



SUPERVISORY BOARD REPORT

Dr. Andreas Kreimeyer

Chairman of the Supervisory Board

Dear shareholders,

The year 2022 is one that not only shattered the existing world order, but also shook the carefree lives we had been accustomed to for decades.

Russia's invasion of Ukraine has radically and profoundly changed the world we thought we knew. The new geopolitical realities comprise: changing global partnerships, realigned established value chains, shaken structures of our prosperity, as well as skyrocketing energy and commodity prices. These are all issues, we have to deal with on a daily basis. The energy-intensive European industry, especially the German industry, is struggling to maintain its competitiveness. This year, characterized by a turning point in history, will have a lasting impact on our future.

As a result of high global demand and limited supply, MOP prices rose rapidly over the year and only returned to a satisfactory level in the fourth quarter. We, therefore, achieved the highest level of profitability in our Company's history in 2022.

Despite the difficult political and economic environment, we not only successfully mastered the challenges of day-to-day business, but also consistently worked on transforming our Company in line with our strategy. Our activities have focused on the Werra 2060 and Ramp-up Bethune projects, which will increase our global competitive strength and contribute to achieving the ambitious goals of our climate strategy.

At the same time, we have further strengthened our Board of Executive Directors, taking into account the medium-term succession planning and communicated gender targets. In this context, I am pleased to welcome Dr. Tröltzsch and Dr. Meyer to the Board of Executive Directors.

On behalf of the Supervisory Board, I would like to thank all employees for their outstanding commitment and loyalty in this difficult business environment. Our thanks also extend to the members of the Board of Executive Directors, who are guiding K+S through this difficult phase, as well as to the employee representatives and works councils, who are contributing to the achievement of ambitious goals in a constructive and forward-looking manner. I would like to thank you, our shareholders, for accompanying us through the challenging year 2022 critically but always constructively.

ADVISING THE BOARD OF EXECUTIVE DIRECTORS AND MONITORING OF MANAGEMENT

During the 2022 financial year, the Supervisory Board diligently performed the supervisory and advisory functions incumbent on it by law and in accordance with the Articles of Association and its bylaws. Numerous matters were discussed in depth and resolutions were adopted on transactions requiring approval. We continuously monitored the Board of Executive Directors' management of the Company and advised the Board on the governance of the Group. We were always involved in decisions of fundamental importance in a timely and appropriate manner. The Board of Executive Directors regularly briefed us promptly and comprehensively on the business development

of the Company and its customer segments, the financial position, net assets, and earnings, the employment situation, the progress of important investment projects, planning, and the further strategic development of the Company. Deviations from planning were explained to the Supervisory Board in detail. The risk situation and risk management were carefully considered. The Supervisory Board received written reports from the Board of Executive Directors to prepare for meetings. In particular, the Chairman of the Supervisory Board also remained in close personal contact with the Board of Executive Directors beyond the meetings and regularly discussed significant events as well as upcoming resolutions. The shareholder and employee representatives regularly discussed important agenda items at separate meetings prior to meetings of the Supervisory Board.

Following the COVID-19 regulations applicable in each case, the meetings of the Supervisory Board and its committees were predominantly held as physical meetings with a virtual attendance option. Seven Supervisory Board meetings were held in 2022. The average attendance rate of the 16 Supervisory Board members at these meetings was 98% in the reporting period. Six meetings were attended by all Supervisory Board members; one member was unable to attend one meeting. The absence was excused. All six meetings of the **Audit Committee** were held virtually. One member was excused from one meeting. The **Nomination Committee** held six meetings, attended by all members. Three of these meetings were in-person, two were hybrid, and one was virtual. Of the eight meetings of the **Personnel Committee**, four were held as physical meetings, three were virtual, and one was hybrid. Seven meetings were attended in full. One member was excused from one meeting. The **Strategy Committee** held three virtual meetings, attended by all members. After the completion of the FREP examination, the **Ad Hoc Special Committee FREP Examination** has no longer existed since the 2022 financial year. The **ESG Committee**, which was newly convened in 2022, held two physical meetings, attended by all members.

