



18 December 2020

K+S Aktiengesellschaft

Strong partnership in the waste management business:

K+S and REMEX combine their strengths in joint venture REKS

Partnering with REMEX is one important step out of the package of measures to reduce debt

- ▶ One focus of the package of measures to reduce debt was on future-oriented environmental solutions
- ▶ K+S and REMEX found joint venture REKS to join their powers in the waste management business
 - ▷ K+S with significant capacities as well as excellent knowledge for safe long-term underground waste reutilisation and disposal
 - ▷ REMEX as a leading market player for waste management of mineral waste of the construction sector and the industry with excellent market access
- ▶ Enhanced focus on attractive growth potentials and on long-term resource-friendly waste management solutions
- ▶ Long-term perspective for covering tailings piles
- ▶ Further milestone for the realignment of K+S and the implementation of the package of measures to reduce debt

- ✓ **Intelligent use of our unique infrastructure**
- ✓ **Transformation of environmental obligations into an intelligent and solution-oriented business model**
- ✓ **Raise growth potentials of this attractive business and add value for both partners and shareholders**

Transforming environmental obligations into an intelligent and solution-oriented business model



- For reasons of water, environmental and nature conservation law, K+S is obliged to keep the impact of its mining activities on nature as low as possible
- In connection with the tailings piles, there are environmental obligations / perpetual burdens for the collection and disposal of salty waters caused by precipitation
- Waste disposal is a growth market, but the disposal options are becoming increasingly scarce
- The coverage of tailings piles will prevent the formation of salty waters and avoid perpetual burdens for K+S
- K+S has extensive experience in covering the Sehnde and Sigmundshall tailings piles
- REMEX has market access to the quantities required for covering tailings piles in Germany

Therefore, environmental obligations will be transformed into an intelligent and solution-oriented business model

Joint venture with benefits for all



- + **Environment:** Further reduction of tailings pile waters and renaturation of tailings piles (biodiversity!)
- + **Society:** Positive effect for circular economy and disposal reliability in Germany; relieving landfill space
- + **K+S:** Improved market access to several types of wastes for the covering of tailings piles due to the market position of REMEX helps to reduce tailings pile waters and therefore reduce perpetual burdens and provisioning requirements significantly
- + **REMEX:** Exclusive access to underground re-utilisation and disposal and access to according know-how in tailings pile management and approval procedures

Impact of the transaction on K+S

- ▶ Business contributed by K+S valued with an average **EBITDA multiple of 20 times**
- ▶ All underground assets as well as overground facilities of underground reutilisation and disposal stay with K+S
- ▶ K+S will realize a **considerable book gain**
- ▶ With closing of the transaction in summer 2021, K+S will generate a **cash inflow** of about € 90 million before tax, which contributes to the package of measures to reduce debt
- ▶ Potential to reduce corresponding mining obligations as additional contribution to reduce debt

