

K+S Aktiengesellschaft  
with its registered office in Kassel, Germany  
ISIN: DE000KSAG888  
WKN: KSAG88

## Invitation to the Ordinary Annual General Meeting

to be held on Wednesday, 14 May 2014, 10.00 a.m., in the Kongress Palais Kassel – Stadthalle, Holger-Börner-Platz 1, 34119 Kassel, Germany.

### I Agenda

**1. Presentation of the approved annual financial statements of K+S Aktiengesellschaft, of the approved consolidated financial statements, of the combined management and Group management report and of the Supervisory Board report, in each case for the 2013 financial year, as well as of the explanatory report of the Board of Executive Directors concerning the information under Sections 289 Paragraph 4 and 315 Paragraph 4 of the German Commercial Code (HGB)**

These documents can be found on the Internet at [www.k-plus-s.com/agm](http://www.k-plus-s.com/agm). They are also available for inspection in the offices of K+S Aktiengesellschaft, Bertha-von-Suttner-Straße 7, 34131 Kassel, Germany. The documents will furthermore be available during the Annual General Meeting. The Supervisory Board has approved the annual and consolidated financial statements. In accordance with legal requirements, no resolution is adopted concerning this item of the Agenda. You will find a related explanation on the Internet under [www.k-plus-s.com/agm](http://www.k-plus-s.com/agm).

### **2. Adoption of a resolution on the appropriation of profits**

The Board of Executive Directors and the Supervisory Board propose that the following resolution be adopted:

The accumulated profit of the 2013 financial year shall be appropriated as follows:

Distribution of a dividend of €0.25 per share for 191,400,000 no-par value shares entitled to dividends	€ 47 850 000.00
<u>Transfer of net income to revenue reserves</u>	<u>€ 134 498 644.07</u>
Accumulated profit	€ 182 348 644.07

### **3. Adoption of a resolution about the ratification of the actions of the Board of Executive Directors**

The Supervisory Board and the Board of Executive Directors propose that the actions of the members of the Board of Executive Directors be ratified for financial year 2013.

#### **4. Adoption of a resolution about the ratification of the actions of the Supervisory Board**

The Board of Executive Directors and the Supervisory Board propose that the actions of the members of the Supervisory Board be ratified for financial year 2013.

#### **5. Election of the auditor for the 2014 financial year**

Upon recommendation of its Audit Committee, the Supervisory Board proposes to elect Deloitte & Touche GmbH, Hanover, Germany, as auditor for the financial statements and consolidated financial statements for financial year 2014.

#### **6. Adoption of resolutions approving the conclusion of new amending agreements to existing control and profit-transfer agreements**

Control and profit-transfer agreements exist between K+S Aktiengesellschaft as the controlling company and the following wholly-owned subsidiaries each of which has the legal form of a limited liability company:

- Control and profit-transfer agreement with K+S Beteiligungs GmbH (formerly Montan-Warenhandelsgesellschaft mbH) dated 15 December 1992
- Profit- and loss-transfer agreement with K+S Consulting GmbH (formerly Kali und Salz Consulting GmbH) dated 1 September 1995,
- Control and profit-transfer agreement with K+S Entsorgung GmbH (formerly Kali und Salz Entsorgung GmbH) dated 20 December 1991,
- Control and profit- and loss-transfer agreement with K+S IT-Services GmbH (formerly data process GmbH) dated 4 November 1999,
- Control and profit- and loss-transfer agreement K + S Kali GmbH (formerly Torf- und Humuswerk Raubling GmbH) dated 28 November 2000,
- Control and profit- and loss-transfer agreement with K+S Salz GmbH (formerly OSIAN Verwaltungsgesellschaft mbH) dated 21 December 2000,
- Control and profit- and loss-transfer agreement with K+S Transport GmbH (formerly Kali-Transport Gesellschaft mit beschränkter Haftung) dated 18/28 December 1989,
- Control and profit- and loss-transfer agreement with K+S Versicherungsvermittlungs GmbH (formerly 2. K+S Verwaltungs GmbH) dated 3 February 2003

- Control and profit- and loss-transfer agreement with Wohnbau Salzdetfurth Gesellschaft mit beschränkter Haftung dated 18/22 December 1989.

