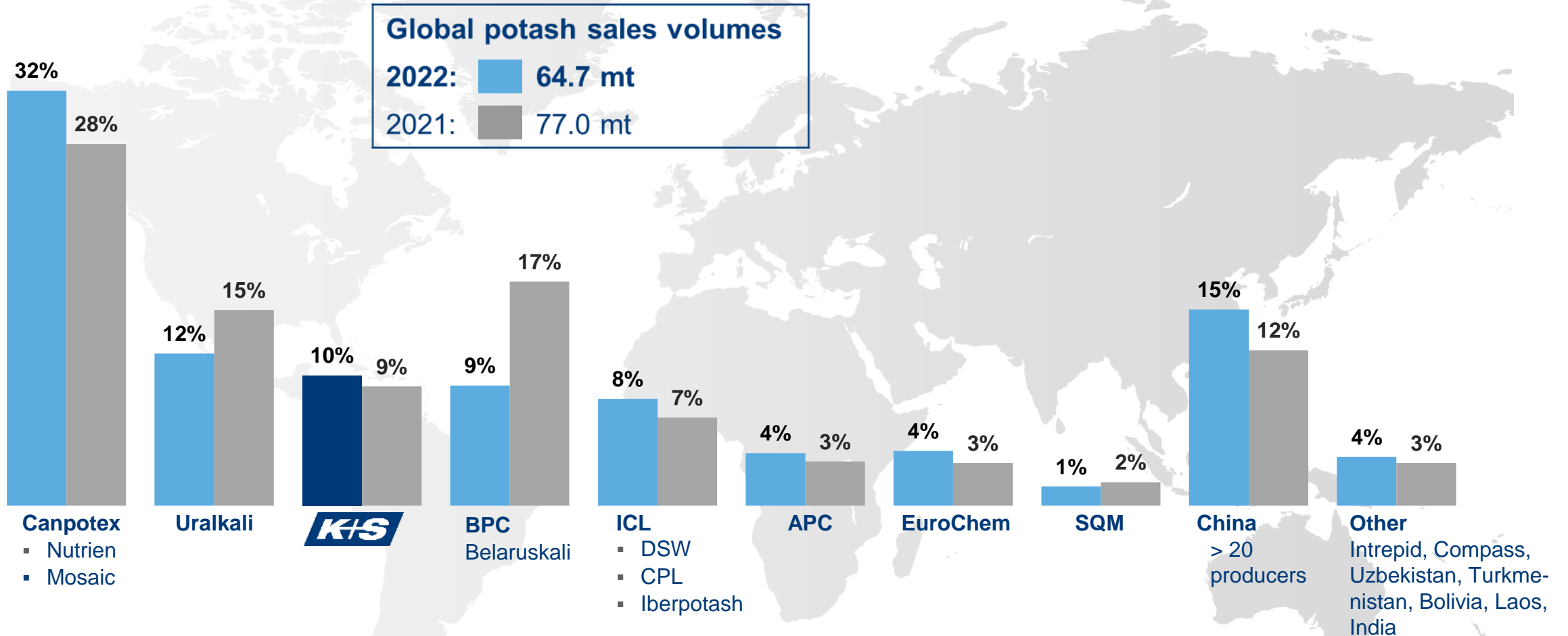
Potash price development



Source: FMB Argus Potash

Supplier structure on the global potash market 2022

temporary



Source: IFA 2022 temporary, K+S

Basis: Year 2022 – incl. Potassium sulfate and low-grade potash

Between desire and reality

Classification of potash projects announced since 2006 (Greenfield)

Announced projects

Various greenfield projects planned in Thailand, Laos, Russia, Kazakhstan, Uzbekistan, Belarus, Canada, USA, Brazil, and Argentina, among others. Companies involved include BHP Billiton, K+S, state-owned companies, and new, start-up companies.



Reasons for project cancellation



Current projects in ramp-up

K+S accelerates annual ramp-up at Bethune to 150,000 t (2022: good 2 million t, target: 4 million t per year). Since H1/2020, **EuroChem** has been producing potash at one of two Russian mines.

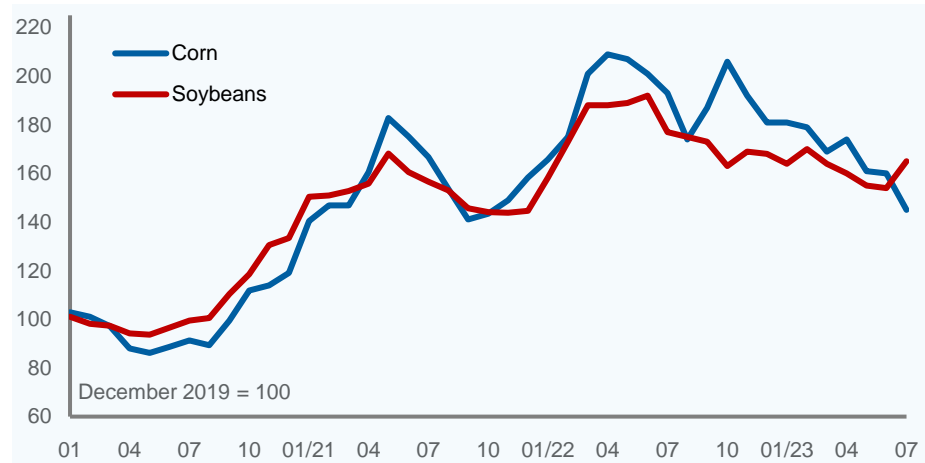


Source: World Potash Developments, Mark D. Cocker & Greta J. Orris, 2012

Continued positive environment

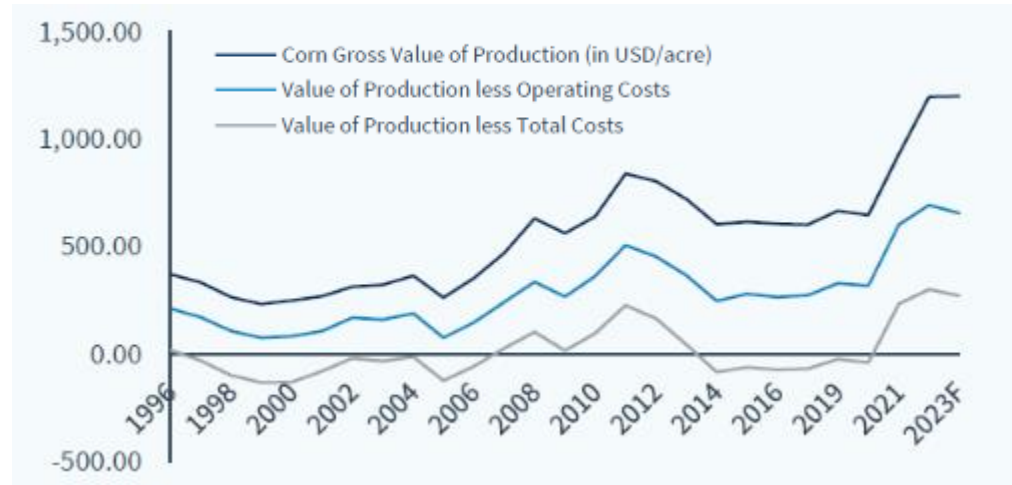
Farmer profitability at historically high level

Price development of agricultural commodities since 01/2020



Source: Worldbank

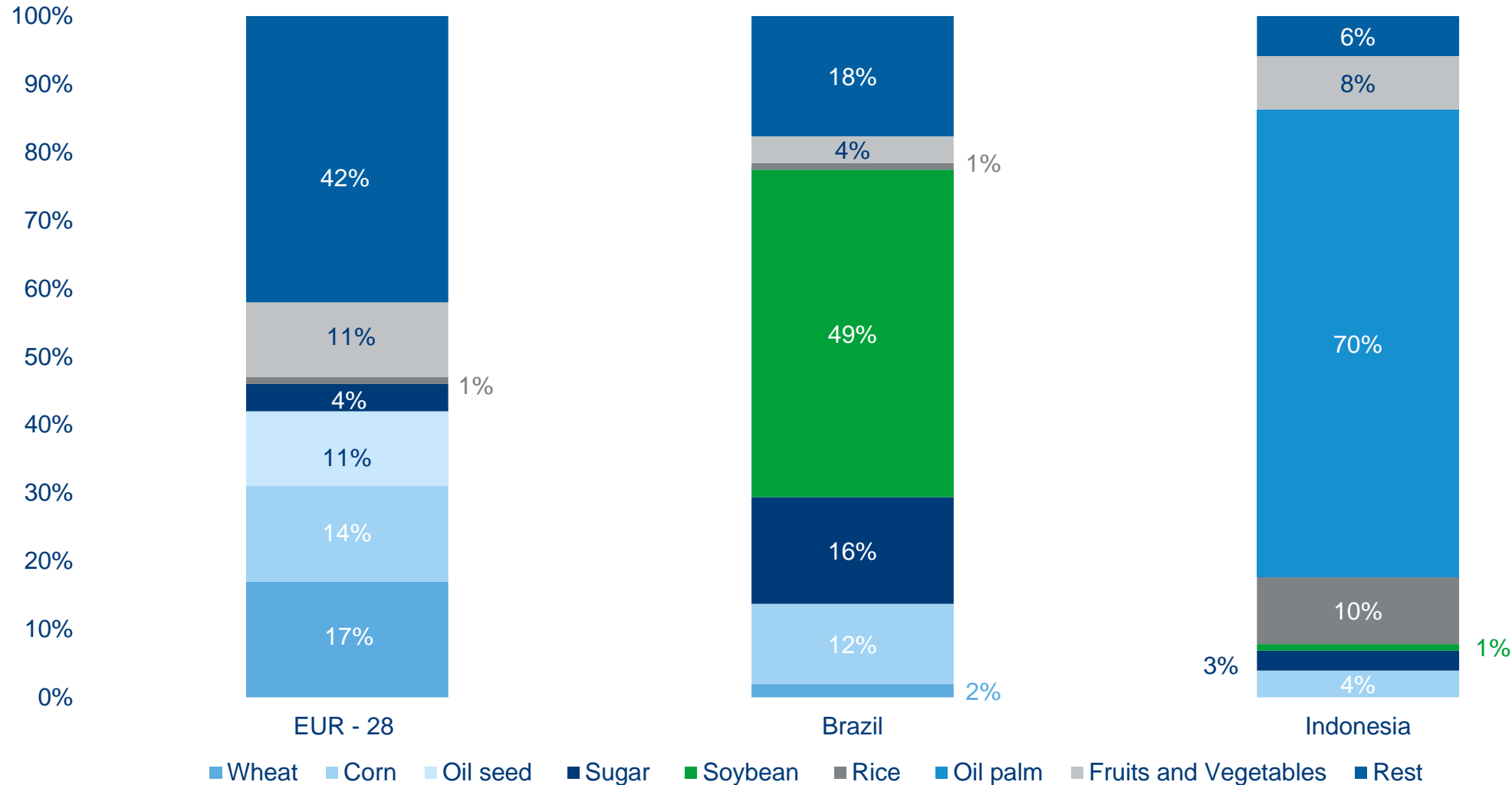
US corn farmer profitability in USD/acre since 01/1996



