2021 Financial Year

Clear course – consistent implementation

- Successful sale of Americas business
- New dimensioning of administration completed
- Waste management JV REKS launched
- New mission statement & strategy developed
- Proceedings with FREP/BaFin completed
2021 Financial Year

Strong performance in production

- Continued strong production performance at the sites
- Further increase in sales volumes in the Agriculture customer segment
- Extensive COVID-19 prevention, vaccination campaigns at sites
2021 Financial Year

Attractive market environment

- Potash prices in Brazil more than tripled; Europe also records significant increase
- High demand for fertilizers with supply at full capacity
- Strong de-icing salt business
Significant increase in EBITDA in 2021*

1. €240 - 340 million
   - Outlook March 2021

2. €500 - 600 million
   - Outlook August 2021

3. Around €630 million
   - Outlook December 2021

Actual 2021: €750 million + €220 million (REKS)

*excluding the forecasted one-off gain of around €200 million from REKS
Q4/21 EBITDA at €611m (Q4/20: €34m)

Highlights

- **Q4/21 EBITDA** increased to €611m (Q4/20: €34m), thereof about €220m one-off gain REKS
- **Adj. net profit** at €469m (Q4/20: €-25m); benefitting from net positive effects from mining provisions of €48 million
- **Adj. FCF** at €245m, thereof about €90m REKS cash-in

Financials (continuing operations)

<table>
<thead>
<tr>
<th>€ million</th>
<th>Q4/2020</th>
<th>Q4/2021</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>629</td>
<td>1,069</td>
<td>+70</td>
</tr>
<tr>
<td>t/o Agriculture</td>
<td>470</td>
<td>800</td>
<td>+70</td>
</tr>
<tr>
<td>t/o Industry+</td>
<td>159</td>
<td>269</td>
<td>+69</td>
</tr>
<tr>
<td>Scheduled D&amp;A</td>
<td>78</td>
<td>86</td>
<td>+10</td>
</tr>
<tr>
<td>EBITDA</td>
<td>34</td>
<td>611</td>
<td>&gt;+100</td>
</tr>
<tr>
<td>Adj. net profit without impairment effects</td>
<td>-25</td>
<td>469</td>
<td>-</td>
</tr>
<tr>
<td>Adj. EPS without impairment effects (€)</td>
<td>-0.13</td>
<td>2.45</td>
<td>-</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>44</td>
<td>252</td>
<td>&gt;+100</td>
</tr>
<tr>
<td>Adj. FCF</td>
<td>-100</td>
<td>245</td>
<td>-</td>
</tr>
<tr>
<td>Capex</td>
<td>140</td>
<td>112</td>
<td>-20</td>
</tr>
<tr>
<td>NFD/EBITDA (LTM)*</td>
<td>7.2</td>
<td>0.6</td>
<td>-</td>
</tr>
</tbody>
</table>

* 2020: still including discontinued operations
Debt significantly reduced
Net financial liabilities / EBITDA (x times)

- Net financial liabilities significantly reduced in 2021 following the sale of the Americas business
- Target: rating in investment grade range
Guiding principles of strategy and management focus

Optimization of the existing business
- Carbon footprint
- Ramp-up Bethune
- Plant strategies
- Operations Excellence

Expansion / further development of our core business
- 70%

New business areas
- 20%
  - Fertigation
  - Micronutrients
  - Biostimulants
  - Soil health

Sustainability goals
- 10%
  - REKS
  - Recycling management
  - Digitalization
  - Automation
  - Decarbonization

Financial ambition
- Earn cost of capital over a cycle of 5 years
- At the same time, an EBITDA margin of more than 20% is targeted in the cycle
- Positive free cash flow from 2023 even in the event of low potash prices

Climate strategy
Clear focus of our sites

**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 and production volumes
- Optimization of maintenance
- Increase in energy efficiency
- Increase in granulation capacity for potassium sulfate

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

**EBITDA impact:** around €50 million p.a. from 2023
Optimize the existing

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

Industrie+
- 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
- Optimization of infrastructure utilization

EBITDA impact: around €30 million p.a. from 2023
K+S Climate Strategy

Short-term goal
▪ Introduction of the “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 goals
▪ Climate neutrality in 2050 is technically feasible if supported by the legal framework
Solid residues

- Tailings pile expansions completed by the end of 2022 / beginning of 2023
- No further permits and capex for tailings pile expansions required until the end of the 2020s
- Werra & Neuhof tailings pile covering underway

Liquid residues Werra plant

- Injection terminated in 2021
- New discharge permit obtained at the end of 2021, decreasing limits
- From 2022: permanent underground storage (subject to approval)
Continued positive environment

- Yield prospects for farmers remain attractive
- Continued very good demand for potash expected
- Contracts in India and China are evidence of attractive market environment
- Increase in global potash supply hardly possible
Best result in the Company’s history expected

- EBITDA expected to more than double year-on-year to between € 1.6 billion and € 1.9 billion
- Adjusted free cash flow expected to range between € 600 million and € 800 million based on € 400 million capex (2021: € 93 million)
- High visibility for H1
- Strong increase in average price in Agriculture customer segment
- Cost increases for energy, logistics, and materials to be significantly exceeded
Planned use of additional cash

- Repayment of bond due in June 2022
- Purchase of CO$_2$ certificates for the years 2026-2030
- Accelerated Bethune ramp-up
- Further reduction in factoring
- Dividend payment for the 2021 fiscal year
- Investment in optimizing our existing business
Dividend proposal for 2021

- **Proposed dividend**
  - 20 cents per share

- **Total dividend payout**
  - EUR 38 million

- **New dividend policy**
  - basic dividend (15 cents) plus discretionary premium
Successful year 2021 – Attractive prospects
Q&A

Dr. Burkhard Lohr
CEO
## Housekeeping items / Financial calendar

### Additional information on 2022 FY outlook – continuing operations

- **Tax rate:** 30%
- **Financial result:** ~€-50m (2020: €7m)
- **CapEx:** ~€400m (2021: €334m)
- **D&A:** ~€400m

### Financial calendar

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stifel Frankfurt Roadshow – CEO</td>
<td>March 11, 2022</td>
</tr>
<tr>
<td>Goldman Sachs Eleventh Annual European Chemicals and Consumer</td>
<td>March 11, 2022</td>
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<tr>
<td>Ingredients Conference, London, virtual</td>
<td></td>
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<tr>
<td>Baader Zurich Roadshow – CEO</td>
<td>March 15, 2022</td>
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<tr>
<td>Q1 reporting</td>
<td>May 11, 2022</td>
</tr>
<tr>
<td>AGM, virtual</td>
<td>May 12, 2022</td>
</tr>
<tr>
<td>BMO Conference, New York – CEO</td>
<td>May 18, 2022</td>
</tr>
<tr>
<td>UBS Best of Europe 1on1 Conference, New York – CEO</td>
<td>May 19, 2022</td>
</tr>
<tr>
<td>dbAccess Conference, Frankfurt – CEO</td>
<td>May 25, 2022</td>
</tr>
<tr>
<td>Credit Suisse Chemicals and Agriculture Conference, London – CEO</td>
<td>June 7, 2022</td>
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