The German Act on Changing and Simplifying Company Taxation and the Tax Law regarding Travel Expenses (Gesetz zur Änderung und Vereinfachung der Unternehmensbesteuerung und des steuerlichen Reisekostenrechts) of 20 February 2013 has also resulted in the rewording of Section 17, Sentence 2, No. 2 of the German Corporate Income Tax Act (Körperschaftsteuergesetz - KStG). Consequently, profit-transfer agreements concluded with controlled companies that are limited liability companies will in future have to contain a direct reference to Section 302 of the German Stock Corporation Act (Aktiengesetz - AktG) in its current form.

In connection with this amendment to the law, it should be clearly stated in uniform fashion in the aforementioned nine agreements that the references to the assumption of losses in accordance with Section 302 of the German Stock Corporation Act (AktG) hitherto contained in the agreements always refer to the respective current version of Section 302 of the German Stock Corporation Act (AktG) in its entirety.

On 2 April 2014, K+S Aktiengesellschaft as the controlling company concluded appropriate agreements with the aforementioned nine subsidiaries as controlled companies amending the existing agreements by replacing the hitherto applicable provision regarding the assumption of losses and introducing the following exclusive and uniform provisions:

- In accordance with the rules contained in Section 302 of the German Stock Corporation Act (AktG), being applicable in its respective current version and in its entirety to this agreement, K+S is obliged to assume such losses as are incurred.
- The other provisions of the control and profit-transfer agreement dated [date] remain unchanged.

The nine amending agreements will only become effective upon being approved by the Annual General Meeting of K+S Aktiengesellschaft and subsequently recorded in the commercial registers of the subsidiaries concerned.

The Board of Executive Directors of K+S Aktiengesellschaft and the managing directors of the aforementioned nine subsidiaries have, in each case, prepared a joint report in accordance with Sections 295, 293a of the German Stock Corporation Act (AktG) describing and explaining the reasons for the individual amending agreements.

Shareholder meetings of the aforementioned nine subsidiaries already approved the agreements on 2 April 2014.

**a) Approval for the conclusion of an amending agreement to the control and profit-transfer agreement dated 15 December 1992**

The Board of Executive Directors and Supervisory Board propose the approval of the agreement concluded on 2 April 2014 between K+S Aktiengesellschaft and K+S Beteiligungs GmbH amending the control and profit-transfer agreement dated 15 December 1992 and containing the provisions described above.

**b) Approval for the conclusion of an amending agreement to the profit- and loss-transfer agreement dated 1 September 1995**

The Board of Executive Directors and Supervisory Board propose the approval of the agreement concluded on 2 April 2014 between K+S Aktiengesellschaft and K+S Consulting GmbH amending the profit- and loss-transfer agreement dated 1 September 1995 and containing the provisions described above.

**c) Approval for the conclusion of an amending agreement to the control and profit-transfer agreement dated 20 December 1991**

The Board of Executive Directors and Supervisory Board propose the approval of the agreement concluded on 2 April 2014 between K+S Aktiengesellschaft and K+S Entsorgung GmbH amending the control and profit-transfer agreement dated 20 December 1991 and containing the provisions described above.

**d) Approval for the conclusion of an amending agreement to the control and profit- and loss-transfer agreement dated 4 November 1999**

The Board of Executive Directors and Supervisory Board propose the approval of the agreement concluded on 2 April 2014 between K+S Aktiengesellschaft and K+S IT-Services GmbH amending the control and profit- and loss-transfer agreement dated 4 November 1999 and containing the provisions described above.

**e) Approval for the conclusion of an amending agreement to the control and profit- and loss-transfer agreement dated 28 November 2000**

The Board of Executive Directors and Supervisory Board propose the approval of the agreement concluded on 2 April 2014 between K+S Aktiengesellschaft and K + S Kali GmbH amending the control and profit- and loss-transfer agreement dated 28 November 2000 and containing the provisions described above.

**f) Approval for the conclusion of an amending agreement to the control and profit- and loss-transfer agreement dated 21 December 2000**

The Board of Executive Directors and Supervisory Board propose the approval of the agreement concluded on 2 April 2014 between K+S Aktiengesellschaft and K+S Salz GmbH amending the control and profit- and loss-transfer agreement dated 21 December 2000 and containing the provisions described above.