Transaction improves sustainability footprint and balance sheet

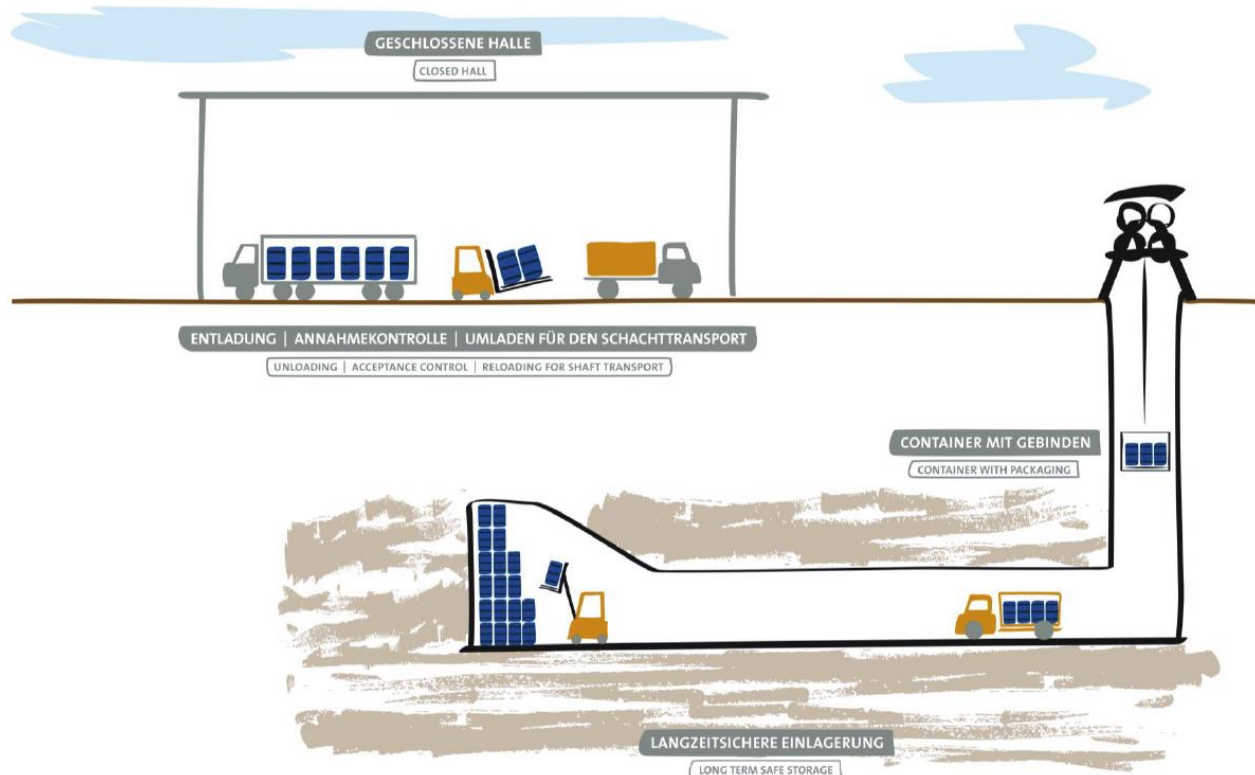
K+S

Background information

Business areas K+S Waste Management & Recycling

Underground reutilisation	Disposal of less contaminated substances Use of material waste characteristics through backfilling
Underground disposal	Disposal of highly contaminated substances Permanent withdrawal from the biosphere
Building materials recycling	Low contaminated building materials Covering material for the greening of tailings piles

Underground disposal



Examples of waste types:

- Electroplating residues
- Hardening salt residues
- Waste containing arsenic, cyanide or mercury
- Chemical distillation residues
- Filtration residues
- Contaminated soil and building materials
- Evaporation residues from landfill leachate
- Filter and ball mill dusts
- Hazardous fibre waste
- Residues from steel and metal industry

Safest solution for the disposal of hazardous waste

Underground storage facilities in salt rock are considered the safest solution for the disposal of hazardous waste. In underground storage, waste is removed from the biosphere permanently and without aftercare. The K+S Group is the only supplier to operate two underground storage - in Herfa-Neurode and Zielitz - and thus offers significant capacities.

Underground reutilisation



Stacked backfilling



Thick matter backfill



Camber backfill

Underground
reutilisation



Customers



Examples of waste types:

- Flue gas cleaning residues
- Sewage sludge incineration ashes
- Contaminated soil and building materials
- Bypass dusts/bymix dusts
- Sands
- Salts
- Bernburg (AUREC) also: solid mineral waste, mineral sludge

Appropriate reutilisation

In underground reutilisation, the building physical characteristics of the waste are used for mining or mining safety purposes to secure older mined fields 500 to 800 meters underground.

K+S building materials recycling



Typical materials used for recultivation:

- Excavated soil
- Building materials
- Track ballast
- Asphalt
- Solid waste from soil remediation

Solutions for the recycling of soil and building material

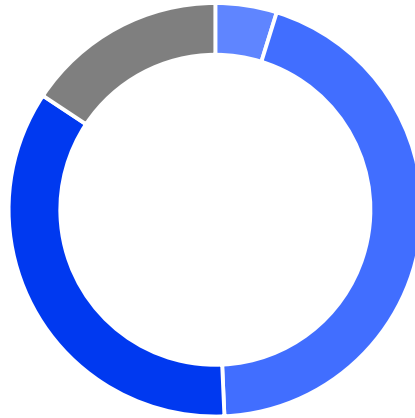
K+S building materials recycling specializes in the recycling of non-hazardous soil and building materials in installation classes* Z0 to Z2. The materials are processed and used for the recultivation of the former potash tailings pile (currently Friedrichshall in Sehnde).