COMPOSITION OF THE BOARD OF EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD

The Supervisory Board of K+S Aktiengesellschaft has mutually agreed with the former Chief Financial Officer, Mr. Thorsten Boeckers, to terminate Mr. Boeckers' service agreement at the end of February 2022. At the same time, the Supervisory Board of K+S Aktiengesellschaft appointed Dr. Christian H. Meyer as the new Chief Financial Officer. He will assume office on March 15, 2023. On February 20, 2023, Dr. Carin-Martina Tröltzsch began her duties at K+S as a further member of the Board of Executive Directors.

The composition of the Supervisory Board changed as follows in the year under review:

Following the expiration of Mr. Thomas Kölbl's Supervisory Board mandate at the end of the Annual General Meeting in 2022, he was re-elected as a shareholder representative on the Supervisory Board. Mr. Lars Halbleib was appointed as a member of the Supervisory Board by court appointment effective August 12, 2022. He succeeded Mr. Axel Hartmann, who resigned from the Supervisory Board of K+S Aktiengesellschaft as of May 31, 2022, for reasons of retirement. His role on the Mediation Committee was

taken over by Mr. André Bahn, and his role on the Audit Committee was taken over by Mr. Lars Halbleib. In the course of the establishment of, and appointments to, the ESG Committee, Ms. Jella Benner-Heinacher assumed the chair of this committee.

Its other members are Ms. Petra Adolph, Mr. Markus Heldt, and Mr. Peter Trotha. Ms. Jella Benner-Heinacher's activities on the Nomination Committee were taken over by Dr. Rainier van Roessel.

SUPERVISORY BOARD MEETINGS

Five ordinary and two extraordinary Supervisory Board meetings were held in the 2022 financial year.

At its first meeting of the year on February 16, 2022, which was convened as an extraordinary meeting, the members of the Supervisory Board resolved on personnel matters at the level of the Board of Executive Directors. Furthermore, the target agreements of the members of the Board of Executive Directors for the 2022 financial year and the determination of target achievement in 2021 were resolved.

In the presence of the auditors of the financial statements (PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft), the Supervisory Board examined the annual financial statements, the consolidated financial statements, and the combined management report, including the non-financial statement and the remuneration report contained in the management report for the 2021 financial year, approved the financial statements on the recommendation of the Audit Committee, and, after intensive discussion, resolved to endorse the proposal of the Board of Executive Directors for the appropriation of profits at its ordinary meeting on March 9, 2022. The business situation and the outlook for the current year were discussed in detail and the proposed resolutions for the 2022 Annual General Meeting were also approved.

At the ordinary meeting on May 11 and 13, 2022, the Board of Executive Directors presented an overview of the development of the business situation in the first quarter of 2022, with a particular focus on the potential impact of a gas shortage on the Company. Moreover, it also reported on current developments in occupational safety. The Chairman of the Audit Committee reported to the Supervisory Board on its most recent meeting. Furthermore, the Supervisory Board approved the Audit Committee's proposal to appoint PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft for the audit of the 2022 Half-Year Financial Statements. A further report was given on the status of implementing the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) in the K+S Group.

At the ordinary meeting on August 24, 2022, a report was provided on succession planning on the shareholder side of the Supervisory Board and on the Board of Executive Directors. The Supervisory Board resolved to establish an ESG Committee and decided on its membership. Furthermore, the Supervisory Board dealt with a potential adjustment of the remuneration of the Supervisory Board and the Board of Executive Directors, taking into account the analysis of the voting results of the Annual General Meeting and feedback from individual investor representatives.

