



March 14, 2024

Dr. Burkhard Lohr | Chairman of the Board of Executive Directors
Dr. Christian H. Meyer | Chief Financial Officer

Annual Press Conference

2023 Financial Year

Ladies and Gentlemen,

Together with my colleague Christian Meyer, I would like to welcome you to our Annual Press Conference!

It's a pleasure having you here!

A presentation slide for the 2023 Financial Year. The left side features a photograph of a lush green rice paddy field with a person working in the water, set against a backdrop of misty mountains. The right side is white with blue text and graphics. The title '2023 Financial Year' is in bold blue. Below it is a bulleted list of challenges. At the bottom right, there are two blue callout boxes with white text and a right-pointing arrow. The K+S logo is in the bottom right corner. A small footer at the bottom left of the image area reads '1 March 14, 2024 Annual Press Conference'.

2023 Financial Year

- Ongoing geopolitical conflicts
- Upheavals in the market
- Challenges on the cost side
- Significant decline in agricultural and potash prices

► **Solid results despite many challenges.**

► **Proven our capabilities.**

1 March 14, 2024 Annual Press Conference

K+S

Since our last Annual Press Conference, the environment has not become easier:

The Russian war of aggression in Ukraine is still raging.

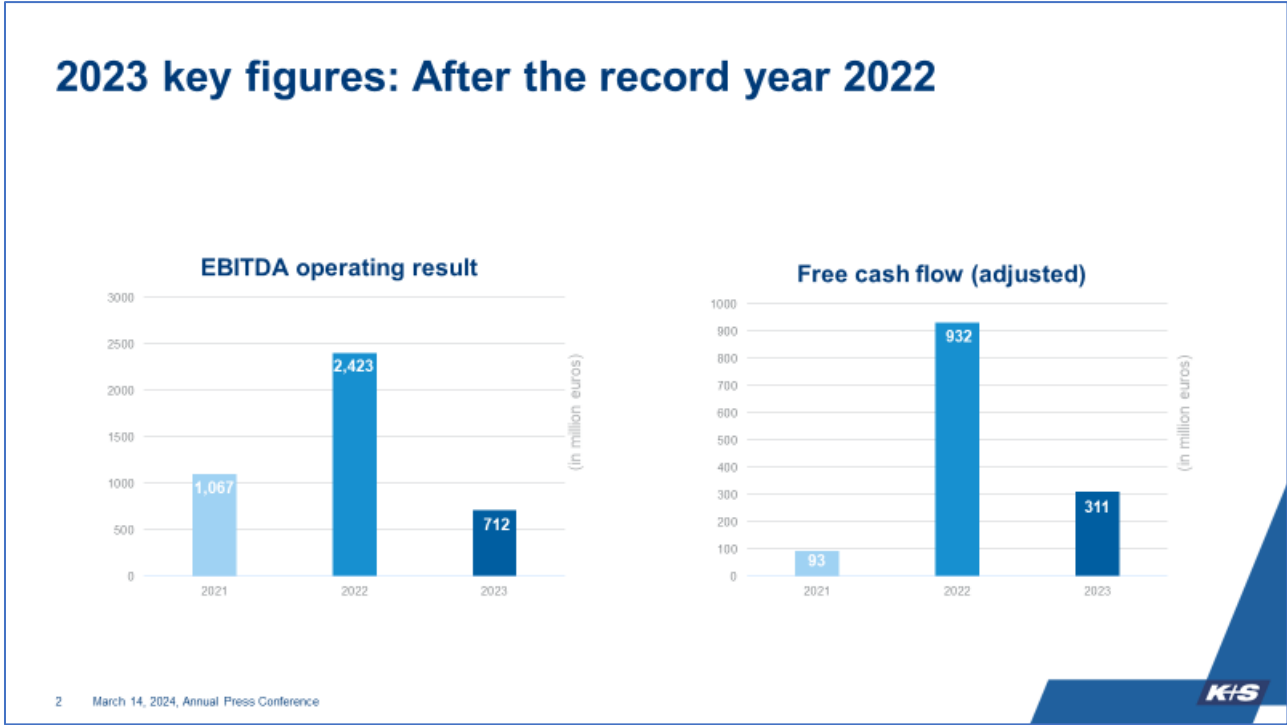
A further conflict has arisen in the Middle East following the Hamas attack on Israel.

