

Report regarding Gender Equality and Equal Pay

Published as annex to the management report 2017 according to the "Act on advancing the transparency of remuneration between women and men" (EntgTranspG)

According to sections 21, 22 of the "Act on advancing the transparency of remuneration between women and men" (Gesetz zur Förderung der Entgelttransparenz zwischen Frauen und Männern; Transparency of Remuneration Act, Entgelttransparenzgesetz – EntgTranspG), K+S Aktiengesellschaft has to prepare a report every five years as annex to the management report. Deviating from the term of the financial statement and the management report, the relevant reporting year for the first report in 2018 is the year 2016, in accordance with the legal requirements.

1. Measures on promoting gender equality and their results

We are committed to equal opportunities. This has been laid down in our Core Values and Principles (Code of Conduct). We have confirmed this approach by signing the UN Global Compact and the Diversity Charter. A diversity and anti-discrimination concept will be firmed up in the future.

We offer our employees in Germany individual part-time arrangements and support them through family friendly initiatives in order to balance the requirements of working and family life. These initiatives include additional leave for emergency situations where childcare is required at short notice, further training opportunities during parental leave or an advisory service for employees with dependents requiring care. We also offer a day care centre close to the Company headquarters in Kassel. For over ten years, employees of K+S Aktiengesellschaft as well as its subsidiaries at the Kassel site have benefitted from trust-based working hours.

In accordance with the German Act on Equal Participation of Women and Men in Management Positions, the minimum percentage of women and men on the Supervisory Board is 30 % respectively. For the Board of Executive Directors, the defined target figure for the percentage of women of 0 % has been met for the first period until 31 December 2016. For the period until 1 December 2020, the Supervisory Board of K+S Aktiengesellschaft has again set a target figure for the percentage of women on the Board of Executive Directors of 0 %.

In accordance with the legislation, we have set target figures for the percentage of women at management levels below the Board of Executive Directors of K+S Aktiengesellschaft. A target figure of 13 % was set for management team I of K+S Aktiengesellschaft for the first period until 31 December 2016, and a target figure of 10 % for management team II. We thus built on the status quo when formulating the targets. As at 31 December 2016, the target figure for the percentage of women in management team I of 13 % was met and the target figure for the percentage of women in management team II was slightly exceeded at 11 %. The Board of Executive Directors has determined a target figure of 13 % for management team I and a target figure of 11 % for management team II for the period until 31 December 2021.

2. Measures taken to achieve equal pay.

In the K+S Aktiengesellschaft, we pursue the aim of rewarding our employees across the world in line with the market and in relation to performance. The equal pay of our German tariff system was confirmed by the Federal Anti-Discrimination Agency. The introduction of a new collective wage agreement was completed at all locations in Germany in 2015. Industrial, commercial and technical occupations are now comparable for the first time in one system. All employees covered by the framework collective agreement for the potash and rock salt mining industry have been transferred from the previous collective wage agreement to the new one. The performance appraisal components included in the rate structure will be uniformly applied to all sites for the first time from May 2017.

As part of our regular review of our remuneration system, roles not covered by collective wage agreement were assessed in 2016 based on standard criteria across the Group. In a further step, the required needs for adjustment were determined as part of a market comparison of remuneration for employees not covered by a collective wage agreement in terms of commensurability with performance and market compliance. Results were communicated to the employees in 2017 and implemented beginning of 2018 accordingly.

3. Broken down statistical information¹

Annual average of employees 2016

	Men	Women	total
	596	303	900
Thereof:			
Full-time employees	562	193	755
Part-time employees	34	110	145
Thereof trainees	6	10	16

¹ Rounding differences may arise in percentages and numbers.

About K+S

K+S considers itself as a customer-focused, independent minerals company for the segments of Agriculture, Industry, Consumers, and Communities and wants to grow the EBITDA to € 3 billion in 2030. Our over 14,000 employees enable farmers to provide nutrition for the world, provide solutions that keep industries going, improve daily life for consumers and provide safety in the winter. We continually meet the growing demand for mineral products from production sites in Europe, North and South America as well as a worldwide sales network. We strive for sustainability because we are deeply committed to our responsibilities to people, environment, communities and economy of the regions in which we operate. Learn more about K+S at www.k-plus-s.com.

K+S Aktiengesellschaft

Bertha-von-Suttner-Straße 7

34131 Kassel

www.k-plus-s.com

Chairman of the Supervisory Board: Dr. Andreas Kreimeyer

Board of Executive Directors: Dr. Burkhard Lohr (Chairman), Thorsten Boeckers, Dr. Thomas Nöcker, Mark Roberts

Registered Office: Kassel

Commercial Register: Kassel HRB 2669