Source: USDA, Kepler Cheuvreux

- **Sharp increase in crop prices** significantly exceeds higher input costs; leading to **farmer profitability at all-time highs in some regions**
- **Potash costs** only account for **~5% of total input costs**

Potassium use by crop in selected countries



Source: IFA, "Fertilizer Use by Crop" based on data from 2014, published 2017

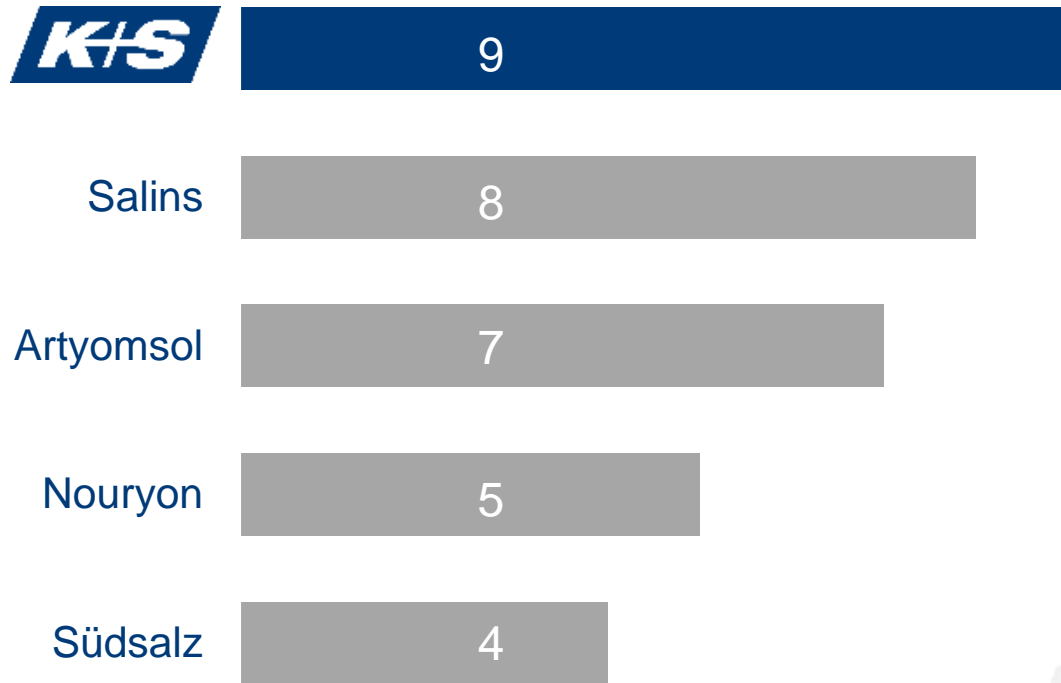
Global potash sales volume by region

million tonnes	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Western Europe	5.6	5.8	6.2	6.0	5,9	6,2	6,2	6,0	6.2	6.5	5.0
Central Europe/FSU	5.1	4.7	4.4	4.8	4.8	5.2	5.4	5.5	5.6	6.2	5.3
Africa	0.7	0.8	1.0	1.0	1.1	1.4	1.6	1.4	1.6	1.9	1.4
North America	9.1	9.7	11.8	9.5	10.9	11.2	11.5	9.8	11.7	12.4	9.2
Latin America	10.5	11.0	11.9	11.5	12.2	12.7	13.7	13.5	15.8	17.2	13.0
Asia	23.4	26.2	32.4	32.3	30.1	32.5	32.6	31.6	35.7	32.0	30.2
- thereof China	12.0	13.8	16.7	18.5	16.2	16.2	16.3	17.8	19.5	16.3	17.2
- thereof India	2.8	3.5	4.5	4.1	4.0	5.0	4.5	4.5	5.4	3.3	2.6
Oceania	0.4	0.5	0.7	0.6	0.6	0.7	0.8	0.7	0.7	0.8	0.6
World total	54.8	58.7	68.4	65.7	65.6	69.9	71.8	68.5	77.3	77.0	64.7

Incl. potassium sulfate and low-grade potash of around 5 million tonnes eff. ; **Sources:** IFA, K+S

Supplier structure on European salt market

Capacity in million tonnes (crystallized salt and salt in brine; excl. captive use)

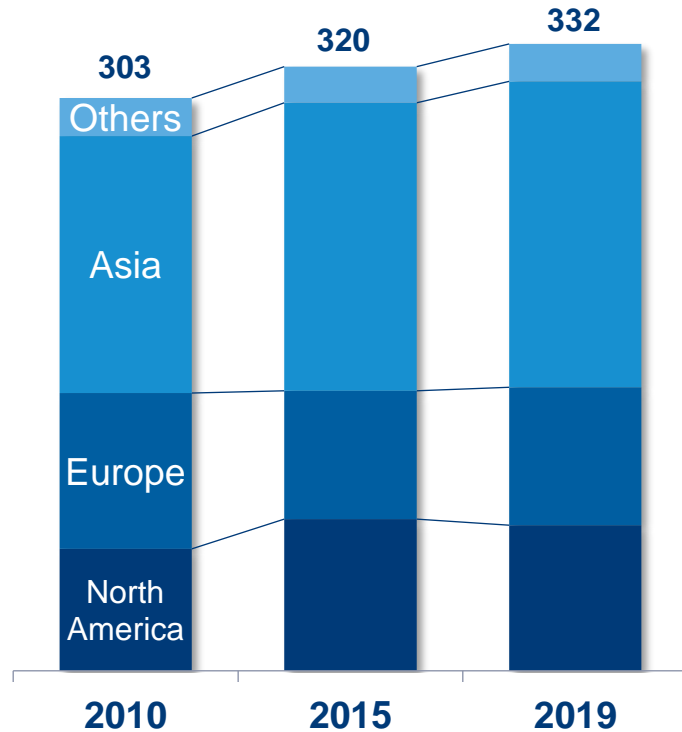


Source: Roskill, K+S

Development of salt consumption and production

Consumption (in million tonnes)

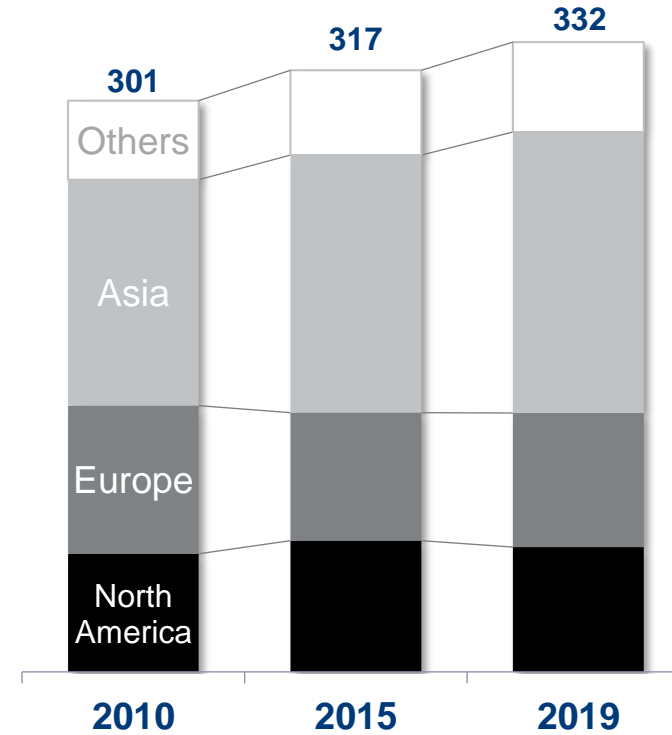
Between 2010 and 2019, global consumption increased by about 0.90% yoy to a record 332 million t.



Source: K+S, Roskill

Production (in million tonnes)

World production reached a record of more than 330 million t in 2019. It increased by an average of 1% yoy between 2010 and 2019.



The K+S logo is positioned in the top right corner of the slide. It consists of the letters 'K+S' in a bold, white, sans-serif font, set against a dark blue, trapezoidal background that is part of a larger blue graphic element on the right side of the slide.

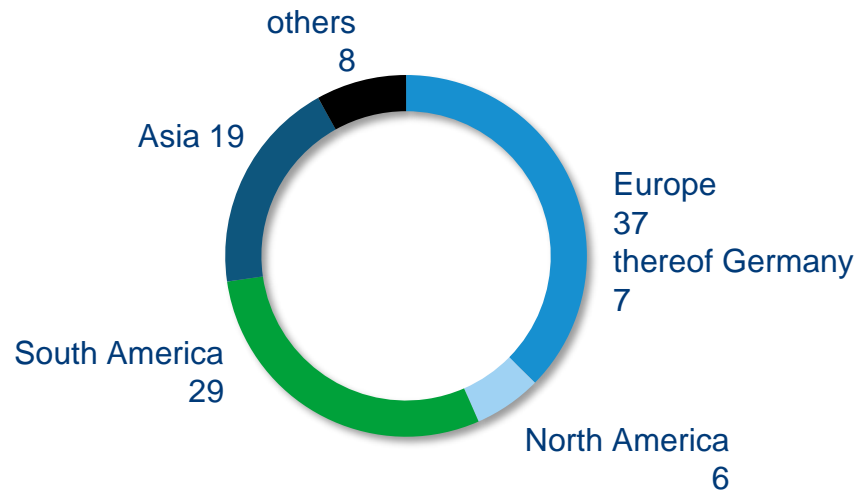
K+S

The background of the slide is a photograph of a large agricultural sprayer operating in a vast, green field. The sprayer is viewed from a rear perspective, moving away from the viewer down a straight path in the field. The sky is bright blue with scattered white clouds. The overall scene is bright and clear, representing a typical agricultural setting.

