

Press Release

Kassel (Germany), October 17, 2022

Innovative ways in extraction and production **K+S sets up Werra plant for the future**

- **Strengthening competitiveness and securing the plant's long-term future until 2060**
- **Increased and more stable production in the long term**
- **Significant reduction of the environmental footprint and securing of jobs in the region**
- **Further reduction of liquid and solid residues**
- **Significant increase in energy efficiency with simultaneous reduction of CO₂ emissions**
- **Important step towards long-term decarbonization of the potash industry**
- **Future-oriented product portfolio with specialties**
- **Conversion to be implemented during ongoing production until 2026/2027**

K+S is taking a major step in the strategic optimization of its existing business and the further reduction of the environmental footprint of domestic potash production. The extensive “Werra 2060” project strengthens competitiveness and extends the life of the Werra plant with increased and more stable production in the long term. It secures jobs and value creation in the region in the long term and ensures that K+S can continue to supply its customers with future-oriented products.

“We are establishing long-term future prospects for our Werra integrated plant up to the year 2060 and strengthening the plant's competitiveness. In accordance with our climate strategy, we will increasingly use innovative, dry processing methods in the future, significantly reduce our emissions and at the same time take an important step



towards the long-term decarbonization of domestic potash production," says Dr. Burkhard Lohr, Chairman of the Board of Executive Directors of K+S Aktiengesellschaft. "Werra 2060 will significantly reduce the environmental impact of the plant. This demonstrates our own commitment to being a pioneer in sustainable mining," Lohr is convinced.

Conversion of factories to dry processing methods

The Unterbreizbach (Thuringia) and Wintershall (Hesse) sites of the Werra integrated production plant will be converted to a dry processing method by 2026/2027. K+S is relying on the so-called electrostatic separation (ESTA) process to sort salt minerals dry without the use of water. This technology, which is well established in the Company, has now been decisively further developed. Downstream energy- and wastewater-intensive hot solution and flotation processes are therefore no longer required and have been discontinued. The plant at the Hattorf site will continue to operate with the current technology for the time being.

Halving of process water

The conversion of production at the Unterbreizbach and Wintershall plants will more than halve the total volume of process water for the Werra plant to one million cubic meters per year. The remaining water will be disposed of off-site or is suitable for storage, in which certain salt solutions from potash production are sustainably and permanently stored underground.

Less gas required and lower CO₂ emissions

The steam requirement is also reduced by using the dry instead of the wet processing method. As a result, the power plants can be operated with significantly reduced output and minimized natural gas requirements. CO₂ emissions are reduced by around 50 percent at the Unterbreizbach and Wintershall sites.



New extraction process and expansion of dry backfill

The implementation of the new technologies also enables a new extraction process. In this process, solid production residues are transported into the mining cavities and have a stabilizing effect. This effect makes it possible to utilize part of the salt present in the pillars for processing. This significantly increases the yield of mineral resources at the site. At the same time, the expansion of the Wintershall tailings pile planned for the early 2030s will no longer be necessary to the extent envisaged.

Further development of the specialties portfolio

The conversion of processes is also accompanied by a further development of the product portfolio. The market position for potash-magnesium fertilizers will be significantly strengthened. Moreover, the share of rolled granules, which previously accounted for only a small part of production, will increase. The product portfolio will become more competitive overall in terms of cost, sustainability, and quality criteria.

Conversion of the plant provides many opportunities

“With the implementation of Werra 2060, we will be able to utilize the valuable potash reserves of the Werra deposit in a value-adding way until 2060. The operating life of the Unterbreizbach site (Thuringia) will be extended to 2040. At the same time, we are setting new standards in terms of sustainability and economic efficiency,” says Dr. Burkhard Lohr. “Werra 2060 provides us with the opportunity to supply our customers with future-oriented products and continue to be an attractive employer and reliable partner for the site environment,” concludes Lohr.

Preparatory activities already started

Preparatory activities for project implementation are already underway above and below ground. At the Unterbreizbach plant, construction work will begin in 2023 and is scheduled for completion by the end of 2026. The conversion of the Wintershall plant will start in 2024 and last until mid-2027. Implementation will take place during ongoing production so that operational breaks can be optimally utilized.



Notes

Further information and facts about the Werra 2060 project are available on our website www.kpluss.com. Here you will find a video with Dr. Burkhard Lohr, Chairman of the Board of Executive Directors of K+S, as well as further information providing details on the project. On November 10, 2022, further financial figures of the project will also be disclosed as part of the Q3 reporting.

About K+S

We make an important contribution to society: We enable farmers securing the world's food supply. Our products keep numerous industries running. We enrich consumers' daily lives and ensure safety in winter. With around 11,000 employees, production sites on two continents, and a global distribution network, we are a reliable partner for our customers. At the same time, we are realigning ourselves: We are focusing even more strongly than before on fertilizers and specialties. We are becoming leaner, more cost-efficient, more digital, and more performance-oriented. On a solid financial basis, we are tapping into new markets and business models. We are committed to our responsibility towards society and the environment in all regions in which we operate. Learn more about K+S at www.kpluss.com.

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