

## **Measures for cooperation with intermediaries and other competitors**

### **a) Conditions for the use of the quota for intermediaries**

**1** As of November 29, 2021, K+S Minerals and Agriculture GmbH ("K+S") will hold capacity totaling 50,000 tonnes per year for the recovery of hazardous residues from flue gas cleaning ("APCR") in its underground backfill facilities ("UTV plant") for a period of ten years, which is intended for cooperation with intermediaries ("intermediary quota").

**2** A company always acts as an intermediary in this sense if it does not market its own disposal capacities, but rather disposal capacities of third parties. In this context, the term "intermediary" also includes competitors of K+S or REKS GmbH & Co. KG ("REKS"), which have their own UTV plants but also intend to market capacities of K+S/REKS. The intermediary quota is also accessible to these competitors.

**3** Hazardous APCR within the meaning of these conditions are wastes with one of the following waste code numbers in accordance with the Ordinance on the European Waste Catalog of December 10, 2001 (Federal Law Gazette I p. 3379), last amended by Art. 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\*.

**4** The intermediary quota is not distributed by K+S but by REKS. Intermediaries located in Germany who wish to make use of this quota can conclude and/or continue a corresponding disposal agreement with REKS. The following prerequisites apply for the conclusion of a disposal agreement:

- An intermediary expresses to REKS its concrete interest in marketing a certain amount of disposal capacities of K+S (in tonnes) for the disposal of hazardous APCR in a specific scope. The intermediary

can contact the responsible contact person Mr. Ralf Boppert: e-mail ralf.boppert@reks.de, phone +49 561 47528 150.

- The intermediary and REKS shall agree on a marketing contract in this respect at arm's length conditions.

**5** 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.

**6** 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.

**7** REKS will offer to intermediaries who request to market capacities from the intermediary quota an acceptance of the hazardous APCR at the base offer prices, plus the respective transportation costs incurred, which shall be borne by the intermediary. REKS is entitled to deviate from the basic offer prices by up to 5 percent in order to be able to react appropriately to developments during the year (e.g. strong market price fluctuations).

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

**9** REKS will provide further confidential information to intermediaries who have a concrete interest in using the quota and concluding a corresponding disposal agreement. This shall include the concrete pricing mechanism described above for the determination of market conditions.

**10** Intermediaries and other competitors who meet the criteria described above for entering into an agreement with REKS will generally be given access in chronological order - i.e. those who express their interest early and have entered into a non-disclosure agreement with REKS can access the intermediary quota chronologically before intermediaries / competitors who express their interest later (*"first come, first served"*).