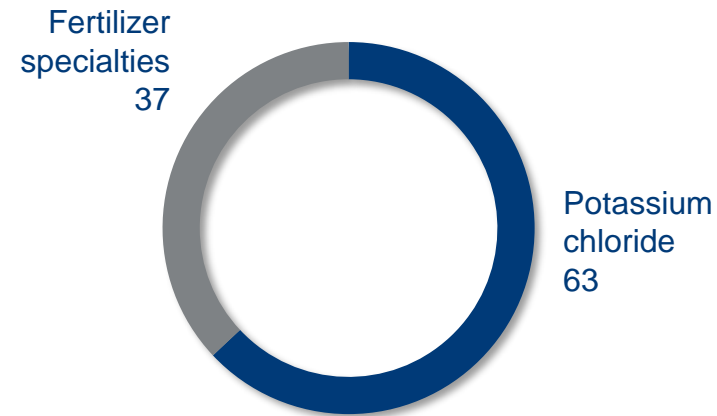
3 | 7 Customer Segment Agriculture

Agriculture customer segment at a glance

Revenue split by region 2022 (%)



Revenue split by products H1/2023 (%)



Characteristics

- Close proximity to our most important customers as a logistical advantage
- Shipments to overseas customers at competitive costs from Hamburg harbour
- Solid and long-term customer relationships
- Broad specialty portfolio provides flexibility and stability, partly following different trends and seasons

in € million	H1/2022	H1/2023
Revenues	2,188.3	1,418.3
Sales volumes (mt)	3.66	3.40

What makes us different?

Our ingredients of natural origin

Soil fertilizer



Korn-KALI®



Our all-rounder - for your most different applications

Korn-KALI^{+B}®



Our all-rounder - for you also now with boron

Roll-KALI®



Our all-rounder - for you also now with boron

KALIMOP®



Our potassium chloride - your first choice

Magnesia-Kainit®



Our specialist for your healthy forage production

KALISOP®



Our top quality - for your specialty crops

KALISOP^{PREMIUM}®



Our rolled granulate for wide, precisely distributed application

PatentKALI®



Our formula for success - for the highest quality for your crops

ESTA® Kieserit



Our highly concentrated - magnesium sulfur power for plants

Foliar and liquid fertilizer



epsotOP®



The basic ingredient for foliar fertilization

epsomICROTOP®



Our specialist for root and leaf crops

epsomCOMBITOP®



Our specialist for health and quality

epsomBORTOP®



Our specialist for rapeseed and sugar beet

epsomPROFITOP®



Our specialist for all your cereals

soluMOP®



Our frost professional - for your winter yield security

soluSOP⁵² ORGANIC



Our perfect source - potassium and sulfur for your crops

Further information:
www.kpluss.com/fertilizer



4 | 7 Customer Segment Industry+

K+S

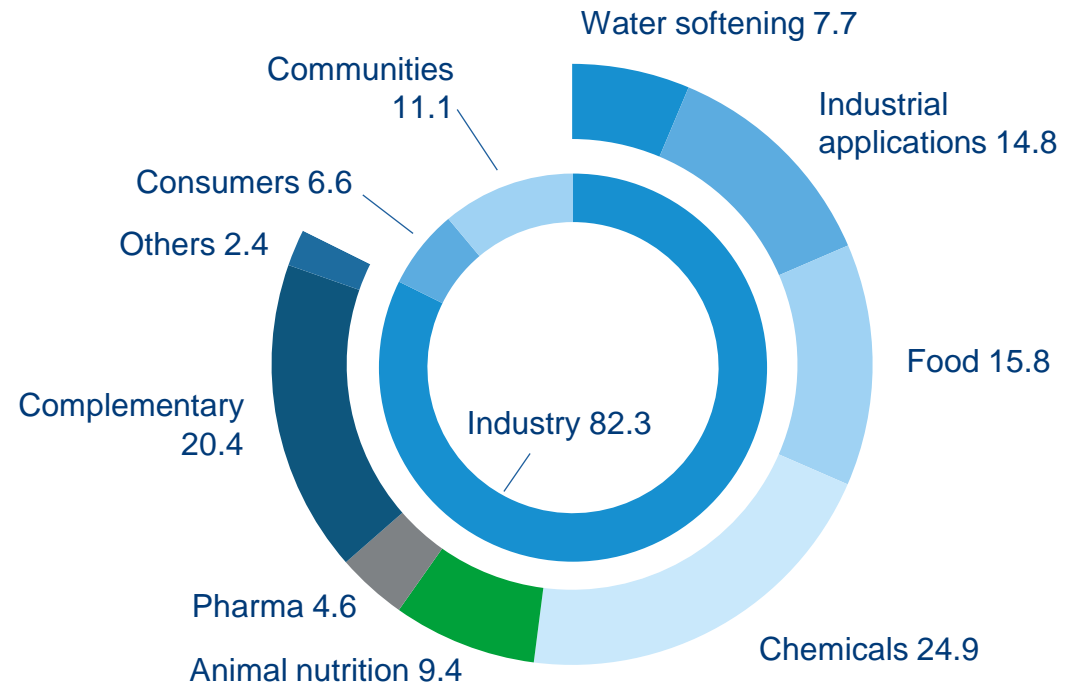


Industry+ customer segment at a glance

Characteristics

- Emerging markets: Growth, especially in Asia, leads to increasing demand for electrolysis.
- Electrolysis and specialties: Focus on product quality, service and proximity to the customer.
- Pharma: High quality standard, certified, innovative, and overarching customer focus as well as reliability.
- Consumers: Strong brands in table salt, water softening salt, pool salts, and de-icing salt.
- Communities: Public road construction authorities, winter road clearance service providers and large commercial users procure de-icing salt from K+S largely through public tenders.

Revenue split by products H1/2023 (%)



€ million	H1/2022	H1/2023
Revenues	533.9	599.4
Sales volume (mt)	3.28	3.18
- thereof: de-icing	0.92	0.91

Main areas of application

Chemical

- Chlor-Alkali-processes (PVC)
- Polycarbonates and MDI (isocyanate) (plastics, synthetic resin)
- Synthetic Soda ash (glass)



Food processing

- Food processing industry
- Baking industry
- Condiment and preservative agent
- Preserving of fish



Pharma

- Infusions, dialysis solutions
- Pharmaceuticals



Oil and Gas

- Drilling fluids



Animal nutrition

- Animal feed
- Lick blocks



Water softening

- Water softening
- Water treatment



Complementary

- Waste management and recycling
- Granulation of Catsan® for Mars GmbH
- CFK (Trading)



Others

- Dyeing works
- Leather treatment



The K+S logo is positioned in the top right corner of the image. It consists of the letters 'K+S' in a bold, white, sans-serif font, set against a dark blue, trapezoidal background that is part of a larger blue graphic element on the right side of the page.The text '5 | 7 Production' is located in the bottom left corner of the image. It is written in a bold, dark blue, sans-serif font. The background of this text is a photograph of an industrial facility, showing a large white cylindrical tank on the left, a metal walkway with railings in the center, and a large white archway in the background. Three workers in high-visibility yellow jackets and hard hats are standing on the walkway, looking towards the archway.

Adding value along our entire supply chain

Exploration



Our potash and salt deposits came into being millions of years ago. They are either our property or we have corresponding rights or approvals that allow the extraction or solution mining of the raw material reserves.

Mining



We extract raw materials in conventional mining below ground as well as through solution mining. We also use the power of the sun and extract salt by evaporating sea water or saline water.

Production



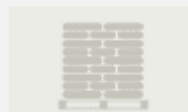
The refining of raw materials is one of our core competencies. Above ground, the crude salt is processed in complex, multi-phase, mechanical, or physical processes, with the natural properties of the mineral remaining unchanged.

Logistics



The long-term securing of freight capacity is of strategic importance to us. A large part of our international transportation volume is forwarded by service providers with which we maintain long-standing partnerships.

Sales/ Marketing



The K+S Group wants to be the preferred partner of its customers in the market. High product quality and reliability are crucial prerequisites for this. K+S offers a comprehensive range of services for agriculture, industry, and private consumers.

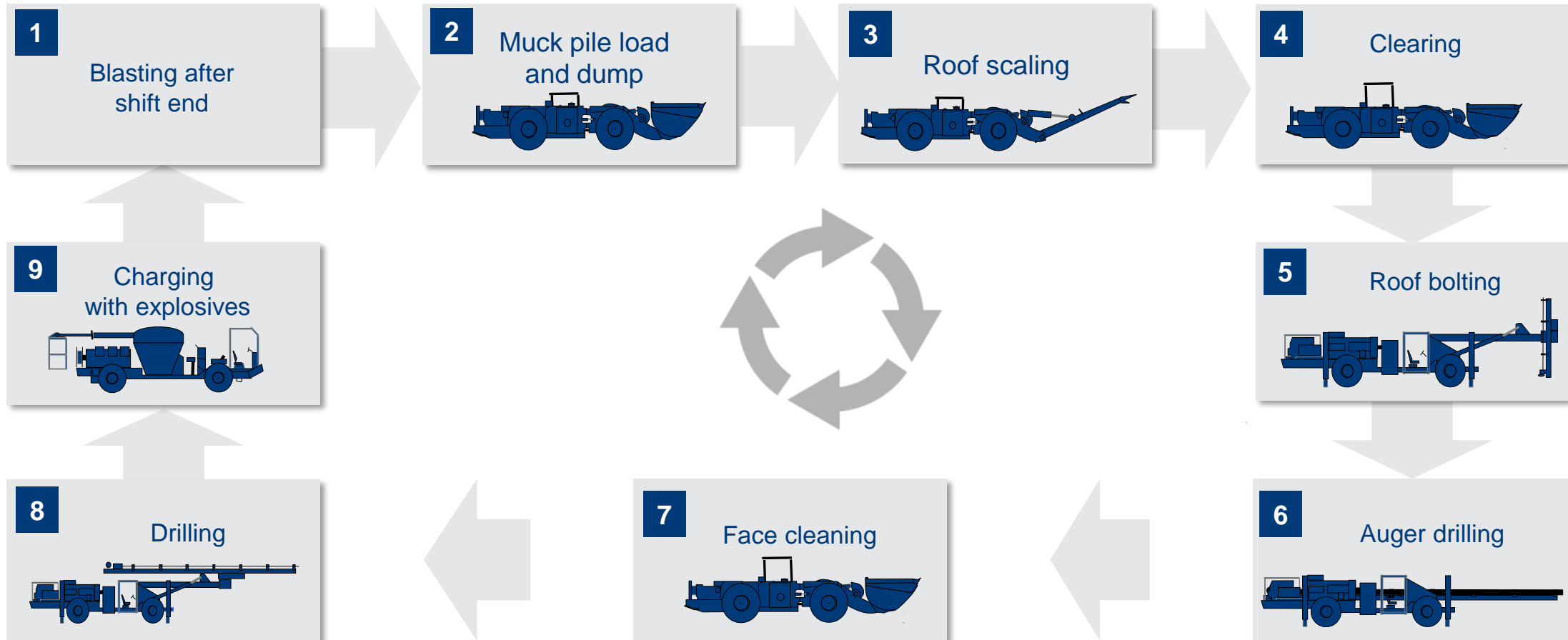
Application



Our customers apply our products, use our raw materials in their processes or process them in their products. We make extensive product information available and advise our customers on the application of our products.

