

Measures for enabling redundancies

Conditions for the submission of acceptance declarations as well as for the recovery of hazardous APCR as a provider of redundancies

1 As of November 29, 2021, K+S Minerals and Agriculture GmbH ("K+S") undertakes to issue acceptance declarations on the recovery of hazardous APCR to producers of hazardous flue gas cleaning residues ("APCR") located in Germany for a period of fifteen years. The relevant communication with the waste producer shall be conducted by REKS GmbH & Co. KG ("REKS").

2 Hazardous APCR within the meaning of these conditions are wastes with one of the following waste code numbers according to the Ordinance on the European Waste Catalog of December 10, 2001 (Federal Law Gazette I p. 3379), as last amended by Article 1 of the Ordinance of June 30, 2020 (Federal Law Gazette I p. 1533):

- 10 01 04*,
- 10 01 13*,
- 10 01 16*,
- 10 01 18*,
- 10 02 07*,
- 10 03 19*,
- 10 03 21*,
- 10 03 23*,
- 10 04 04*,
- 10 04 06*,
- 10 05 03*,
- 10 05 05*,
- 10 06 03*,
- 10 06 06*,
- 10 08 15*,
- 10 09 09*,
- 10 09 11*,
- 10 10 09*,
- 10 10 11*,
- 10 11 15*,
- 10 12 09*,
- 10 13 12*,
- 19 01 05*,
- 19 01 07*,
- 19 01 13*,
- 19 01 15*.

3 The submission of a declaration of acceptance by K+S shall be subject to the following conditions:

- The waste producer expresses his concrete interest to REKS or K+S that K+S issues an acceptance declaration for hazardous APCR in relation to an underground backfill facility ("UTV plant") of K+S. The waste producer can contact the responsible contact person, Mr. Ralf Boppert: e-mail ralf.boppert@reks.de, phone +49 561 47528 150. The acceptance process will then be executed and organized by REKS.
- The acceptance of the hazardous APCR concerned is technically feasible in the respective UTV plant, legally permissible, and the relevant hazardous APCR are suitable as backfill material.

4 In this context, REKS, as a provider of redundancy, will accept hazardous APCR from waste producers for subsequent recovery in a K+S UTV plant for a period of fifteen years from November 29, 2021. This shall take place under the following conditions:

- The waste producer or a third party appointed by him (e.g. an intermediary) expresses his concrete interest to REKS to have a certain amount of hazardous APCR disposed of by REKS as a provider of redundancy in a UTV plant of K+S. The waste producer or a third party engaged by him can contact the responsible contact person Mr. Ralf Boppert: e-mail ralf.boppert@reks.de, phone +49 561 47528 150. A "specific volume" in this context is one or more emergency delivery/deliveries triggered by a short-term disruption.
- The waste producer concerned holds a valid waste management certificate for the requested UTV plant of K+S.
- The waste producer concerned, or a third party engaged by him, and REKS shall agree on a disposal agreement in this respect at standard market conditions and within the scope of the delivery capacities still available.

5 The term "redundancy" in this context refers to the acceptance of hazardous APCR by a waste management company in a situation where the actual designated waste management company is demonstrably unable to accept the hazardous APCR due to short-term unscheduled operating circumstances (e.g., due to a short-term malfunction of its UTV plant or in similar scenarios). "Short-term" is defined as a period of up to seven days. By way of background, it is common for generators of hazardous APCR to have such an option, in addition to their contracted waste management company, that their hazardous APCR are shipped to another waste management company's UTV plant because the actual designated waste management company is unable to accept the hazardous APCR for a short period of time.

6 The following shall apply for the determination of the arm's length conditions:

- In January of each year, REKS determines the average revenues of the previous year achieved by REKS per UTV site for hazardous APCR, excluding transportation costs, in EUR/tonne, for delivery in silo trucks as well as for delivery in big bags suitable for use in the UTV plants concerned.
- Any wage increases in the previous year are added to these two figures. The index of collectively agreed monthly wages for "other mining" as published by the Federal Statistical Office, Specialist Series 16, Series 4.3, Table 2.1 "Germany", WZ 2008 B. 08-09, is used to determine this mark-up. The index of the previous year's average is applied.
- Moreover, any price increases for capital goods are added to these two figures. This mark-up is determined based on the index of products of capital goods producers as published by the Federal Statistical Office, Specialist Series 17, Series 2, Serial No. 3. The index is calculated based on the average of the indices valid for the months of January to December in the previous year.

7 The values formed in the manner just described shall constitute the "base offer prices". The base offer prices are subsequently applicable from April 1 of each year to March 31 of the following year.

8 REKS undertakes to offer to waste producers who request to have hazardous APCR disposed of by REKS as a provider of redundancy in a UTV plant of K+S an acceptance of the hazardous APCR at the basic offer prices, plus the respective transportation costs incurred, which shall be borne by the waste producer. This applies regardless of whether the waste producer approaches REKS himself or via a third party (e.g. an intermediary). REKS shall be entitled to deviate from the basic offer prices by up to 5 percent to be able to react appropriately to developments during the year (e.g. strong market price fluctuations).

9 REKS and the waste producer may, however, also agree on a remuneration arrangement deviating from the above.

10 REKS will provide further confidential information to a waste producer or a third party engaged by the waste producer who has a concrete interest in the delivery of hazardous APCR in a redundancy situation and in the conclusion of a corresponding disposal agreement and who has concluded a non-disclosure agreement with REKS. This includes the concrete pricing mechanism described above for the determination of market conditions.