The Supervisory Board dealt in depth with the Werra 2060 project and approved it. The Chairmen of the Audit and Strategy Committees reported on their most recent meetings. Following the recommendation by the Audit Committee, the Supervisory Board resolved to appoint PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft for the audit of the consolidated and financial statements, the non-financial statement, and the remuneration report for the 2022 financial year. The Board of Executive Directors reported to the Supervisory Board on the current business situation of the K+S Group. Additionally, the results of the scenario analysis were presented, with which the corporate strategy is reviewed considering the most recent geopolitical events.

At its ordinary meeting on October 27, 2022, the sustainability KPI reporting was presented and discussed in detail. The Chairman of the Audit Committee reported on its most recent meeting. Additionally, the Supervisory Board dealt in detail with current governance issues, the internal control system, the compliance management system, the risk management system, and the work of internal auditing.

At the ordinary meeting on November 30, 2022, the Chairman of the Nomination and Personnel Committee reported on developments in succession planning for the shareholder side of the Supervisory Board and for the Board of Executive Directors. The Chairman of the Strategy Committee reported on its most recent meeting. The planning of the K+S Group for 2023, including the financing and capital expenditure framework, as well as projects requiring approval, was examined in detail – also for consistency with the strategic objectives – and approved. The Chairman of the Audit Committee and the Chairwoman of the ESG Committee reported on their most recent meetings. Furthermore, the Board of Executive Directors provided information on current developments regarding the ramp-up of the Bethune plant.

The last meeting of the year was held on December 13, 2022. This was an extraordinary meeting. Following the recommendation of the Nomination Committee, the Supervisory Board determined candidates to be proposed for election as shareholder representatives on the Supervisory Board at the 2023 Annual General Meeting. Additionally, Dr. Carin-Martina Tröltzsch was appointed to the Board of Executive Directors. The Supervisory Board resolved adjustments to the remuneration system and the level of remuneration of the Board of Executive Directors. Additionally, the Supervisory Board determined the adjustment of the pension caps as of January 1, 2023. On the recommendation of the Personnel Committee, the Supervisory Board resolved to submit the increase in Supervisory Board remuneration to the 2023 Annual General Meeting for approval. Furthermore, the joint 2022/2023 Declaration of Compliance by the Board of Executive Directors and Supervisory Board was approved.

👁 Declaration on corporate governance

COMMITTEE MEETINGS

In addition to the Mediation Committee required by law, the Supervisory Board has established six more committees to support its tasks and responsibilities: the Audit Committee, the Personnel Committee, the Nomination Committee, the Strategy Committee, the ESG Committee, and a special committee. Following the completion of the FREP examination, the Audit Ad Hoc Special Committee FREP Examination has no

longer existed since the 2022 financial year. An overview of these committees and their composition can be found in the management report on pages 96–97 and on the K+S Aktiengesellschaft website under “About K+S.” There, you can also find the bylaws for the Supervisory Board and its committees.

The **Audit Committee** met a total of six times in 2022. On February 28, 2022, in the presence of the financial statement auditors PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, as well as the Chairman of the Board of Executive Directors and the Chief Financial Officer, the committee examined the 2021 annual financial statements of K+S Aktiengesellschaft, the 2021 consolidated financial statements, the combined management report, including the non-financial statement and the remuneration report contained in the management report, as well as the proposal of the Board of Executive Directors for the appropriation of profits. At its meeting on March 24, 2022, the Audit Committee recommended that the appointment of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft as the auditors of the financial statements be proposed to the Annual General Meeting. Due to the increased statutory requirements, the Audit Committee engaged PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft to conduct a FISG readiness review. Its results were discussed in the presence of the auditors.

On August 8, 2022, the committee recommended the engagement of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft to audit the consolidated and financial statements, the non-financial statement, and the remuneration report for the 2022 financial year. In conclusion, the committee discussed the focal points of the 2022 audit and the results of the quality assessment for the audit of financial statements.

At its meeting on October 20, 2022, the committee was informed about current governance issues. The Chief Compliance Officer provided a comprehensive report on the internal control system, the compliance management system, and the risk management system of the K+S Group. The committee acknowledged and approved the report given by the Chief Compliance Officer. The Head of Internal Auditing reported on his work in the K+S Group. The Audit Committee was also informed about developments regarding consulting fees and donations/sponsorships.