This is associated with upheavals in the market and challenges on the cost side.

This was accompanied by the decline in agricultural and potash prices after the records we saw in 2022. Our competitors from Russia and Belarus are increasingly returning to the market outside Europe and North America.

We are, therefore, all the more pleased that our dedicated teams have once again demonstrated their capabilities.

Together, we achieved solid results in 2023.



Following the record year 2022, we generated EBITDA of 712 million euros. This is a decent result for the year, even if the initially expected earnings corridor was not achieved.

The adjusted free cash flow amounted to a good 311 million euros in the reporting year.

This demonstrates our robust position today!

My colleague on the Board of Executive Directors, Christian Meyer, will now explain the business development in our customer segments as well as our financial position.



Thank you very much Burkhard!

Ladies and Gentlemen,

A very warm welcome from my side, too.

Business performance in the Agriculture customer segment was characterized by customers' continued purchasing restraint in the first few months of the year. This had a negative impact on prices for fertilizer products. The contract concluded between China and Canpotex was significantly lower than expected, with a price of USD 307 per tonne. This further increased the price pressure in Brazil and spread to other sales regions. The price recovery later in the year could not offset this development.

By contrast, sales volumes rose to a total of around 7.3 million tonnes in 2023. Following a recovery in customer demand and the overcoming of restrictions in logistics availability, sales volumes increased significantly again in the second half of 2023, particularly in Europe.

We sold just under 3 million tonnes of goods in Europe and more than 4.3 million tonnes overseas.

Overall, revenues in the Agriculture customer segment declined to 2.7 billion euros.

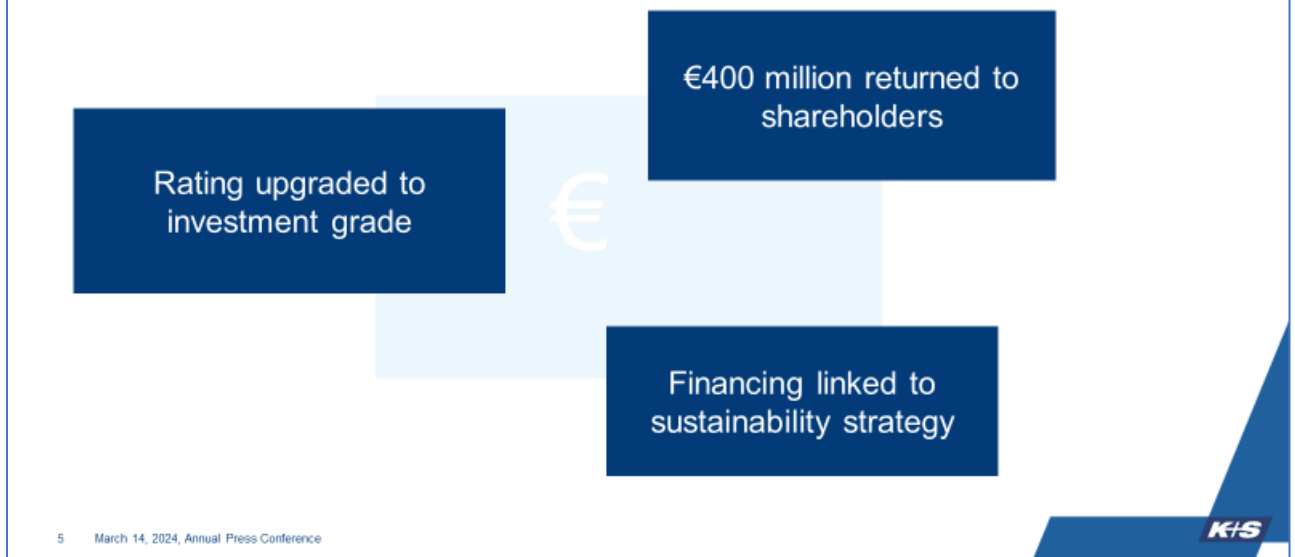


In the Industry+ customer segment, revenues declined only moderately to around 1.2 billion euros in 2023 compared with the record levels of 2022 due to lower sales volumes.

Lower prices for industrial products containing potash were offset by higher prices for our salt products.

