



Policy Statement

K+S Group Policy Statement on Respect for Human Rights and Associated Environmental Standards

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Foreword by the Board of Executive Directors

Wherever we are in the world, we must treat each other respectfully and act accordingly. We are aware of our social responsibility and take our duty of care seriously. In accordance with our corporate goals, human rights and environmental standards constitute essential components of our activities and business relationships. This is also anchored in our K+S Values and our K+S Code of Conduct.

Our joint efforts are essential for setting a common high ethical standard for the way we do business in our Company and beyond. Respecting human rights and environmental standards as well as implementing due diligence in our operational processes is an important contribution to improving the human rights situation along our global supply and value chain. We accept this challenge and are committed to continuously developing our human rights and environmental due diligence processes by attaching great importance to them.

We raise our employees' awareness of issues concerning human rights and environmental standards with the aim of protecting the rights of people and communities in our value chain in collaboration with our business partners. For this purpose, we have developed defined processes to identify and prioritize human rights and environmental risks and take appropriate countermeasures where necessary. All employees are required to treat each other with respect and trust. We act with integrity and are firmly convinced that consistent adherence to our corporate values will enable us to move forward and fulfill our corporate duty of care.

We expect our partners to also comply with internationally recognized standards, operate sustainably, and pass on these expectations along their value chain.

Our Policy Statement on Respecting Human Rights and the Associated Environmental Standards reinforces our ongoing commitment. Implemented processes as well as measures will be regularly reviewed and adjusted if necessary. We will constantly strive towards putting our due diligence obligations into practice.

The Board of Executive Directors

About Us and Our Commitment

We enrich life for generations. 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. On a solid financial basis, we strive to open new markets and business models. At the same time, we are committed to our social and ecological responsibility in all the regions in which we operate.

As a Company, we respect the human rights and dignity of all people affected by our business activities and operate our business in an appropriate manner. This includes all our employees, contractors, and external stakeholders. The protection of human rights is a key element of our corporate responsibility. We therefore respect human rights in our own business activities as well as along our global supply and value chains.

We are a signatory to the United Nations Global Compact. Our commitment to respecting human rights is based on

- the International Bill of Human Rights, i.e., the United Nations Universal Declaration of Human Rights,
- the United Nations Guiding Principles on Business and Human Rights (UN Guiding Principles),
- the OECD Guidelines for Multinational Enterprises and
- the International Labor Organization's Declaration on Fundamental Principles and Rights at Work (ILO Core Labor Standard).

We comply not only with the international standards, but also with the relevant national regulations, in particular the requirements of the German Act on Corporate Due Diligence in Supply Chains (LkSG). Consequently, we always keep an eye on the value chain in addition to our own business area.

Furthermore, we make a direct contribution to the fulfillment of the United Nations' Sustainability Development Goals (SDGs).

Our Commitment to Human Rights and Environmental Standards

We are committed to respecting internationally recognized human rights and observing them in our business activities and along our value chains.

We have a long-standing commitment to focus on the most important human rights risks. These include in particular:

The Ban on Child and Forced Labor

We prohibit any form of forced labor, modern forms of slavery or human trafficking in our operations. Therefore, we do not tolerate these in our value chain and will act against violations. We prohibit and refrain from any form of child labor. Therefore, we strive to identify any form of child labor in our operations and value chain and act against violations.

Non-Discrimination and Equal Opportunities

We value and accept diversity and inclusion. Our combined wealth of skills, perspectives, and experience creates better solutions for our customers. Furthermore, we prohibit discrimination based on gender, age, skin color, ancestry, ethnic or social origin, nationality, sexual orientation, religion, belief or disability and work to maintain a work environment free from discrimination or harassment.

Freedom of Association and Collective Bargaining

We respect the right of our employees to establish a works council, a collective bargaining association or other employee representation and enter collective bargaining to the full extent of applicable laws, rules, and regulations.