On May 6, August 8, and November 8, 2022, the members of the Audit Committee as well as the Chairman of the Board of Executive Directors resp. the Chief Financial Officer discussed the past quarters and the Quarterly Reports and Half-Yearly Financial Report due for publication. Moreover, at its meeting on May 6, 2022, the committee recommended to the full Supervisory Board to appoint PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft as auditors for the 2022 Half-Year Financial Report. On August 8, 2022, the auditors presented the results of the review of the Half-Year Financial Report.

The **Personnel Committee**, which prepares personnel decisions of the Supervisory Board and is responsible for other Board of Executive Directors’ matters, met eight times in 2022. It dealt with the termination of Mr. Boeckers’ service agreement and the appointment of Dr. Meyer as a member of the Board of Executive Directors, as well

as the target agreement and target achievement of the Board of Executive Directors. Short- and long-term succession planning for the Board of Executive Directors was also a focus. The Personnel Committee selected various candidates in a structured selection process with professional support, and recommended them to the Supervisory Board for an interview.

As part of the analysis of the voting results of the Annual General Meeting, the Personnel Committee again dealt intensively with the remuneration system of the Board of Executive Directors and recommended an adjustment of the remuneration system as of January 1, 2023. The Personnel Committee also addressed the pension modules caps for the members of the Board of Executive Directors. Additionally, the Personnel Committee discussed the remuneration of the Supervisory Board.

Detailed information on the amount of remuneration for the Board of Executive Directors in 2022 and the structure of the current remuneration system can be found on pages 142–162 of the remuneration report prepared in accordance with Section 162 of the German Stock Corporation Act (Aktiengesetz, AktG).

The members of the **Nomination Committee** met six times in 2022. The subject of their deliberations involved, in particular, short- and long-term succession planning for the Supervisory Board and the related selection of candidates under consideration of the competence profile as well as the results from the efficiency test.

The **Strategy Committee** met three times in 2022. It dealt intensively with the Werra 2060 and Ramp-up Bethune projects. Additionally, the Strategy Committee reviewed the strategy in light of the shifting geopolitical situation and considered various scenarios in this respect. Other key issues were the appropriation of free liquidity and the annual planning for 2023, with members of the Audit Committee attending this discussion.

The **Mediation Committee** did not have to be convened in the past financial year.

The **ESG Committee** was newly established in August 2022 and met twice. The focus was on occupational safety, the sustainability KPIs, and a cross-comparison of K+S sustainability activities.

A **special committee** was newly established in January 2023. Its tasks are described on page 97.

The members of the Supervisory Board are responsible for the training and further development measures required for their duties, such as on changes in the legal framework, and are supported in this by the Company. Internal information events are offered as required for targeted further training. Prior to assuming office, it is discussed with new members of the Supervisory Board in what form they require support, e.g., with regard to German legislation, and K+S provides appropriate support.

An overview of the individualized attendance of Supervisory Board members at plenary and committee meetings can be found in the following table. **A.1**