At 6.6 million tonnes, sales volumes were slightly below the previous year's level overall. On the one hand, this was attributable to the cyclical decline in demand from the chemical industry. On the other hand, there was also less demand for products for other industrial applications due to the economic situation. Nevertheless, we partially compensated for this development with higher sales volumes of consumer products.

Financial topics in the 2023 financial year



Ladies and Gentlemen,

Let's now turn to the financial topics of 2023.

The rating agency Standard & Poor's already upgraded the long-term rating of K+S in June 2023. Our significant debt reduction and forward-looking financial policy have, therefore, been recognized.

Since then, K+S has been rated in the investment grade range again.

We are very pleased that we have reached this strategic milestone, which K+S has been pursuing for several years!

K+S also successfully completed the share buyback in November and subsequently canceled the shares.

Together with the dividend payment in 2022, K+S returned capital of around 400 million euros in total to its shareholders as planned.

Following the record year 2022, we have, therefore, let our shareholders participate appropriately in our success, taking into account the different interests within our shareholder structure.

There is another important aspect for me:

In the middle of 2023, we secured a new revolving credit facility of 400 million euros at attractive conditions. For the first time, this credit facility also includes a sustainability component. It is linked to the development of our key sustainability figures for CO₂ emissions, the number of accidents, and sustainable supply chains. This demonstrates the importance of sustainability issues for K+S.

If K+S fails to meet its sustainability targets, the Company will donate a defined amount to a good cause. If K+S achieves the targets, the interest margin to be paid by the Company will be reduced. K+S has, however, voluntarily committed itself to donating this amount as well.

Shareholder participation in the Company's success

► New distribution strategy resolved

**Dividend proposal 2023:
70 cents per share**

► Total dividend payout: €125.4 million (previous year: €191.4 million + share buyback of €200 million)

► This corresponds to 40% of the adjusted free cash flow in 2023 (previous year: 42%)

Ladies and Gentlemen,

I would now like to turn to the proposal for the appropriation of profits for 2023:

The Board of Executive Directors and Supervisory Board will propose a dividend of 70 cents per share for the 2023 financial year to the Annual General Meeting.

This proposal is in line with our new distribution policy of returning 30 to 50 percent of the adjusted free cash flow to our shareholders.

At the same time, it takes into account the maintenance of a strong balance sheet as well as the expected business development and future investments.

So far from my side; I'll hand over to you again, Burkhard.



Werra 2060

- Reduce process water by >1 million m³ and discontinue the discharge from 2028 onwards
- Reduction of disposal on tailings piles
- Halving of CO₂ emissions
- Extended lifetime of all sites until 2060
- Cost reduction of about 20 percent per tonne

▶ German potash production becomes more sustainable and competitive

K+S

Thank you very much Christian.

Ladies and Gentlemen, let's now talk about our strategy:

We want to optimize our existing business, further develop our core business, and establish new business areas.

The optimization of our existing business is focused on two projects:

The transformation of our Werra integrated plant and the ramp-up of our Canadian plant in Bethune.

The Werra integrated plant currently accounts for around 45% of our European production.

The transformation of the site is primarily based on three elements:

1. The Wintershall and Unterbreizbach factories will be converted to dry processing and refining,
2. we will introduce secondary mining of pillars in the Hattorf-Wintershall mine and,