Underground mining production cycle

Conventional mining



Main production methods

Rock salt

Conventional mining



Sea/solar salt

Crystallisation of sea water



Evaporated salt

Recrystallization of purified brine



Brine

Controlled solution mining



- Around 60% of worldwide salt production (more than 290 million tonnes including brine) is obtained from rock salt mining and solution mining.
- Approximately 40% of production is obtained from seawater and salt lakes.¹

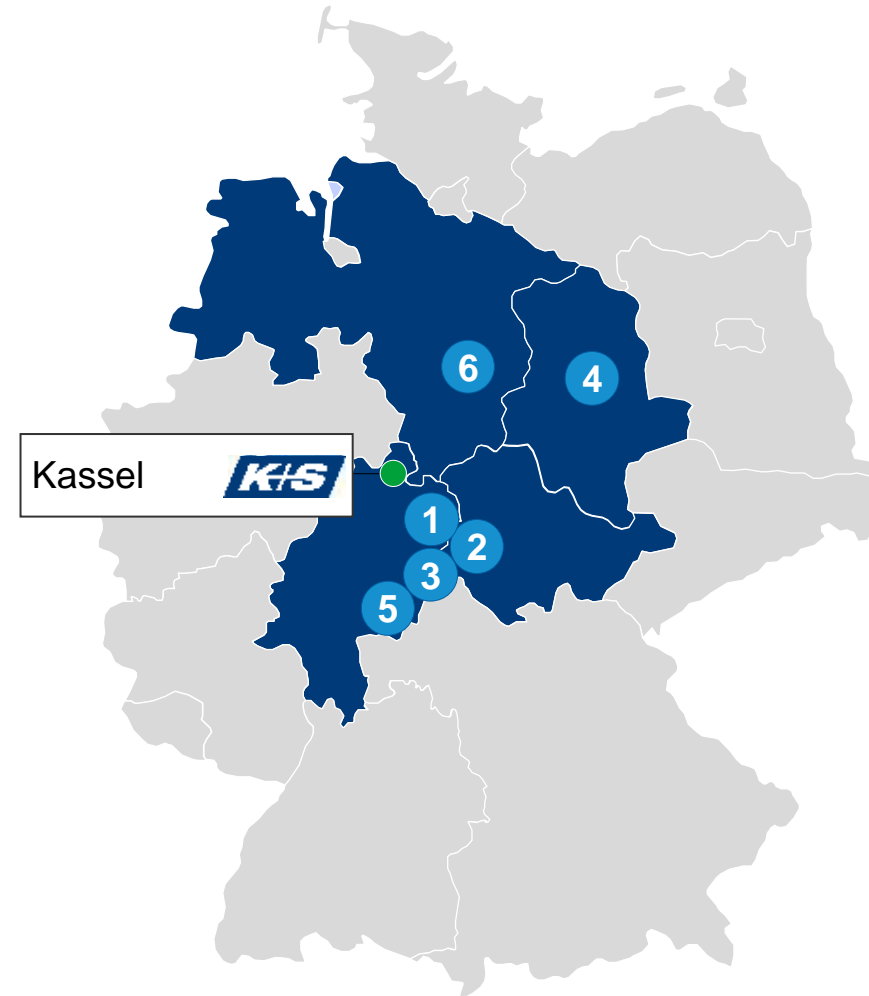
Salt is produced in almost every country in the world. Due to the high share of transportation costs in production costs, markets are generally regionally limited to the area around the production sites.

¹ Roskill Information Services Ltd., 2020

Potash sites in Germany

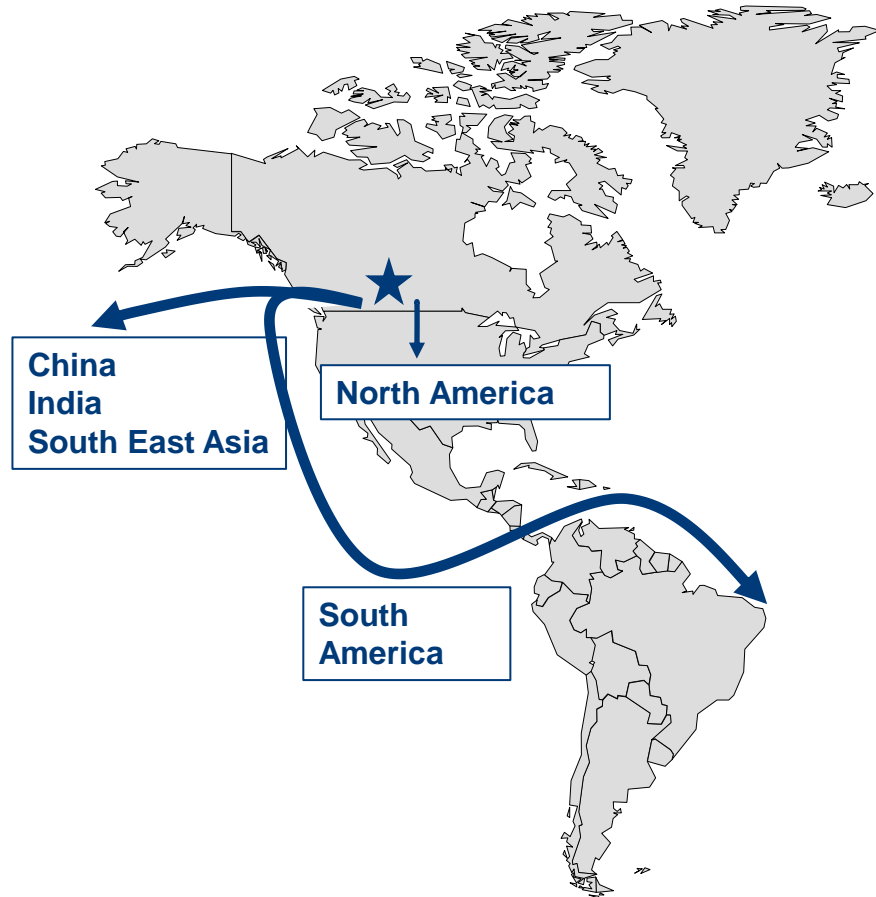
Share of annual production capacity (in %)

- | | | |
|-------------------------|----------------------------|------|
| 1. Wintershall | } Verbundwerk Werra | ~ 50 |
| 2. Unterbreizbach | | |
| 3. Hattorf | | |
| 4. Zielitz | | ~ 25 |
| 5. Neuhof-Ellers | | ~ 20 |
| 6. Bergmannsseggen-Hugo | | ~ 5 |
- (production site, no mining)



K+S in Canada: Bethune

Strengthening our global presence



- Expanding our current production portfolio in Germany with a North American production site
→ **Only supplier with production on two continents**
- Securing a **good asset base with competitive production costs**
- Sales and distribution through **existing distribution structures** of the K+S Group
- **Regional growth projects** in China and Southeast Asia
- **Flexible multi-product strategy**

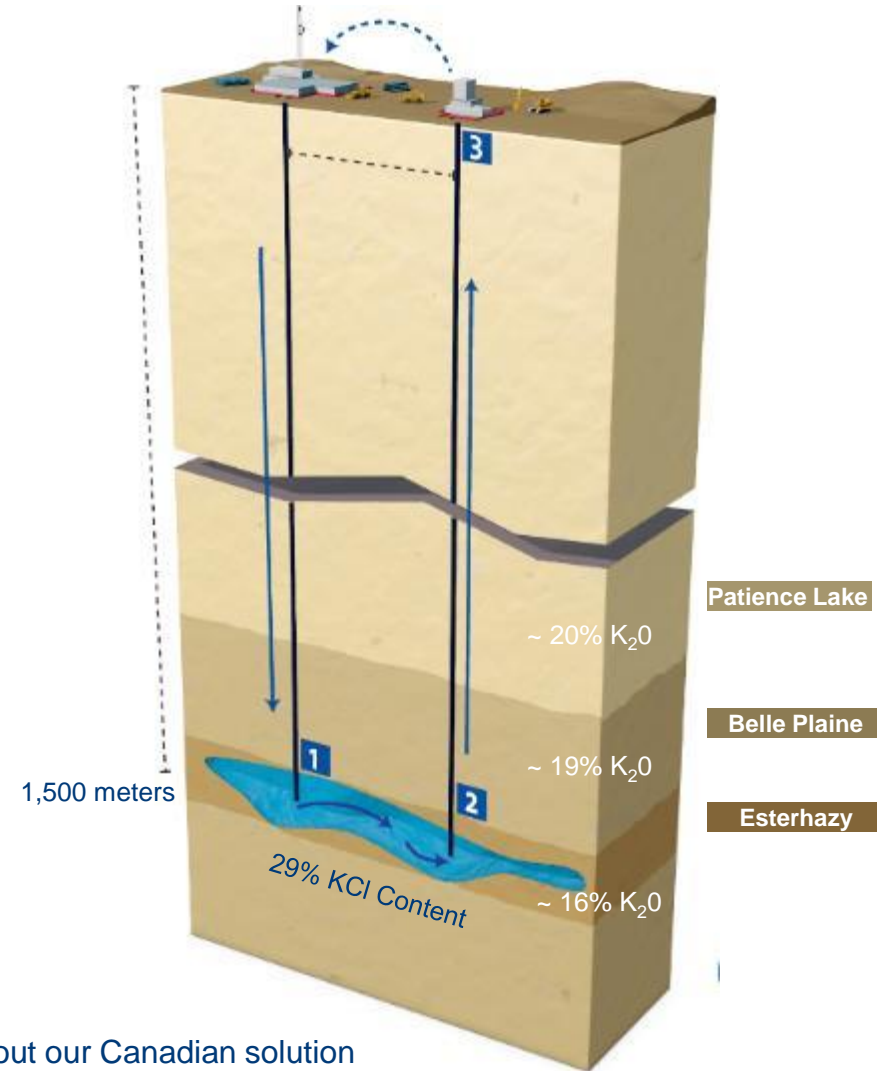
Bethune – Solution Mining

Procedure (Primary Mining)

Mining technique	Solution Mining
Depth	1,500 meters
Thickness	33 meters
K ₂ O / KCl Content	18% / 29%

- 1** In solution mining, freshwater is brought into solvent (salt) rock through a drill hole, therefore creating chambers, or caverns, filled with a water-salt solution.
- 2** In a subsequent step, the saturated brine is brought to the surface through an additional pipeline.
- 3** This brine is then evaporated in the factory and processed into potash products. The water obtained during evaporation is recirculated back into the caverns.