ATTENDANCE OF MEETINGS BY MEMBERS OF THE SUPERVISORY BOARD OF K+S AKTIENGESELLSCHAFT IN THE 2022 FINANCIAL YEAR

A.1

Supervisory Board members	Meetings, incl. committee meetings	Total number of full Board meetings	Attendance of full Board meetings	Total number of committee meetings	Attendance of committee meetings	Attendance as a percentage of total
Dr. Andreas Kreimeyer	30	7	7	23	23	100%
Ralf Becker	24	7	7	17	16	96%
Petra Adolph	15	7	7	8	8	100%
André Bahn	10	7	7	3	3	100%
Jella Benner-Heinacher	18	7	7	11	11	100%
Philip Freiherr von dem Bussche	16	7	7	9	9	100%
Prof. Dr. Elke Eller	15	7	7	8	7	93%
Gerd Grimmig	13	7	7	6	6	100%
Lars Halbleib (since Aug. 8)	6	4	4	2	2	100%
Axel Hartmann (until May 31)	6	3	3	3	3	100%
Markus Heldt	9	7	7	2	2	100%
Michael Knackmuß	15	7	7	8	8	100%
Thomas Kölbl	13	7	7	6	5	92%
Gerd Kübler	7	7	7	–	–	100%
Dr. Rainier van Roessel	10	7	7	3	3	100%
Peter Trotha	9	7	7	2	2	100%
Brigitte Weitz	7	7	6	–	–	86%
Total	223	112	99%	111	97%	98%

CONFLICTS OF INTEREST

No conflicts of interest of members of the Board of Executive Directors or the Supervisory Board requiring disclosure to the Annual General Meeting were reported to the Supervisory Board during the reporting period.

AUDIT OF THE 2022 ANNUAL FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt, audited the annual financial statements of K+S Aktiengesellschaft, prepared by the Board of Executive Directors in accordance with the provisions of the German Commercial Code (HGB), the consolidated financial statements prepared on the basis of the International Financial Reporting Standards, as adopted by the EU, and the supplementary German legal requirements required to be applied in accordance with Section 315e (1) HGB, and the combined management and Group management report for the 2022 financial year. The annual financial statements and the consolidated financial statements both received unqualified audit opinions. In addition to the statutory audit, the Supervisory

Board of K+S Aktiengesellschaft commissioned PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft to audit the conformity with limited assurance of the combined non-financial statement in accordance with Sections 315b, 315c in conjunction with 289c to 289e HGB and Article 8 of the EU SF Taxonomy Regulation (Regulation (EU) No. 2020/852), and to conduct a formal and substantive audit of the remuneration report prepared in accordance with Section 162 AktG. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft reported the results to the Audit Committee of K+S Aktiengesellschaft at its meeting on March 2, 2023, and to the Supervisory Board at its meeting on March 14, 2023. Based on the audit procedures performed and the audit evidence obtained, no matters have come to the attention of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft that cause PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft to believe that the combined non-financial statement of the Company for the period from January 1 to December 31, 2022 has not been prepared, in all material respects, in accordance with sections 315b, 315c in conjunction with Sections 289c to 289e HGB, the EU SF Taxonomy Regulation, the delegated acts adopted in this respect, as well as the interpretation by the legal representatives presented in the "EU SF Taxonomy Regulation" section of the combined non-financial statement. The aforementioned documents, the Board of Executive Directors' proposal concerning the appropriation of profits, and the audit reports of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, each of which had been submitted to the members of the Audit Committee and the Supervisory Board on time, were each addressed extensively at the Audit Committee meeting held on March 2, 2023, as well as at the Supervisory Board meeting held on March 14, 2023, in the presence of the auditor. All questions raised at both meetings were answered satisfactorily by the Board of Executive Directors and the auditor. Following its own examination of the reports presented, the Supervisory Board did not raise any objections. It agreed with the Board of Executive Directors in its assessment of the position of K+S Aktiengesellschaft and of the Group and, at the suggestion of the Audit Committee, approved the financial statements for the 2022 financial year. The 2022 annual financial statements of K+S Aktiengesellschaft have therefore been adopted. The Supervisory Board agreed to the proposal of the Board of Executive Directors for the 'Declaration on corporate governance' (page 95). The resolution on the appropriation of profits proposed by the Board of Executive Directors was also examined, particularly with regard to the present and expected future financial situation of the K+S Group. Following extensive discussions, the Supervisory Board also approved this proposal made by the Board of Executive Directors.

All the best!

On behalf of the Supervisory Board
Dr. Andreas Kreimeyer
Chairman of the Supervisory Board

Kassel, March 14, 2023

*Yours
Andreas Kreimeyer*