**g) Approval for the conclusion of an amending agreement to the control and profit- and loss-transfer agreement dated 18/28 December 1989**

The Board of Executive Directors and Supervisory Board propose the approval of the agreement concluded on 2 April 2014 between K+S Aktiengesellschaft and K+S Transport GmbH amending the control and profit- and loss-transfer agreement dated 18/28 December 1989 and containing the provisions described above.

**h) Approval for the conclusion of an amending agreement to the control and profit- and loss-transfer agreement dated 3 February 2003**

The Board of Executive Directors and Supervisory Board propose the approval of the agreement concluded on 2 April 2014 between K+S Aktiengesellschaft and K+S Versicherungsvermittlungs GmbH amending the control and profit- and loss-transfer agreement dated 3 February 2003 and containing the provisions described above.

**i) Approval for the conclusion of an amending agreement to the control and profit- and loss-transfer agreement dated 18/22 December 1989**

The Board of Executive Directors and Supervisory Board propose the approval of the agreement concluded on 2 April 2014 between K+S Aktiengesellschaft and Wohnbau Salzdetfurth Gesellschaft mit beschränkter Haftung amending the control and profit- and loss-transfer agreement dated 18/22 December 1989 and containing the provisions described above.

From the day on which the Annual General Meeting is convened and until it ends, the following documents will be available on the Internet at [www.k-plus-s.com/agm](http://www.k-plus-s.com/agm)

- The aforementioned nine control and profit-transfer agreements concluded between K+S Aktiengesellschaft on the one hand and the nine wholly-owned subsidiaries on the other,
- the nine amending agreements to the aforementioned nine control and profit-transfer agreements concluded on 2 April 2014 between K+S Aktiengesellschaft on the one hand and the nine wholly-owned subsidiaries on the other,

- the annual financial statements and consolidated financial statements of K+S Aktiengesellschaft for financial years 2011, 2012 and 2013,
- the annual financial statements of the nine wholly-owned subsidiaries for financial years 2011, 2012 and 2013,
- the K+S Aktiengesellschaft Management Report and Group Management Report for financial year 2011,
- the combined K+S Aktiengesellschaft Management Reports and Group Management Reports for financial years 2012 and 2013, and
- the nine joint reports prepared by the K+S Aktiengesellschaft Board of Executive Directors on the one hand and the managing directors of the nine wholly-owned subsidiaries on the other concerning the nine amending agreements to the control and profit-transfer agreements and in accordance with Section 295, 293a of the German Stock Corporation Act (AktG).

They aforementioned documents are also available for inspection from the day of the convening of the Annual General Meeting in the offices of K+S Aktiengesellschaft, Bertha-von-Suttner-Straße 7, 34131 Kassel, Germany. The documents will furthermore also be available during the Annual General Meeting.

## **II. Further information and instructions regarding the Annual General Meeting**

### **1. Preconditions for attendance at the Annual General Meeting and the exercise of voting rights**

Only those shareholders of the Company, who register with the Company no later than by Wednesday 7 May 2014, midnight, and are entered in the share register for the registered shares, are entitled to attend the Annual General Meeting and to exercise their voting rights in person or by proxy.

In accordance with a procedure determined by the Company, shareholders may also register online at [www.k-plus-s.com/agm](http://www.k-plus-s.com/agm) Shareholders who would like to register online require their shareholder number and the related access password for this. Shareholders who are already registered to have the invitation to the Annual General Meeting sent electronically to them must use the access password they chose when registering. All other shareholders who are entered in the share register receive their shareholder number and a related access password together with the invitation letter to the Annual General Meeting by mail. The registration may also be sent to the address

K+S Aktiengesellschaft  
c/o Computershare Operations Center  
80249 München, Germany  
Fax: +49 89 30903-74675  
e-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

A form that can be used for this purpose will be sent to shareholders, who are entered in the share register, together with the invitation letter to the Annual General Meeting by mail. You will find more detailed instructions regarding the registration process in the information on the registration form or on the website **[www.k-plus-s.com/agm](http://www.k-plus-s.com/agm)**.

Together with the registration, the shareholder may request an admission ticket to the Annual General Meeting. Shareholders who use the K+S shareholder portal for registration have the option to print their admission ticket themselves directly.

Unlike the registration to the Annual General Meeting, the admission ticket is not a precondition for attendance, but merely serves to facilitate the procedure at the admission control points for access to the Annual General Meeting.