 **Environmental impact statement approved for up to 4 million t KCl p.a.**



A film about our Canadian solution mining can be found



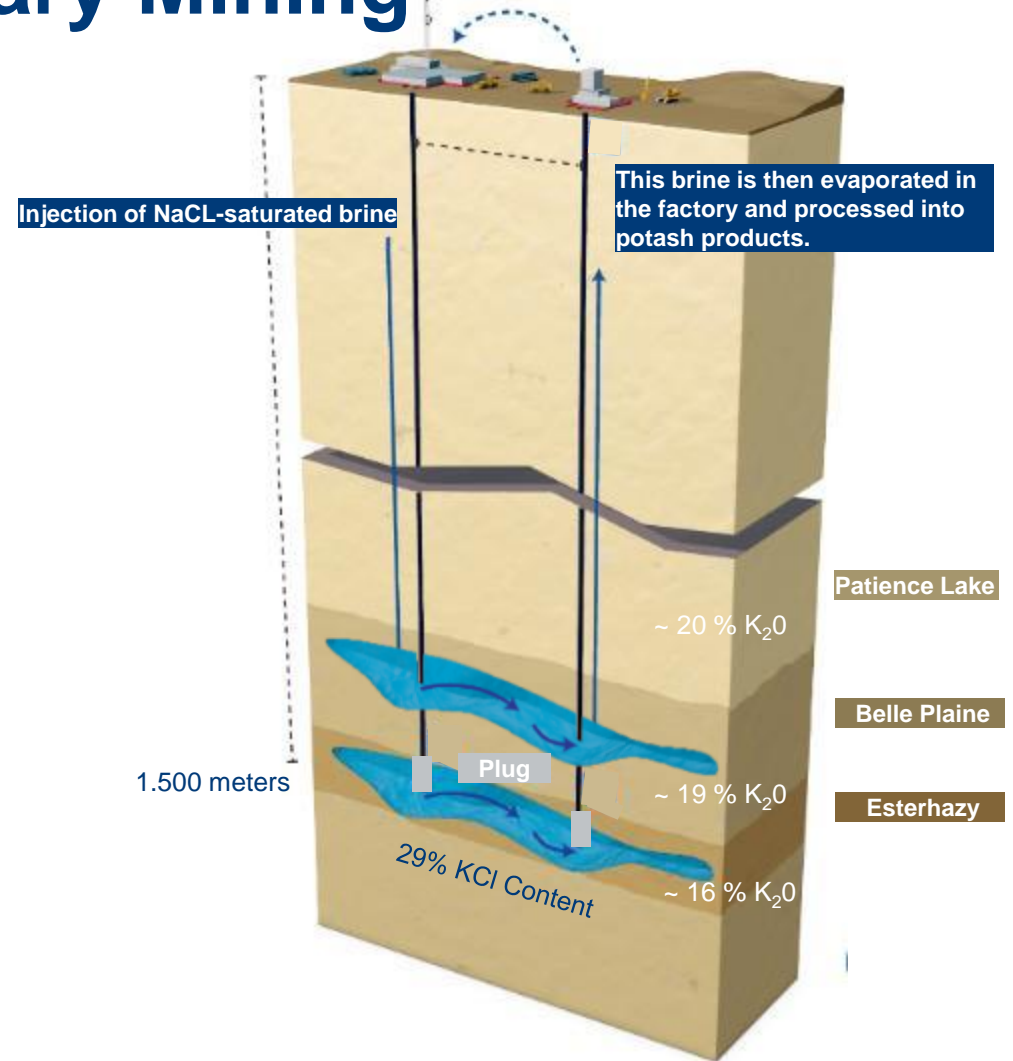
Bethune – Primary vs. Secondary Mining

Secondary Mining

Secondary mining uses exclusively saturated NaCl solution to selectively dissolve residual KCl from existing caverns.

Advantages (in comparison to primary mining)

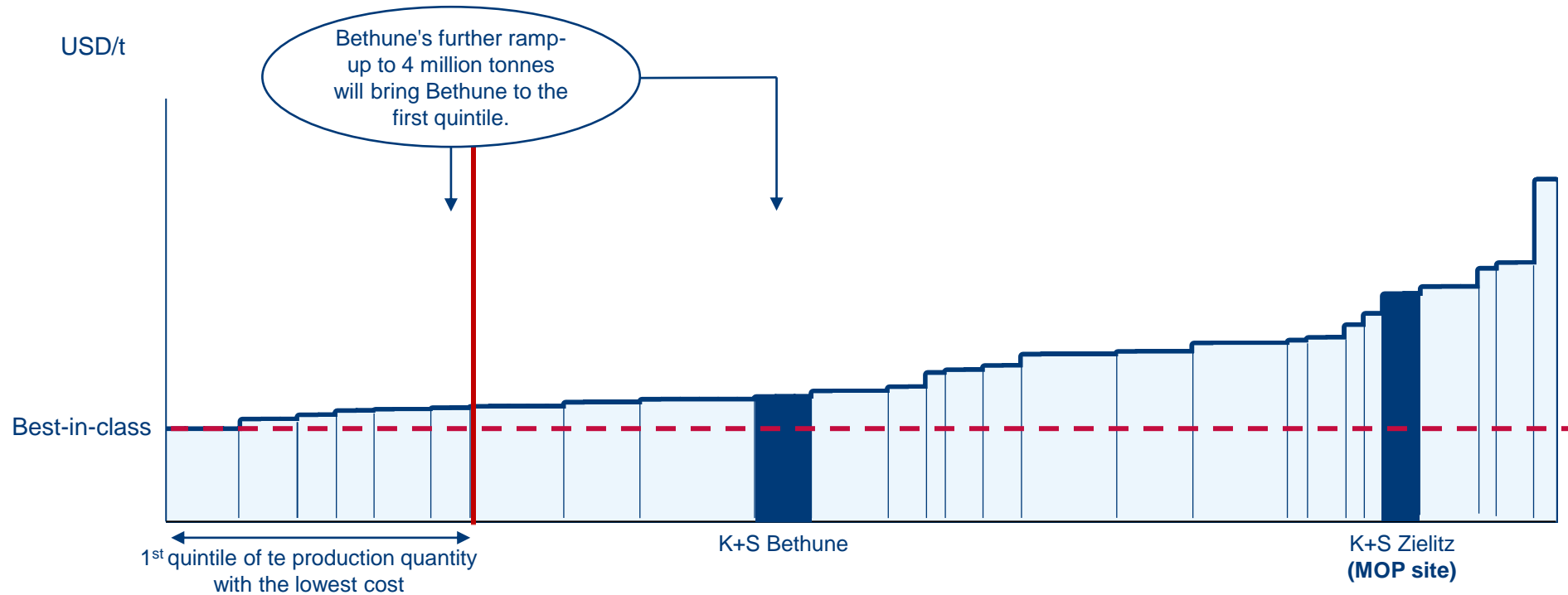
- Less energy-intensive (e.g., the solution is heated by residual heat from the evaporators and KCl crystallizes by natural cooling in outdoor ponds)
- Significantly more water-efficient
- Reduces salt to be piled up to by 30%



➔ The production costs for NaCl solution mining are 50% of the production costs of primary mining.

Site costs (at mine gate) in comparison

Ramp-up of Bethune as well as measures to optimize the portfolio business



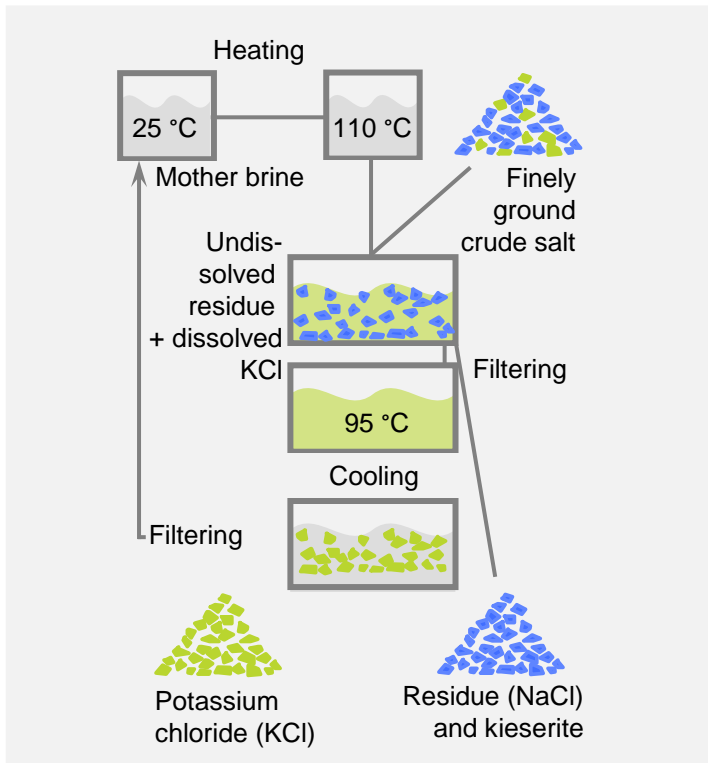
Source: S&P Global, Fertecon, July 2023

Column width = Production capacity in million tonnes

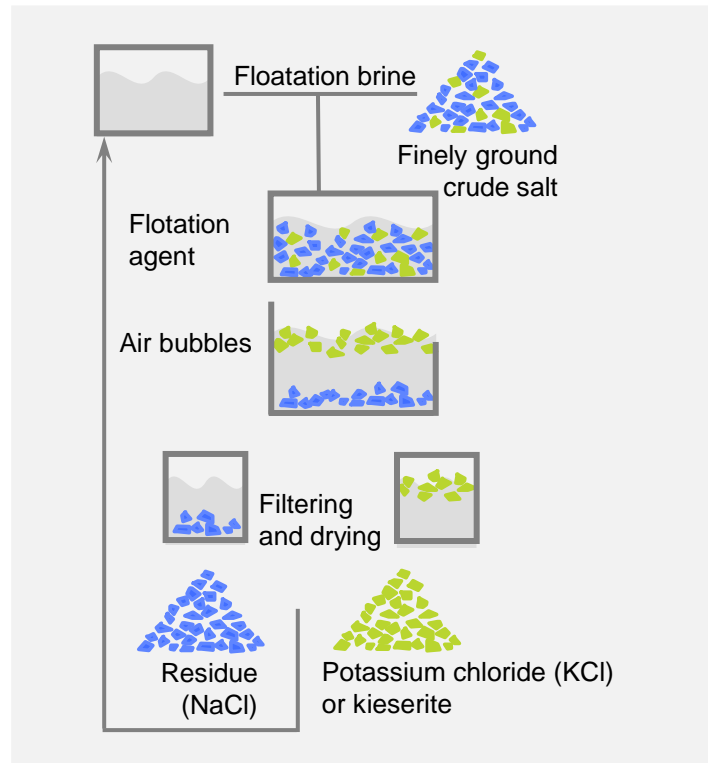
➔ Increasing improvement in cash costs and competitive position