Health, Occupational Safety and Fair Working Conditions

We ensure that the dignity of employees is respected. The protection of health and occupational safety is a top priority for the K+S Group. We are also committed to compliance with occupational health and safety. We do not tolerate any form of bullying, abuse, reprimand, or harassment. This includes, in particular, offensive or discriminatory behavior as well as any form of sexual harassment.

We are also committed to ensuring compliance with applicable laws on wages, working hours, overtime, and social benefits. Our employees receive wages and salaries that are appropriate and comply with applicable national laws or, in countries where no minimum wage laws exist, with the applicable local industry standard and the terms of applicable collective bargaining agreements.

Protection of Livelihoods and Indigenous Communities

We oppose the unlawful deprivation of livelihoods in any form (housing, land, forests, or water). We recognize and respect the specific culture, history, and rights of indigenous peoples who may be particularly affected by resource extraction in many parts of the world. We comply with national laws on consultation with indigenous peoples and seek free, prior, and informed consent where required.

Forced Eviction and Deployment of Security Forces

We do not tolerate unlawful forced evictions or the deployment of security forces if their deployment entails the risk of human rights being violated or restricted.

Environmental Aspects

We continuously strive to minimize the impact on nature and the landscape associated with the extraction and processing of raw materials.

As part of this, we are committed to the Minamata Convention and dispose of mercury in accordance with legal requirements, whereby we do not carry out any mining or processing ourselves. We comply with the obligations of the Stockholm Convention on Persistent Organic Pollutants (POPs). Furthermore, we do not export any (hazardous) waste and imports are carried out in accordance with the requirements of the Basel Convention.

This policy statement demonstrates our fundamental commitment to respecting human rights and the associated environmental standards. This is already reflected in our corporate guidelines. Alongside our statements in the Annual Report on "Business ethics and human rights", these include:

- Corporate Policy on Safety, Health, Environmental Protection, Quality and Sustainability of the K+S Group
- K+S Code of Conduct
- K+S Code of Conduct for Suppliers
- Commitment to the Diversity Charter and Diversity Charter 2020
- K+S Modern Slavery Statement

Fulfilling Our Due Diligence Obligations

We always comply with applicable laws for the protection of human rights and environmental standards, such as the Act on Corporate Due Diligence in Supply Chains (LkSG). Where local law and international human rights are not aligned, we will act in accordance with the higher standard. We strive to continuously fulfill our obligations through thorough due diligence, consistent stakeholder engagement, transparent communication, and continuous improvement of our internal policies and processes.

Our policy statement therefore also describes an expectation directed at all employees of the K+S Group. We regularly organize "*awareness campaigns*" and an annual "*Diversity Week*" within the Company to raise the awareness of all our employees for respecting human rights. Other measures include notices and portal messages. Our K+S Code of Conduct also contains recommendations on respectful interaction. The necessary knowledge for compliance with human rights and environmental due diligence processes is imparted in relevant specialist areas, e.g., in the form of training courses.

With our Code of Conduct for Suppliers, we formulate our expectations of our suppliers and other business partners to ensure their commitment to the principles set out, implement appropriate processes to respect human rights and environmental standards, and pass on these expectations to their own suppliers. Our suppliers and other business partners should also provide appropriate information on request about how they address the aforementioned principles and what processes and measures they have established to ensure the best possible compliance.

Identifying, Monitoring, Prioritizing and Counteracting Risks

As a Company, we have the opportunity to strengthen the protection of human rights in various ways. We are aware of the potential human rights and environmental risks that may be associated with our business activities. We consider it part of our duty of care to identify potential and actual adverse risks and impacts of our business activities on people and the environment in the value chain.

We continue to strive to analyze, document, and better understand our risks and their specific connection to our Company through structured risk assessments gradually and then regularly. As a first step, we began conducting compliance risk analyses with our Group companies in 2021 and implementing a control process. These risk analyses have now been expanded with a view to the LkSG. We are therefore also addressing the human rights and environmental due

diligence obligations to our Group companies and taking appropriate measures to counteract any risks identified.