If a bank is entered in the share register, it may exercise the voting rights for shares that do not belong to it only based on a power of attorney from the shareholder. The same applies to shareholders' associations and other equivalent persons pursuant to Section 135 Paragraph 8 of the German Stock Corporation Act (AktG) accordingly.

For the exercise of attendance and voting rights, the shareholdings entered in the share register on 8 May 2014, midnight, shall be decisive. The shares are not blocked by the registration to the Annual General Meeting; shareholders can therefore continue to dispose freely over their shares after completing the registration. Applications for transfers in the share register, reaching the Company after 8 May 2014, 00.00 a.m. (the so-called "technical record date"), until the end of the Annual General Meeting on 14 May 2014, will only be realized in the share register of the Company with effect from after the Annual General Meeting on 14 May 2014.

Holders of American Depositary Receipts (ADRs) will please direct any questions they may have to Bank of New York Mellon, New York, phone: +1 888 269-2377, or to their bank or broker.

## **2. Postal voting procedure**

Shareholders can cast their votes, even without participating in the Annual General Meeting, in writing or by way of electronic communication (postal voting).

Only those registered shareholders – in person or by proxies – are entitled to exercise their voting rights by postal voting who by 7 May 2014, midnight, at the latest as described above have been registered for the Annual General Meeting.

Votes can be cast at **[www.k-plus-s.com/agm](http://www.k-plus-s.com/agm)** in accordance with the procedure determined by the Company. For electronic voting, shareholders who are already registered to electronically receive the documents for the Annual General Meeting should use their shareholder number and the access password they have chosen. All other shareholders entered in the share register will, as stated above, have their access data together with the invitation letter sent to them by mail. Votes can also be sent to the address

K+S Aktiengesellschaft  
c/o Computershare Operations Center  
80249 München, Germany  
Fax: +49 89 30903-74675  
e-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

A form, which may be used when casting a postal vote, is enclosed with the invitation letter.

Postal votes must reach the Company by 13 May 2014, 6:00 p.m., at the latest. If individual voting is held on an item on the Agenda, a vote cast for this Agenda item shall apply for each single sub-item. Postal votes cast in time via the Internet can subsequently be changed there until 13 May 2014, 6:00 p.m. hours.

We would like to point out that postal votes cast via the Internet can only be changed using this system and may be revoked only there or by attending the Annual General Meeting in person and issuing a declaration in text form.

Authorized banks as well as equivalent associations and persons pursuant to Section 135 Paragraphs 8 and 10 of the German Stock Corporation Act (AktG) can also avail themselves of postal voting. The Company will, at their request, make an electronic voting channel or the corresponding forms available to them.



### 3. Proxy voting procedure

Shareholders, who are entered in the share register, may also have their voting rights exercised in the Annual General Meeting by a proxy, e.g. a bank or shareholders' association. A timely registration is also required in this case.

The granting of a power of attorney, the revocation of such, and proof of authorization vis-à-vis the Company require the text form and may be transmitted to the Company using the Internet address **www.k-plus-s.com/agm** in accordance with the procedure determined by the Company. For electronic voting, shareholders who are already registered to electronically receive the documents for the Annual General Meeting should use their shareholder number and the access password they have chosen. All other shareholders entered in the share register will, as stated above, have their access data together with the invitation letter sent to them by mail. Transmission may also be effected to the address

K+S Aktiengesellschaft  
c/o Computershare Operations Center  
80249 München, Germany  
Fax: +49 89 30903-74675  
e-mail: k-plus-s-hv2014@computershare.de

A form, which may be used to grant power of attorney, will be sent to the shareholders together with the invitation letter or, as the case may be, the admission ticket to the Annual General Meeting together with additional information on granting power of attorney.

On the day of the Annual General Meeting, the power of attorney may be granted, revoked, and the proof of authorization may be documented electronically under **www.k-plus-s.com/agm**, under fax no. +49 89 30903-74675, or at the admission points to the Annual General Meeting.

Exemptions from the text form requirement may exist for banks, shareholders' associations, or equivalent persons or institutions (compare Section 135 and Section 125 Paragraph 5 of the German Stock Corporation Act (AktG)).