Potash processing above ground

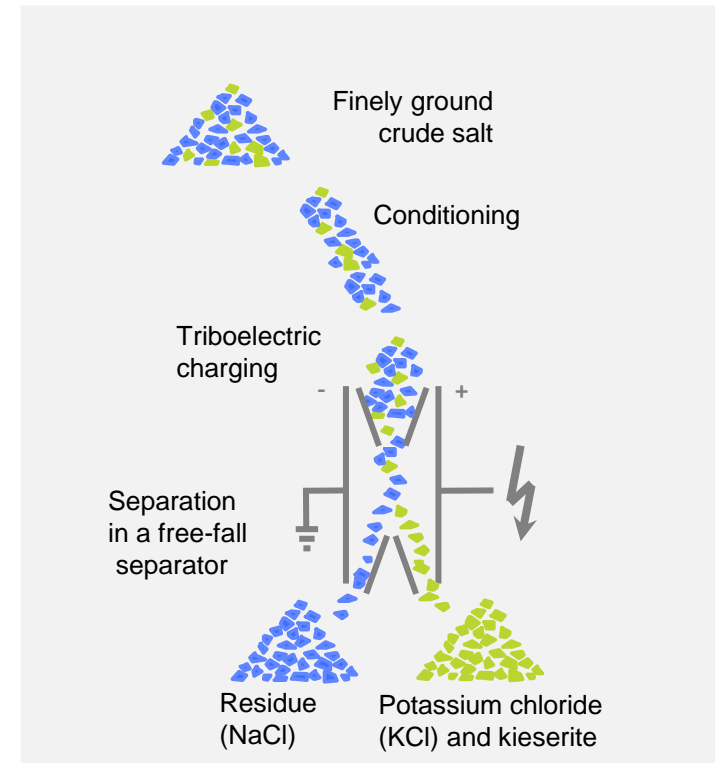
Thermal dissolution



Flotation

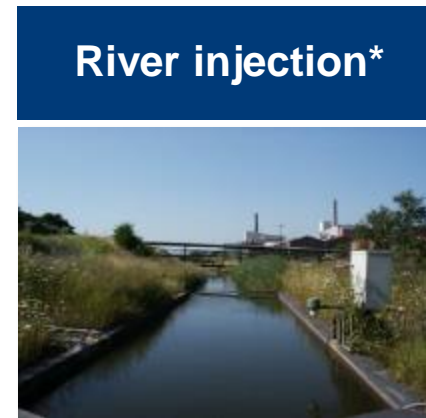
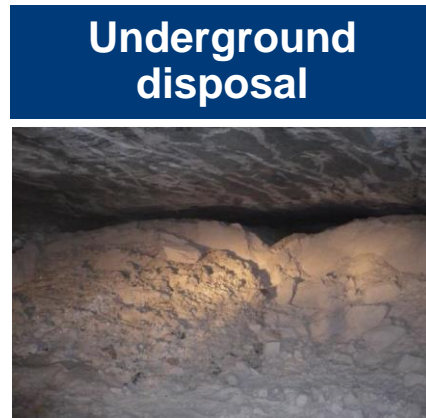


Electrostatic separation (ESTA®)



Potash production: management of residues

- Crude salt has only a limited recyclable content (max. 30%), therefore the generation of residues is inevitable. All potash producers worldwide face this challenge.
- The recycling of partial volumes is performed at all producers.
- The methods, processes, and equipment for the construction of tailings piles from solid residues are **scientifically justified, tried and tested in practice**. These ways of disposal – depending on the corresponding site – are used also in combination. They currently represent the **best available technique**. Solid or liquid residues are disposed of worldwide in the following ways:



Ø Share** of residue disposed by this method in the Hessian-Thuringian potash district in 2022:

~84%

~7.5%

~5%

~3.5%

* With low river water levels in the Werra, there are possibilities for K+S in the Hessian-Thuringian potash district to temporarily store liquid residues in water basins or suitable mine spaces on site or temporary ways of disposal by flooding decommissioned mines or gas caverns in Lower Saxony or Saxony-Anhalt.

** Percentage by mass of salt

Green investments = long-term planning security

Tailings piles extensions



Hattorf

Wintershall

Zielitz



- Approval of Hattorf tailings pile expansion (phase 3) in mid-2025 and investments required
- Next approval and significant investments in tailings pile extensions will not be necessary again until the end of the 2020s

Liquid residues



Werra



- Deep-well injection ended 2021
- Future: Permanent storage underground (subject to approval)
- From 2028: Higher utilization of underground storage through further treatment of saline water
- Injection from 2028: only less concentrated tailings pile waters and no process waters

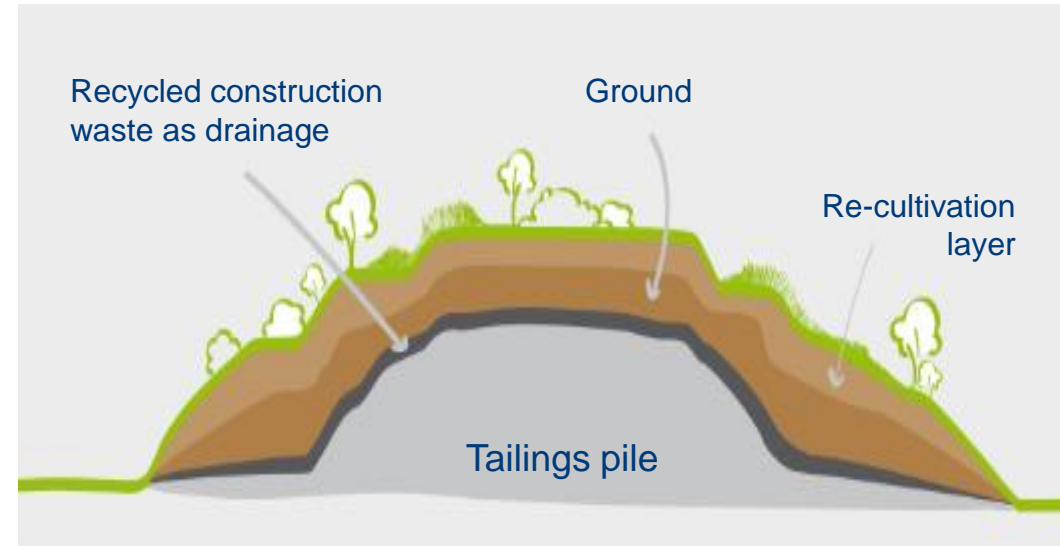
Tailings pile coverage and greening

Our objectives

- From 2030 onwards, K+S will be able to use three million tonnes of residue annually for purposes other than rearming.
- By 2030, we want to cover a further 155 hectares of tailings pile area and thus further reduce or avoid the accumulation of tailings pile water.

The procedure

- Soil and construction rubble are installed in several layers on the stockpile in a precisely defined process.
- Formation of a cover, the upper layer of which is permanently greened.



Tailings pile and process water at the Werra site

Development of saline wastewater

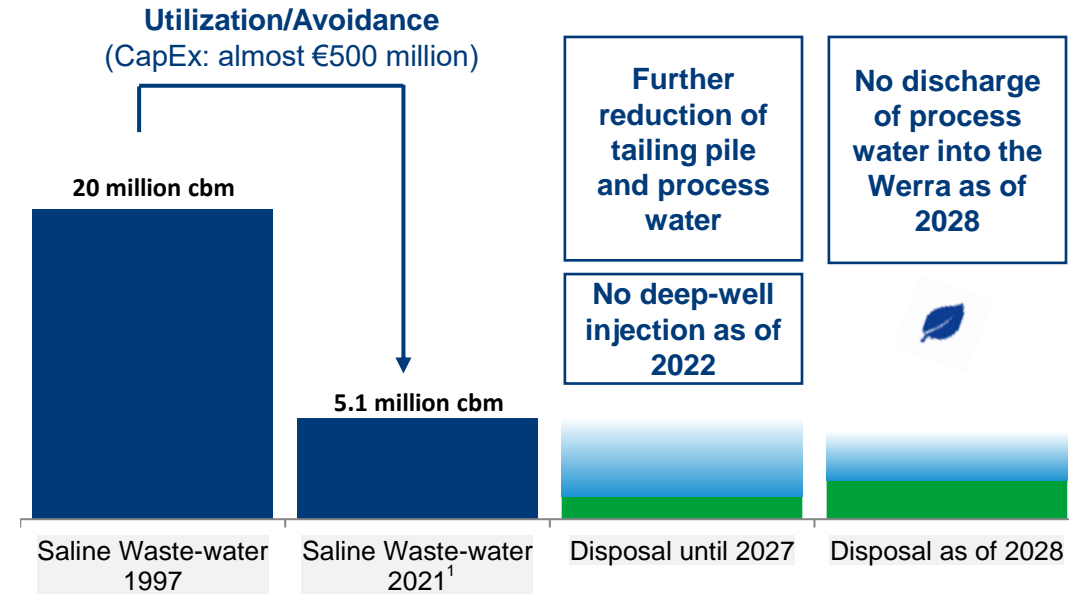
Reduction of saline wastewater based on various measures within the last 25 years:

- Underground disposal in Unterbreizbach
- Optimization of production and manufacturing processes
- ESTA - facility, cold preliminary decomposition and high consistency facility, kainite crystallization and MgCl₂ facility
- Establishment of a kainite crystallization and flotation facility; advantage: additional product

Additional ways of disposing saline wastewater

- **On-site:** Temporary storage possibility of up to 1.0 million m³ (basins and temporary storage underground).
- **Off-site:** Flooding of decommissioned mines or caverns for their restoration.
- As part of our strategy and the optimization of our existing business, the focus at the Werra site will be on reducing solid and liquid residues as well as energy consumption and therefore CO₂ emissions.