Against the background of the LkSG, we are now also comprehensively analyzing both human rights and environmental risks with respect to our supply chain. The concept developed for carrying out the risk analysis is currently being implemented. This enables us to identify topics and risks that we consider to be priorities in individual cases due to their potential severity, our ability to influence them, and other suitable criteria.

Implementing Countermeasures for Identified Risks

The results of the analysis of human rights and environmental risks and impacts are incorporated into relevant business processes, in particular into our supplier management and internal processes in our own business area.

If a specific risk is identified at a direct supplier (risk supplier), a team of experts defines appropriate preventive measures for the individual case. The aim is to protect the (potentially) affected persons and avoid or at least mitigate adverse human rights impacts. We have established standardized processes for this purpose and will continue to refine them as necessary. Besides deciding on the measures to be taken, the team of experts also determines the time frame for their implementation. In our view, suitable preventive measures include, for example:

- **Contractual assurance:**
If a risk is identified at a direct supplier, for example, a contractual assurance can be requested
- **Audits:**
Audits or inspections can also be carried out in the area of activity of a direct supplier where a risk has been identified.
- **Training and further education:**
We will carry out targeted training and further education (e.g., on equal treatment, appropriate wages, occupational health and safety, etc.) in the relevant own business areas and at suppliers where a risk has been identified.

Dealing with Actual Violations

In cases where we identify an actual violation of human rights or the violation of an environmental obligation, we consistently follow up on the findings and immediately take appropriate and effective corrective measures to stop the violation or mitigate the extent of the violation as far as possible. Besides creating a concept to end or minimize the extent of the violation, the time frame for implementing the concept and, if necessary, further corrective measures should

also be defined in these cases. In individual cases, the termination of cooperation can also be a measure with which we react to violations of the legal positions specified by the LkSG.

Assessing the Effectiveness of Our Measures

We continuously monitor the effectiveness of our due diligence compliance and make appropriate adjustments if we identify potential for optimization. In this context, we review the effectiveness of our measures to prevent and mitigate adverse human rights or environmental impacts at least once a year, but also on an ad hoc basis.

We document the fulfillment of our due diligence obligations within the Company in an appropriate manner on an ongoing basis. We also actively strive to compensate for negative impacts to which we have contributed through our business activities, whether directly or indirectly.

Anchoring Risk Management in our Company

We have defined clear responsibilities for exercising and complying with our human rights and environmental due diligence obligations. Internally, we regularly report on the progress of our activities to all relevant stakeholders.

Externally, we report in the K+S Annual Report, in the report to the Federal Office of Economics and Export Control (BAFA), the statement on the UK Modern Slavery Act, as well as at events or in discussions with political representatives. We answer questions from interested parties and participate in a continuous exchange of experience, e.g., in industry initiatives, associations, or company networks.

We have appointed a Human Rights Officer to centralize the monitoring of our risk management. An interdisciplinary working group composed of members from the Compliance, Procurement, Supply Chain, Legal and Sustainability departments is responsible for the operational implementation of our human rights and environmental due diligence processes.

Our Whistleblower System "SPEAK UP!"

We do not tolerate any form of human rights violations. Appropriate and effective grievance management is therefore an important part of our due diligence processes to effectively prevent and remedy any potential adverse impacts caused by our Company and our business activities.

Our whistleblower system "SPEAK UP!" provides internal and external stakeholders worldwide, such as employees, contractors, and communities, with the opportunity to raise concerns, including on human rights issues and environmental violations. Concerns can be raised anonymously and in various languages.

The whistleblower system is a confidential communication channel. Access options are communicated proactively. All reported information and substantiated suspicions about possible human rights or environmental violations in accordance with the LkSG are processed as part of a transparent, balanced, and predictable process for all parties involved.

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