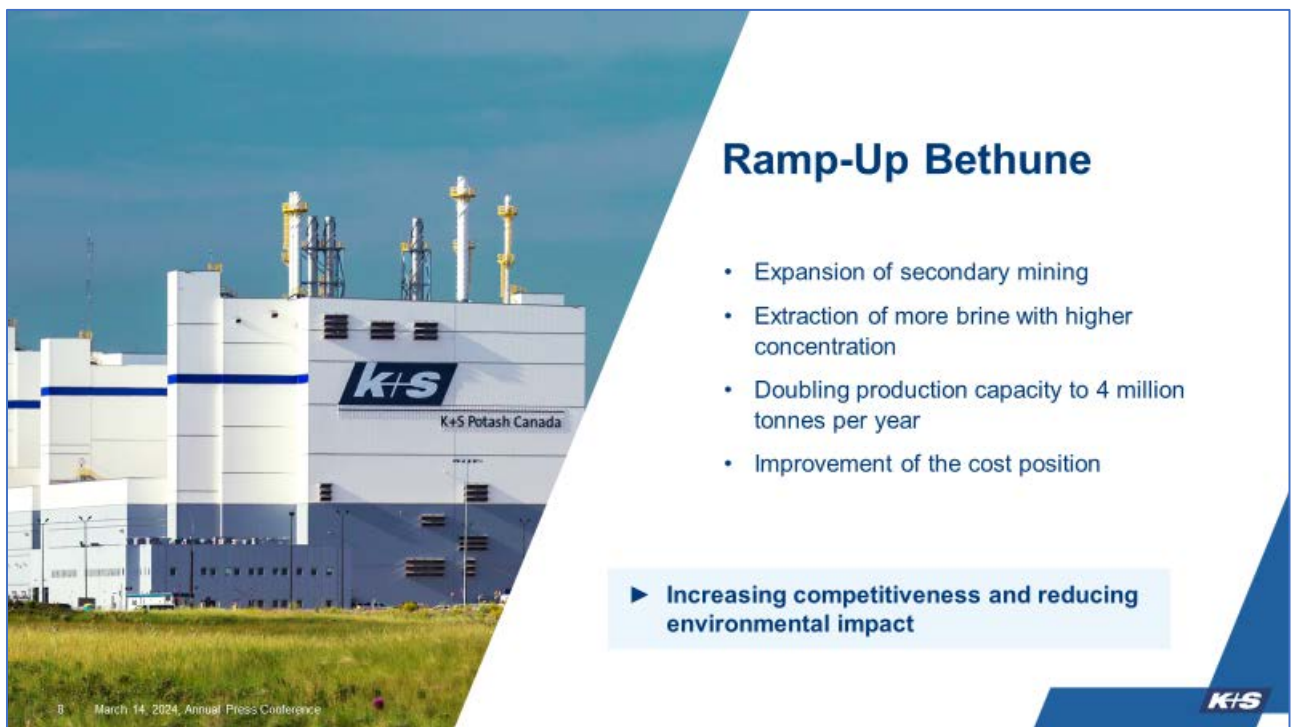
3. increase the share of the specialty product Korn-Kali, which requires fewer process steps.

In this way, we will be able to:

- reduce process water by more than 1 million cubic meters per year,
- discontinue discharging it into the Werra River from 2028,
- reduce CO₂ emissions by 50 percent,
- reduce disposal on tailings piles in Wintershall by 90 percent,
- extend the lifetime of all sites until 2060, and
- reduce costs by about 20 percent per tonne.

Werra 2060 will make German potash production more sustainable and competitive within a few years. It takes into account both the environmental challenges as well as the market development of the years ahead.

For this purpose, we will invest around 600 million euros by 2027.



Ramp-Up Bethune

- Expansion of secondary mining
- Extraction of more brine with higher concentration
- Doubling production capacity to 4 million tonnes per year
- Improvement of the cost position

► Increasing competitiveness and reducing environmental impact

8 March 14, 2024, Annual Press Conference

K+S

In Canada, we are continuing to ramp up capacity with the successful expansion of secondary mining.

The advantages are obvious:

- we can extract more brine with a higher concentration,
- we are continuously ramping up production, and
- we can generate better returns more quickly.

At the same time, we are gradually improving our cost position.

Our goal is to increase production capacity to a total of four million tonnes per year.

Ladies and Gentlemen,

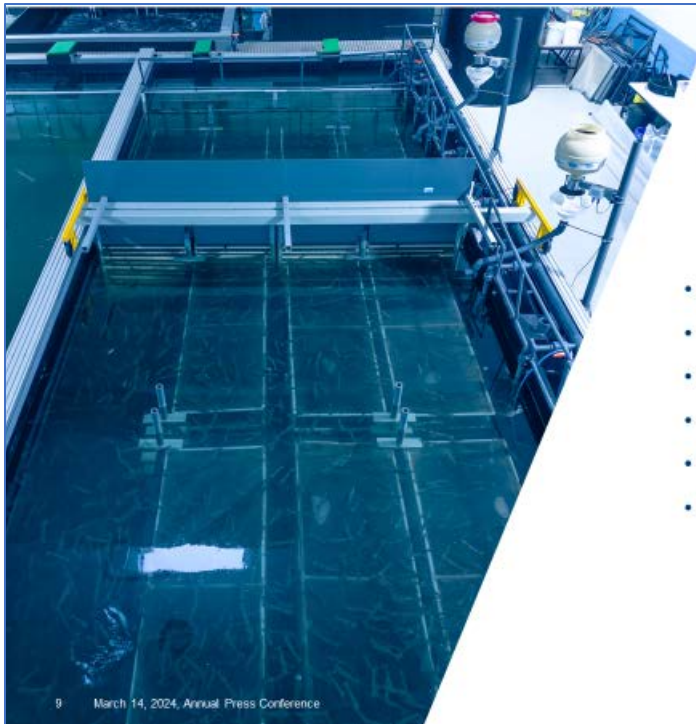
The ramp-up in Bethune and, in particular, the implementation of Werra 2060 will require significant investments in the years 2024 to 2026.