Disposal of saline wastewater



Remote flooding of abandoned mines or caverns and temporary storage underground
 as of 2022: permanent storage underground (subject to approval);
 as of 2028: higher utilization of storage underground with additional processing

Discharge Werra² in compliance with the target values of the FGG Weser
 as of 2028: only tailing pile water

¹ Including Neuhof

² Further reduction and avoidance of tailing pile water targeted by covering tailings piles; continuing R&D developments with external partners, among others

Underground storage in Springen

Our objective

- Our first goal of discontinuing the injection of saline wastewater into the plate dolomite as of 2022 has been accomplished.
- Discontinuing the discharge of saline wastewater into the Werra as of 2028.

The solution: Storage of process water into disused cavities



→ Mine field Springen offers 21,000,000 m³ of space for underground storage.

The procedure

- Highly concentrated saline solution from potash production is discharged into the mine field via existing lines.
- Due to the high salt concentration of the liquid, the salt pillars, which are responsible for the stability of the shaft, are not damaged.
- Finally, the old shafts are tightly closed with gravel and clay so that no saline water can discharge.

The background of the slide is a wide-angle photograph of a lush green landscape. In the foreground, there is a field of tall, vibrant green grasses that appear to be blowing in the wind. In the middle ground, a dense line of green trees and shrubs stretches across the frame. In the background, a large, rounded green hill rises under a bright blue sky filled with scattered white clouds.

6 | 7 Sustainability

K+S Sustainability Goals



We have set ourselves ambitious goals in these three areas of action:

Society & Employees, Environment & Resources and Business Ethics & Human Rights

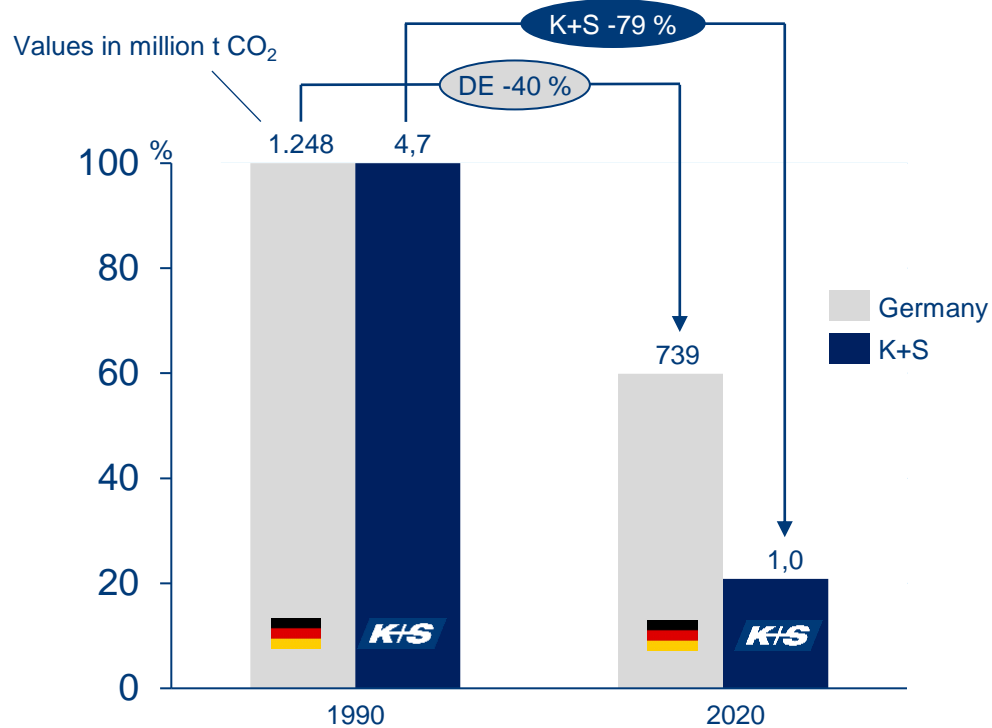
- The human being is our focus
- Active commitment to environmentally friendly production
- Integrity & a sense of responsibility characterize our actions



K+S Climate Strategy

Germany compared to K+S

(German potash production, Scope 1)



80% of CO₂ emissions already reduced (1990 – 2020):

Through fuel change, increased energy efficiency and site closures.

Short-term goal

Introduction of a “**K+S climate protection fund**” from 2022 to reduce our CO₂ emissions.

Mid-term goal

Reduction of our **CO₂ emissions by 10% by 2030** compared to 2020.

Long-term goal

K+S supports the goals of the “**Paris Agreement**”: **Climate neutrality in 2050** can be internationally achieved with a supportive regulatory framework.

K+S calls for fair competitive conditions worldwide (this requires carbon leakage protection), sufficient and resilient energy **infrastructure, funding** for the conversions and **affordable renewable energies**.

K+S Sustainability Goals 2030

	Goal	KPI	2022	Target value 2030	Base year	Achievement of targets
Society & Employees	Health & Safety	Injury with lost time (LTIR)*	8.3	0 Vision 2030	2017 (11.5)	28%
	Diversity & Inclusion	Positive perception of an inclusive work environment by employees ¹	87%	> 90%	2019 (54.4)	97%
Business Ethics & Human Rights	Sustainable Supply Chains	Percentage of critical suppliers that have acknowledged the Supplier Code of Conduct of the K+S Group*	89.6 %	100% end 2025	2017 (0)	90%
		Coverage of the purchasing volume by the Supplier Code of Conduct of the K+S Group*	84.5 %	> 90% end 2025	2017 (0)	94%
		Coverage of relevant suppliers with a sustainability risk assessment.* ²	-	100 % end 2027	2023	
	Compliance & Anti-Corruption	Coverage of the K+S companies with a standardized compliance risk analysis (was designed 100% in 2020 after achieving the previous target)	66.7 %	100 % end 2023	2020 (0)	67%

* LTI-relevant (Board of Executive Directors and management)

¹ The first survey was conducted in 2019 (different base year), and an updated survey with new questions was conducted in 2022

² Comprises suppliers with annual revenues of at least €5,000 whose registered office is in a country with a relative value of ≤ 75% in the Sustainability Development Report ranking. This includes consolidated and non-consolidated K+S Group companies managed via the SAP system.

K+S Sustainability Goals 2030














	Goal	KPI	2022	Target value 2030	Base year	Achievement of targets
Environment & Resources	Resource efficiency	Additional reduction of saline process water to be disposed of from potash production in Germany (million m ³ p.a.)* ¹	-0.4	-0.5 (excluding reduction by KCF facility and end of production SI)	2017 (0)	82%
		Amount of residue used for purposes other than tailings piles formation or avoided by increasing the yield of raw material (million t p.a.)	0.2 ¹	3	2017 (0.2)	7%
		Additional covered tailings piles area	14.1	155	2017 (0)	9%
	Energy & Climate	Absolute CO ₂ emissions in the K+S Group worldwide	-3.0%	-10%	2020	30%
		Reduction in specific CO ₂ emissions* ²	-	254.6 kg/t end 2027	2023	
		Specific greenhouse gas emissions (CO ₂) in logistics (kg CO ₂ e/t)	-13.1%	-10%	2017	100%

* LTI-relevant (Board of Executive Directors and management)

¹ Excluding a reduction due to the KCF plant and the end of production at Sigmundshall.

² Calculated by the ratio of CO₂ emissions (Scope 1 and Scope 2) of all potash and rock salt producing sites in kilograms to the primary production volume of the Hattdorf, Wintershall, Unterbreizbach, Bethune, Zielitz, and Neuhoef-Ellers sites.

K+S Sustainability Management

Organization	Rating Scale	2020	2021	2022	Development
 MSCI	Rating scale from AAA to CCC (A: average)	A	A	AA	
 ISS ESG	Rating scale from A+ to D-	C-	C-	C	
 CDP <small>DISCLOSURE INSIGHT ACTION</small>	Climate: Rating scale from A to D-	C	C	C	
	Water: Rating scale from A to D-	B	B	B	
 SUSTAINALYTICS <small>a Morningstar company</small>	Rating scale from 0 to 40+ (The lower, the better)	38.8	36.8	35.4	
 MOODY'S	Rating scale from 0 to 100 (The higher, the better)	45	46		
 FTSE Russell	Rating scale from 0 to 5 (The higher, the better)	2.8	3.2	3.3	



EU principles for sustainable raw materials



Our contribution to the 17 SDGs

K+S makes a direct contribution to a number of global sustainable development goals – and thus contributes to the fulfillment of the goals. More information and more details about our article can be found [here](#).



The K+S logo is positioned in the top right corner of the slide. It consists of the letters 'K+S' in a bold, white, sans-serif font, set against a dark blue, trapezoidal background that is part of a larger blue graphic element on the right side of the slide.

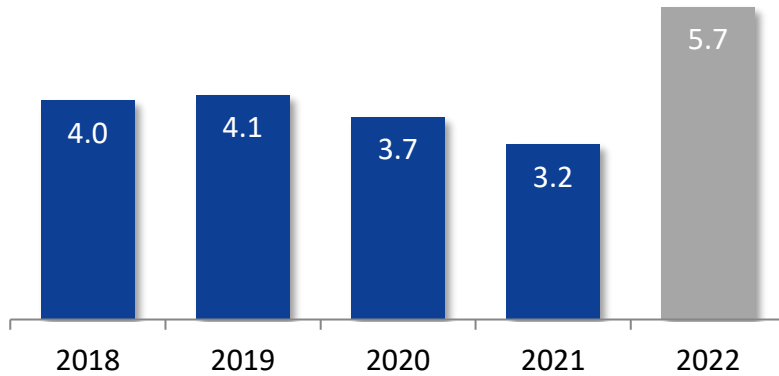
K+S

The background of the slide is a photograph of a large, dark-colored mining truck filled with rocks, positioned inside a massive, dimly lit underground tunnel. The tunnel walls are made of rough, layered rock, and a bright light source from the left creates a dramatic lens flare effect across the scene. The overall color palette is dominated by blues and greys, with the white text providing high contrast.