* Installation classes: Z0 – unrestricted installation; Z1 – restricted open installation; Z2 – restricted installation with defined technical safeguards

Overview of K+S Waste Management and Recycling Business 2019

Total volumes:
about 1.5 million tonnes

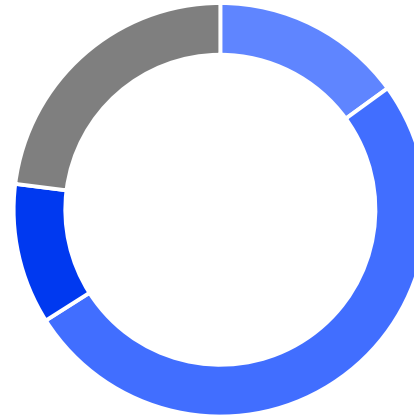
Volume share



- Underground disposal
- Underground reutilisation
- Building materials recycling segment
- Recycling of salt slag

Total revenues:
almost € 90 million

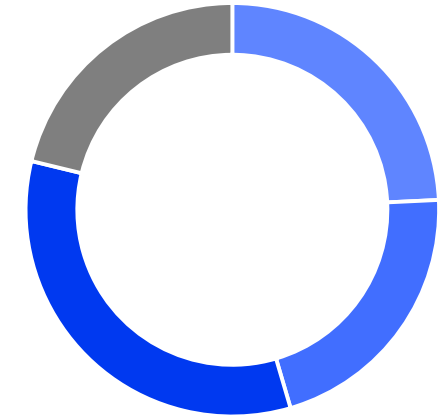
Revenue share



- Underground disposal
- Underground reutilisation
- Building materials recycling segment
- Recycling of salt slag

Total EBITDA:
almost € 15 million

EBITDA share



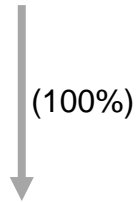
- Underground disposal
- Underground reutilisation
- Building materials recycling segment
- Recycling of salt slag

REMEX GmbH is part of the Remondis Group

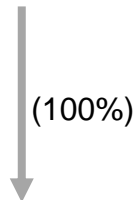
📌 General facts & business information

- REMONDIS is one of the world's largest recycling, services and water companies with over 30,000 employees
- It is a family business (Rethmann family).
- REMEX GmbH (Düsseldorf) was founded in 1973. It has more than 800 employees at 60 national and international locations.
- REMEX's core business is the treatment and processing of mineral waste, e.g. the recycling of building materials, the production of substitute building materials, backfilling and landfill management.
- AUREC purchases mineral waste and operates a conditioning plant in Bernburg to produce backfill material for underground reutilisation.