We are aware that cash flow generation could be limited during this period in case of the current potash price levels.

Above all, however, it makes it clear:

K+S will be stronger and more efficient than ever before on both sides of the Atlantic within a short period of time.

And: With these investments in the future, we can benefit much more than before from the potash price increases expected by external market experts.



New business areas

- Leveraging our infrastructure
- REKS
- Indoor/underground farming
- Pilot plant for the cultivation of cannabis
- Indoor shrimp farm
- Decarbonization/cavern development H₂

9 March 14, 2024, Annual Press Conference

K+S

We are continuously driving forward the development of new business areas to make K+S more resilient even in times of low potash prices.

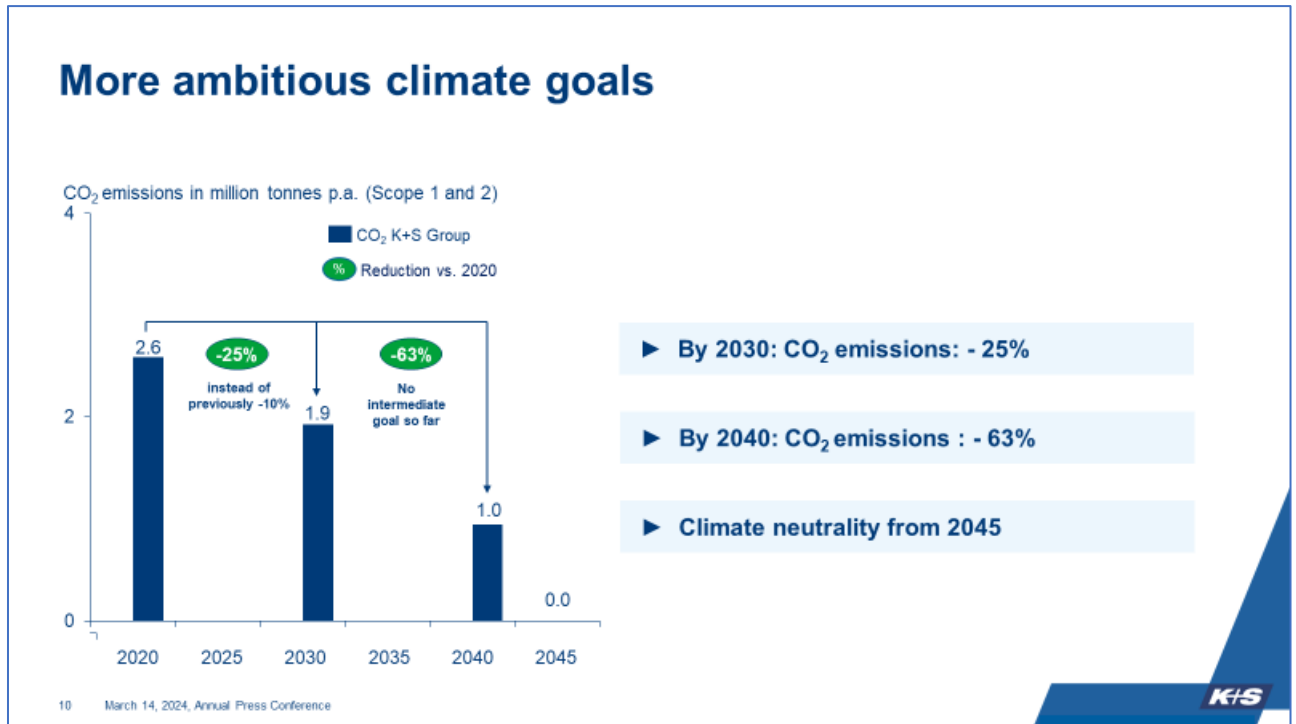
You already know our REKS joint venture. It combines our modern waste management facilities with the REMEX distribution network. We are also gaining access to materials needed for covering our tailings piles in the future.