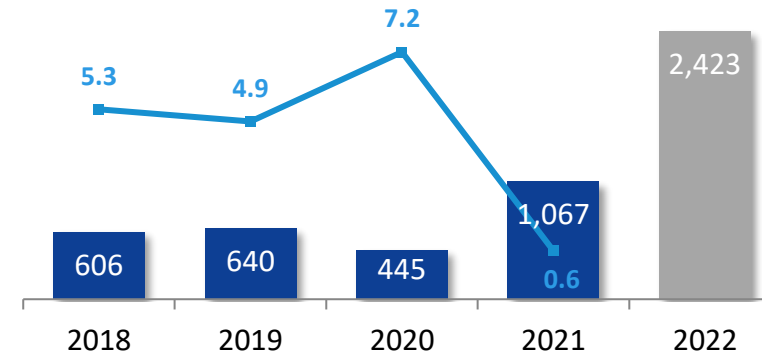
7 | 7 Financial data & IR

Key financial figures¹

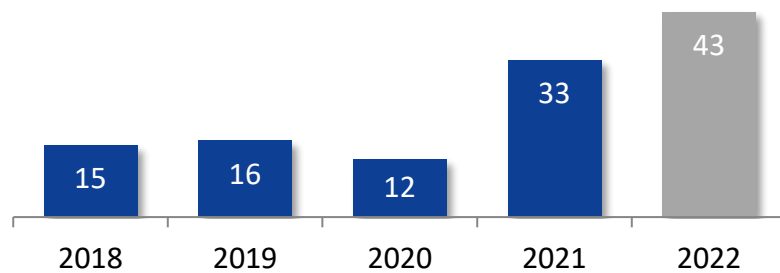
Revenues (€ billion)



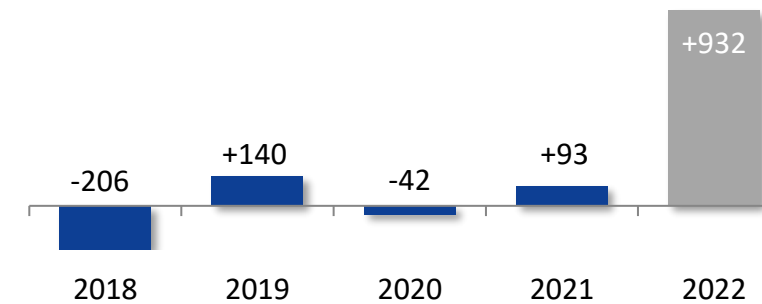
EBITDA vs. Net financial liabilities/EBITDA²



EBITDA margin (%)



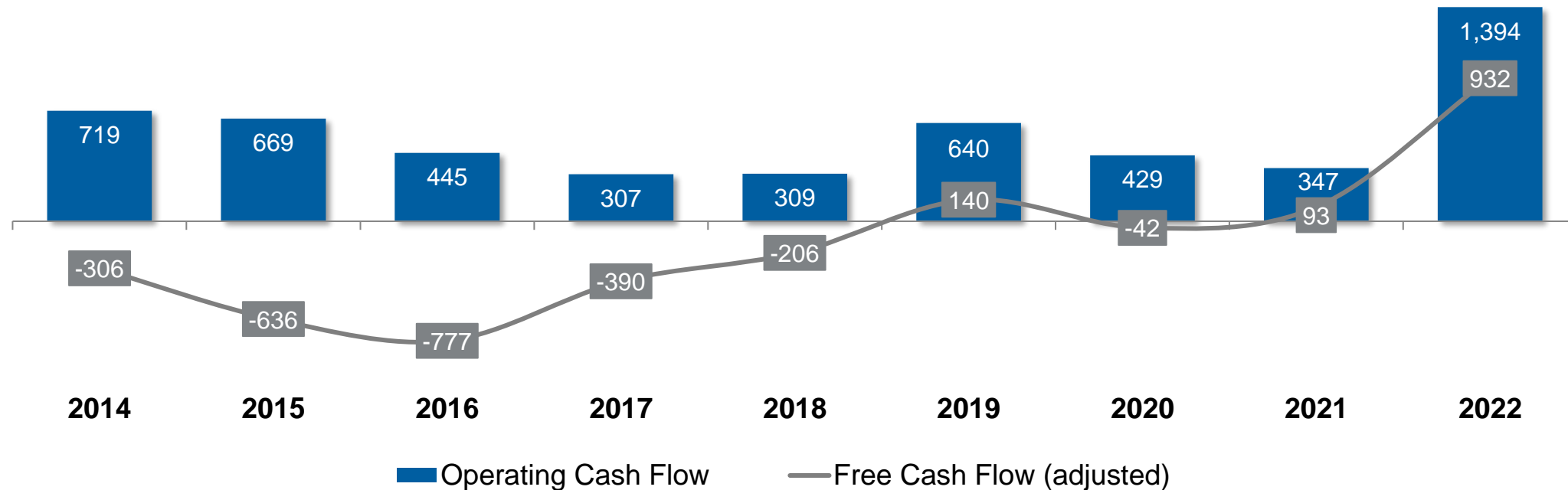
FCF (€ million)



¹ The figures relate to the continuing and discontinued operations of the K+S Group for the years 2018 to 2020. For the years 2021 and 2022, the figures relate to the continuing operations of the K+S Group.

² As of December 31, 2022, there are no longer any net financial liabilities.

Operating and adjusted cash flow¹



¹ The figures relate to the continuing and discontinued operations of the K+S Group for the years 2014 to 2020. For the years 2021 and 2022, the figures relate to the continuing operations of the K+S Group (in € million).

Cash flow and balance sheet

	FY/21	3M/22	H1/22	9M/22	FY/22	3M/23	H1/23
Operating cash flow - thereof continuing operations	347	254	486	1,143	1,394	221	484
Investing cash flow (pre-sale/purchase of securities and other financial investments) - thereof continuing operations	-255	-151	-252	-329	-462	-107	-210
Adjusted free cash flow - thereof continuing operations	2,691 93	103	234	814	932	113	274
Capex - thereof continuing operations	334	49	125	240	404	78	199
Net financial liabilities (-); Net financial asset position (+)¹	-606	-520	-426	+152	+245	+347	+261
Net financial liabilities / EBITDA ¹ (LTM)	0.6	0.4	0.2	-	-	-	-
Equity ratio	61%	63%	65%	65%	68%	71%	71%

¹ As of December 31, 2022, there are no longer any net financial liabilities.

K+S Share

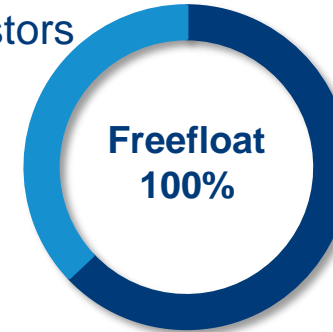
Key data

- **WKN:** KSAG88
- **ISIN:** DE000KSAG888
- **Type of shares:** registered shares of no-par value
- **Total number of shares:** 191,400,000¹
- **Trading segment:** Prime Standard
- **Ticker symbols:** Bloomberg SDF/Reuters SDFG

¹ of which already 7 million shares have been repurchased as at September 30, 2023

Shareholder structure as of Dec 31, 2022

Private Investors
37%



Institutional
Investors 63%

The following banks publish research studies about K+S

- | | | |
|---------------------------------|-----------------------------|------------------------|
| ▪ Baader Helvea Equity Research | ▪ DZ Bank AG | ▪ Morgan Stanley |
| ▪ Bank of America | ▪ Exane BNP Paribas | ▪ Oddo BHF |
| ▪ Bank Pekao Equity Research | ▪ Jefferies Equity Research | ▪ Pareto Securities AS |
| ▪ Berenberg Bank | ▪ J.P. Morgan | ▪ Scotia Capital |
| ▪ BMO Capital Markets | ▪ Kepler Cheuvreux | ▪ Société Générale |
| ▪ Citi Research | ▪ LBBW | ▪ Stifel |
| ▪ Deutsche Bank | ▪ M.M. Warburg | ▪ UBS |

Share buyback 2023

In addition to the dividend payment in the amount of €1 per share, the Supervisory Board and the Board of Executive Directors resolved a share buyback program in a **volume of up to €200 million** to return capital to the shareholders for the 2022 financial year. This combination shall meet the different interests of our shareholders.

The share buyback started on May 16, 2023 and is to be completed by February 15, 2024 at the latest.

Technical execution:

- The buyback is to be carried out via the stock exchange in electronic trading on the Frankfurt Stock Exchange (Xetra) as well as via European multilateral trading facilities.
- The purchase price per share bought back (excluding incidental acquisition costs) may not be more than 10% higher or lower than the price of a K+S share determined by the opening auction in XETRA trading (or a comparable successor system) on the trading day.
- In accordance with the Buyback Regulation, no more than 25% of the average daily share turnover on the trading facility on which the respective purchase is made may be purchased on any one day. The average share turnover is derived from the average daily trading volume of the 20 trading days prior to the specific purchase date.
- Following the share buyback, the shares are to be cancelled.

Details on the status of the share buyback can be found on our website: www.kpluss.com/sharebuyback

K+S ADR Programme

The K+S ADR Program offers North American investors the opportunity to take stock in K+S. Since the ADRs are quoted in US dollars and dividends are also distributed in US dollars, this financial instrument closely resembles an American share. Two ADRs represent one K+S ordinary share. The K+S ADRs are traded in the United States under a level 1 ADR Program in the over-the-counter market (OTC).

Trade on OTCQX

Symbol: KPLUY
CUSIP: 48265W108
Ratio: 2 ADRs = 1 Share
Country: Germany
ISIN: DE000KSAG888
Depository: The Bank of New York Mellon

Benefits to North American investors

- Clear and settle according to normal U.S. standards
- Stock quotes and dividend payments in U.S. dollars
- Can be purchased/sold in the same way as other U.S. stocks via a U.S. broker
- Cost-effective means of international portfolio diversification

Further information: www.kpluss.com/adr

K+S debt instruments and issuer rating

Issuer rating (S&P): BBB- (outlook: stable), June 2023

	Bond 07/2024 (3-months-par-call)
WKN	A2N BE7
ISIN	XS1854830889
Listing	Luxembourg SE
Issue volume	€600 million
Outstanding volume	€278 million
Issue price	100.000%
Coupon	3.250%
Maturity	18.07.2024
Denomination	€100,000

+ Syndicated credit facility up to €400 million
+ Commercial paper program as an additional source of liquidity

Financial calendar 2023/24

Quarterly Report: September 31, 2023	November 14, 2023
2023 Annual Report: December 31, 2023	March 14, 2024
Quarterly Report: March 31, 2024	May 13, 2024
Annual General Meeting	May 14, 2024
Half-Year Financial Report; June 30, 2024	August 14, 2024

More content available online

- K+S Website: www.kpluss.com
- Annual reports: www.kpluss.com/ar2022
- Newsletter subscription: www.kpluss.com/newsletter
- Social Media: 

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- IR-Website: www.kpluss.com/ir
- Newsletter: www.kpluss.com/newsletter

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This Presentation contains facts and forecasts that relate to the future development of the K+S Group and its companies. The forecasts are estimates that we have made on the basis of all the information available to us at this moment in time. Should the assumptions underlying these forecasts prove not to be correct or should certain risks – such as those referred to in the Annual Report – materialize, actual developments and events may deviate from current expectations. Given these risks, uncertainties and other factors, recipients of this document are cautioned not to place undue reliance on these forecasts.

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