REMONDIS®

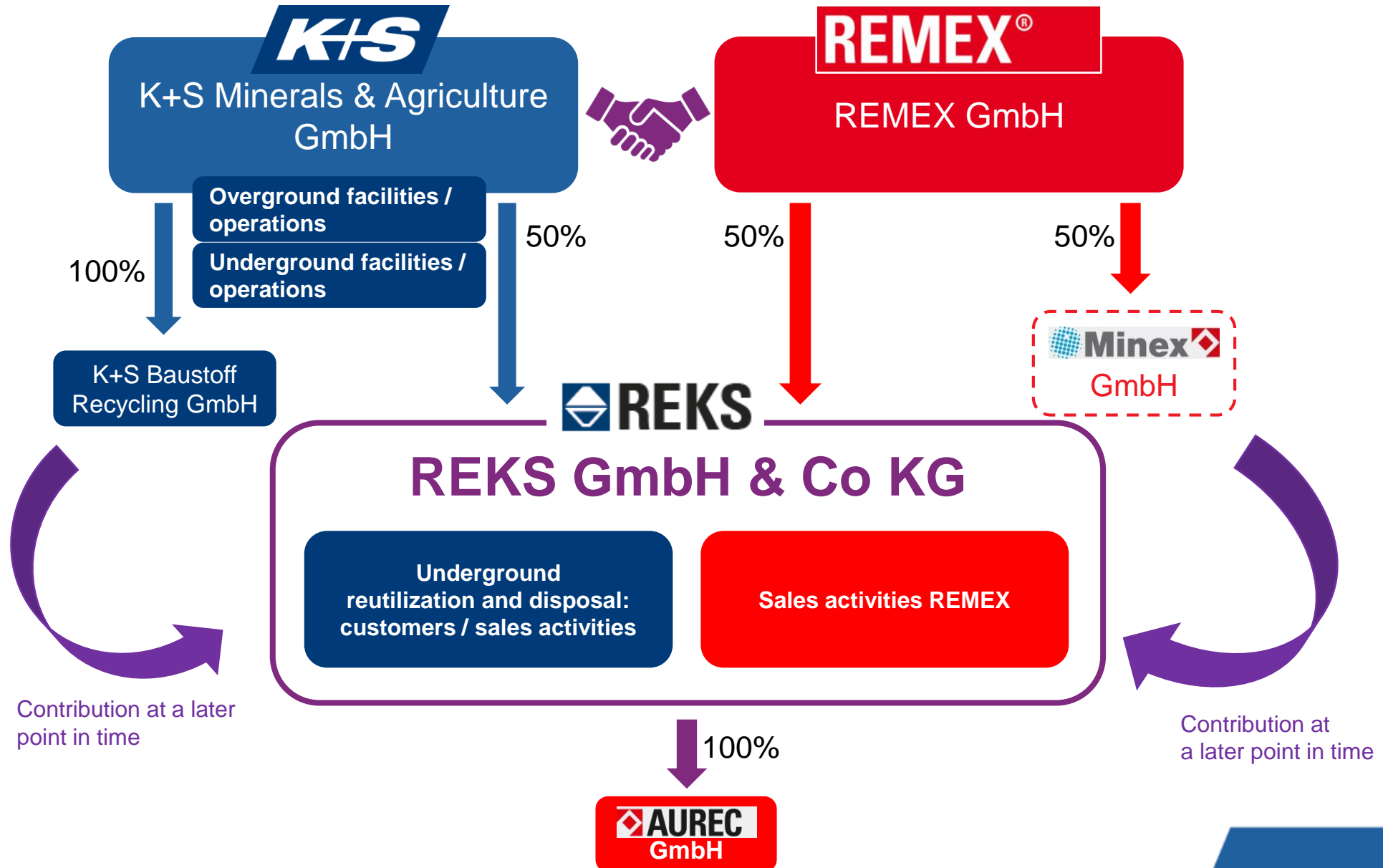


REMEX®



AUREC

Target structure of REKS GmbH & Co KG








Additional information

Financial calendar

2020/2021

Annual Report 2020	11 March 2021
Quarterly Report; 31 March 2021	11 May 2021
Virtual Annual General Meeting	12 May 2021
Dividend payment (subject to resolution of the AGM)	17 June 2021
Half-yearly Financial Report, 30 June 2021	12 August 2021
Quarterly Report, 30 September 2021	11 November 2021

More content available online

- K+S Website: www.kpluss.com
- Annual reports: www.kpluss.com/ar2019
- Newsletter subscription: www.kpluss.com/en-us/investor-relations/service/newsletter
- Social Media:     

IR Contact Details



Dirk Neumann
Head of Investor Relations
Phone: +49 561 / 9301-1460
Fax: +49 561 / 9301-2425
d.neumann@k-plus-s.com



Julia Bock, CFA
Senior Investor Relations Manager
Phone: +49 561 / 9301-1009
Fax: +49 561 / 9301-2425
julia.bock@k-plus-s.com



Janina Rochell
Investor Relations Manager
Phone: +49 561 / 9301-1403
Fax: +49 561 / 9301-2425
janina.rochell@k-plus-s.com

K+S Aktiengesellschaft
Bertha-von-Suttner-Str. 7
34131 Kassel (Germany)

e-mail: investor-relations@k-plus-s.com
homepage: www.kpluss.com
IR-website: www.kpluss.com/ir

Disclaimer

No reliance may be placed for any purpose whatsoever on the information or opinions contained in the Presentation or on its completeness, accuracy or fairness. No representation or warranty, express or implied, is made or given by or on behalf of the Company or any of its respective directors, officers, employees, agents or advisers as to the accuracy, completeness or fairness of the information or opinions contained in the Presentation and no responsibility or liability is accepted by any of them for any such information or opinions. In particular, no representation or warranty, express or implied, is given as to the achievement or reasonableness of, and no reliance should be placed on any projections, targets, ambitions, estimates or forecasts contained in this Presentation and nothing in this Presentation is or should be relied on as a promise or representation as to the future.

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.

This Presentation is subject to change. In particular, certain financial results presented herein are unaudited, and may still be undergoing review by the Company's accountants. The Company may not notify you of changes and disclaims any obligation to update or revise any statements, in particular forward-looking statements, to reflect future events or developments, save for the making of such disclosures as are required by the provisions of statute. Thus statements contained in this Presentation should not be unduly relied upon and past events or performance should not be taken as a guarantee or indication of future events or performance.

This presentation has been prepared for information purposes only. It does not constitute an offer, an invitation or a recommendation to purchase or sell securities issued by K+S Aktiengesellschaft or any company of the K+S Group in any jurisdiction.