But there are other exciting developments:

One keyword: indoor and underground farming. A new partnership has been established at the Sigmundshall site for the construction and operation of a pilot plant for the cultivation of cannabis. A start-up is utilizing our infrastructure to grow high-quality crops underground at stable temperatures, in artificial light, and without environmental influences.

Another cooperation is currently creating the largest indoor shrimp farm in Europe in Sigmundshall. Together with another start-up, we are focusing on green and sustainable technologies to revolutionize shrimp farming and minimize the environmental impact.

Furthermore, the development of a hydrogen economy will become increasingly important in the decarbonization of many industrial companies. With our expertise in the construction and operation of underground caverns, we can play a significant role in this in the future.



Ladies and Gentlemen,

We want to be pioneers in green potash and salt production in Germany.

We have already reduced our direct CO₂ emissions by around 80 percent over the past three decades.

With Werra 2060, the establishment of new power-to-heat plants and the switch from natural gas to green energy sources, the transformation at K+S is in full swing. This enables us to accelerate decarbonization.

We, therefore, revised our climate strategy last year and set ourselves even more ambitious targets:

We want to reduce our CO₂ emissions across the Group by a further 25 percent by 2030. By then, our salt business will also be green!

By 2045, we can achieve the ambitious goal of climate-neutral production in potash as well.



Ladies and Gentlemen,

Let's now take a look at the current year:

On the potash market, supply and demand should be able to return to a balance.

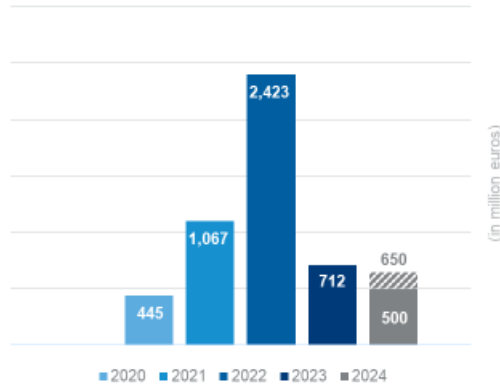
Globally, we expect a normalization on the demand side. This also applies if supply from Russia and Belarus returns outside Europe and North America.

We, therefore, do not anticipate an oversupply on the potash market over the course of the year.

The extent to which this situation overseas can lead to a price recovery depends on the course of the spring season. During this period, demand from many important sales regions must be met simultaneously.

2024 full-year outlook

EBITDA operating result



- EBITDA expected to range between €500 million and €650 million
- Cost savings in energy and logistics
- Capital expenditure of around €550 million
- Adjusted free cash flow should at least break even

12 March 14, 2024, Annual Press Conference

K+S

Against this background, we expect EBITDA to range between 500 million and 650 million euros in the 2024 financial year.

We are assuming a price recovery overseas at the upper end of the range from spring onwards; sales volumes in the Agriculture customer segment should reach 7.6 million tonnes.

In case of prices remaining at the current level overseas and falling in Europe, EBITDA could be at the lower end of the range. Fertilizer sales volumes would then be expected to reach 7.3 million tonnes.

Furthermore, we anticipate a reduction in costs in the current year, particularly for energy and freight.

The adjusted free cash flow should at least break even. This assumes capex of around 550 million euros.

We are, therefore, keeping our promise to achieve at least balanced free cash flows even in the event of low potash prices and high capital expenditure.

Clear commitment against xenophobia



“We condemn xenophobia and attacks on the free democratic basic order of our country in the strongest possible terms!”

13 March 14, 2024, Annual Press Conference

K+S

Ladies and Gentlemen,

Before taking your questions, please let me share a personal message that is very close to my heart:

I am a convinced democrat. Xenophobia and attacks on the free basic order must have no place in our society!

This is one of the reasons why we are a founding member of the "Open to Diversity" initiative, which campaigns against any exclusion of people in society and the world of work. An open and diverse society is the foundation for good coexistence.

That's why we openly demonstrate this attitude in society and in the workplace.

Thank you very much!

Now we look forward to your questions.