We offer our shareholders to have themselves represented in the Annual General Meeting by proxies appointed by the Company. Granting the power of attorney and its revocation require the text form and may be transmitted under the Internet address **www.k-plus-s.com/agm** or to the above-mentioned address. The proxies appointed by the Company exercise the voting right exclusively based on the instructions issued by the shareholder. Please note that the proxies appointed by the Company will not accept any mandates to make speeches, enter objections against resolutions of the Annual General Meeting, or to ask questions or submit motions.

We would like to point out that powers of attorney and instructions issued via the Internet-based system can only be changed using this system and may be revoked

only there or by attending the Annual General Meeting in person and issuing a declaration in text form.

If a shareholder authorizes more than one person, the Company may reject one or several of them.

#### **4. Shareholder rights**

Shareholders, whose shares together amount to one-twentieth of the share capital or the proportionate amount of € 500,000, may demand, pursuant to Section 122 Paragraph 2 of the German Stock Corporation Act (AktG), that items are placed on the Agenda and announced. Requests to amend the Agenda must be received by the Company in written form at least 30 days prior to the meeting, i.e. by 13 April 2014, midnight. We ask that requests to amend the Agenda be sent to the following address:

K+S Aktiengesellschaft  
Investor Relations  
Bertha-von-Suttner-Straße 7  
34131 Kassel, Germany

We will announce motions for requests to amend the Agenda received in time, if they meet the legal requirements.

Each shareholder has the right to submit a counter-motion to any proposal of the Board of Executive Directors and/ or the Supervisory Board concerning a specific item of the Agenda. A counter-motion must be made available on the Company's website as set forth in more detail in Section 126 Paragraphs 1 and 2 of the German Stock Corporation Act (AktG), if it is received by the Company under the address specified below no later than on 29 April 2014, midnight.

Each shareholder may also submit an election proposal for the election of auditors to the Company as set forth in more detail in Section 127 of the German Stock Corporation Act (AktG). An election proposal must be made available on the Company's website as set forth in more detail in Sections 127, 126 Paragraphs 1 and 2 of the German Stock Corporation Act (AktG), if it is received by the Company under the address specified below no later than on 29 April 2014, midnight.

We will make counter-motions or election proposals, which have been received in time, available on the Internet at **[www.k-plus-s.com/agm](http://www.k-plus-s.com/agm)**, if they meet the legal requirements. We will also make any comments by the management available under the aforementioned Internet address. Counter-motions and election proposals from shareholders shall be exclusively addressed to:

K+S Aktiengesellschaft  
Investor Relations  
Bertha-von-Suttner-Straße 7  
34131 Kassel, Germany  
Fax: +49 561 9301-2425  
e-mail: investor-relations@k-plus-s.com

Upon request, the Board of Executive Directors shall provide information to any shareholder or shareholders' representative during the Annual General Meeting about matters of the Company, if it is necessary for a proper assessment of the item of the Agenda. The information obligation also extends to the legal and commercial relationships of the Company with affiliated companies.

In order to facilitate a proper reply, shareholders and shareholders' representatives who intend to submit questions during the Annual General Meeting are requested to transmit these questions as early as possible to the aforementioned address. This transmission is not a prerequisite for a reply. The information right is not affected by this.

More detailed explanations and information on the rights of shareholders pursuant to Sections 122 Paragraph 2, 126 Paragraph 1, 127 and 131 Paragraph 1 of the German Stock Corporation Act (AktG) are available to shareholders on the Company's website at [www.k-plus-s.com/agm](http://www.k-plus-s.com/agm).

## **5. Total number of shares and voting rights**

At the time the Annual General Meeting is convened, the Company's share capital is divided into 191,400,000 no-par value registered shares with the same number of voting rights.

## **6. Information on the Company's website**

The information according to Section 124a of the German Stock Corporation Act (AktG) as well as additional explanations regarding the aforementioned shareholder rights are available on the Company's website at [www.k-plus-s.com/agm](http://www.k-plus-s.com/agm). The recorded voting results will also be published there after the Annual General Meeting.

Information over the telephone is available under +49 561 9301-1100.

## **7. Transmission of the Annual General Meeting on the Internet**

The Annual General Meeting will be transmitted on the Internet until the end of the speech of the Chairman of the Board of Executive Directors at **[www.k-plus-s.com/agm](http://www.k-plus-s.com/agm)**.

Kassel, April 2014

The Board of Executive Directors  
K+S Aktiengesellschaft  
with its registered office in Kassel, Germany